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# An Examination of Rural Housing Development Programs, Issues and Strategies

*With a Special Focus on Rural Indiana*

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December 2016*





## Introduction

In response to a request by the Indiana Office of Community and Rural Affairs, the Purdue Center for Regional Development was asked to take a brief examination of national, state and local housing programs and/or policies that are intended to improve the availability and quality of rural housing. This includes programs that promote the growth of market rate housing – residential and rental housing that are priced at current market rates and are not subsidized in any way. As such, the first portion of this report (i.e., Part A) briefly showcases a mix of federal housing programs and policies, especially those that are intended to address housing issues in rural areas of the U.S. It also highlights state housing programs/policies found in the nation’s 50 states, information that can be of value to state and local leaders and organizations as they seek to assess innovative housing development programs being implemented in various states. In the final section of Part A, a review is undertaken

of a the limited number of programs that have been enacted by a small number of city and county governments that are designed to encourage expansion of market rate housing, particularly in areas experiencing housing shortages.

The second portion of this report (Part B) provides results of a series of focus group meetings held in seven rural communities/counties in the spring of May 2016. The purpose of these sessions was to garner the input of people with a good understanding of housing issues in their respective community or county. Part B profiles each of the study sites and outlines the key housing issues and challenges existing in the community/county. A synopsis of the underlying themes emerging from the seven sites is offered in the concluding section of Part B.

### **PART A: Housing Development Policies**

#### *A Brief Assessment of National, State & Local Strategies*

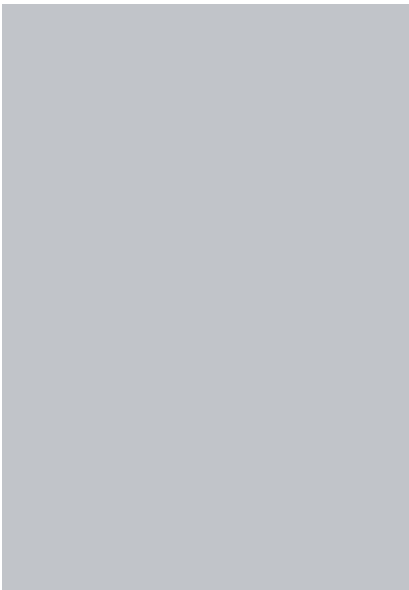
Housing policy in the United States influences housing stock and occupancy through individual and commercial owners, tenants, and communities. By issuing loans, loan guarantees, grants, subsidies, and tax breaks, governments are positioned to expand and rehabilitate the housing stock, as well as decrease the cost of housing for low-income, elderly, or veteran Americans.

### **Federal Policies**

Federal housing policies are primarily administrated through the Department of Housing and Urban Development (HUD), the U.S. Department of Agriculture’s Rural Development (USDA RD) mission area, and the Department of Veterans Affairs (VA).<sup>1</sup> Programs associated with these three departments have different

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<sup>1</sup> The Federal Housing Administration (FHA) within HUD and Rural Housing Service (RHS) within USDA RD are frequently referenced as loan and loan guarantors by state housing finance agencies.



foci; USDA RD focuses on the expansion, improvement, and affordability of rural housing, HUD does the same for low-income and elderly individuals, while the VA focuses on the housing needs of veterans. While HUD and VA programs are not specifically intended for rural areas, they are available to qualifying individuals and developers in rural areas. Housing development and ownership incentives, in the form of tax deductions and credits, are also offered through the Department of Treasury.

The most publicized rural housing policies are those affecting the purchase of homes through the Section 502 direct loans and guaranteed loans with low interest rates. Available programs also assist self-construction of new homes and rehabilitation of substandard or dilapidated homes in rural areas. Growth in the stock of affordable rural rental units is encouraged through low-interest loans for facilities in which tenants pay basic rent or 30 percent of adjusted income. Rental assistance through subsidies is also available in rural areas for the elderly, disabled, and those who make less than 80 percent of area median income. The Section 514/516 loans and grants also specifically target improving the housing stock for on- and off-farm workers.

These policies focus on decreasing housing costs for residents, rather than increasing the housing stock. Of the \$2.7 billion in USDA RD obligations by September 2016, only 13 percent was targeted for improvements and expansion of rural housing stock. This does not include the \$16.4 billion obligations in loan guarantees.<sup>2</sup>

## State Policies

State housing cost reduction and stock development policies focus on low-income households, elderly, and veterans, rather than the urban or rural location of that housing. In states such as Montana, there are few places that are not considered to be rural, possibly making the implementation of rural-specific housing policies superfluous. Conversely, 16 percent of states do not specifically address rural housing at all.

State rural housing policies rely heavily upon federal programs; 78 percent of state housing finance agencies mention or link to USDA RD programs. These states often have a “value added” approach, combining federal loans or loan guarantees with state-funded grants or low-interest second mortgages to reduce down payment and closing costs. These programs are generally not linked exclusively to rural housing assistance, and the federal funding that comprises the bulk of the funding may be from the HUD FHA, USDA RD, or the VA. Mortgage credit certificates are also frequently used in conjunction with federal loans.

Rural-specific housing programs exist in 22 percent of states. These programs are varied, many moving beyond the monetary support for individuals and developers that federal policies employ. Home buying counseling is provided to rural residents in Colorado and New Mexico. Idaho and Connecticut offer economic and housing development advice to rural communities, and North Dakota provides grant funding for communities to commission housing market surveys. New York also assists communities by funding community-based non-profit housing corporations. Kansas also helps communities by funding grants to improve infrastructure that supports housing. Another notable unique housing policy is a Minnesota program to stop the spread of blighted housing through zero interest loans from the seller (now defunct).

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<sup>2</sup> Numbers were calculated using Sections 504, 514, 515, 516, 523, 524, 533, and 538 for programs increasing housing stock and Sections 502 and 521 for programs decreasing cost. Data is from the Housing Assistance Council’s report on the USDA RD FY 16 obligations as of September. <http://www.ruralhome.org/sct-information/usda-housing-program-data/rd-obs/1396-fy16-rd-september-obligations>.

## City Market Rate Policies

Very few cities and counties have published policies promoting the development of market rate housing. Most are interested in increasing the supply of subsidized and affordable housing through housing opportunity ordinances and density bonus ordinances that allow developers to build more market rate units if they fulfill quotas for affordable housing units. These programs encourage mixed income housing so that the market price and affordable units are located in the same development.

Springfield and Holyoke, Massachusetts, Baltimore, Maryland, and Sheboygan, Wisconsin, are communities that have market rate housing policies. For all four communities, increasing the number of market rate housing units is part of their downtown revitalization projects. They are incentivizing the housing development through tax credits, tax exemptions, and tax increment financing districts. Kent, Ohio, accomplished a similar project, revitalizing their downtown through a public-private partnership that included commercial space, entertainment, improved transportation and new market rate housing.

Rural areas have lower market rental rates, making them less profitable for housing developers which may create a housing shortage.<sup>3</sup> To offset this effect, Mount Pleasant, Iowa, is promoting the construction of moderate-income affordable housing by loaning funds to developers at a low interest rate as part of the Iowa Housing Loan Program. Another approach was developed by J Van Sickle & Company. They propose lowering development costs by offering former land owners and professionals contributing to the development a part ownership in the property. In combination with a new zero-cost management system, the company claims to have made the construction of new market rate housing a viable option in rural areas.

## Housing Programs and Policies: A List of Resources

As a way of helping place valuable information on housing programs at the fingertips of local leaders and key organizations, we have prepared a list of the variety of federal housing-related programs provided by key federal agencies, the specific state-by-state housing websites, and the small number of cities or counties that have focused on spurring the growth of market rate housing. The information is available on the Indiana Rural Stats website.

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<sup>3</sup>Shortage of market-rate homes plagues rural communities" The Des Moines Register. 7 April 2014 <http://www.desmoinesregister.com/story/money/business/2014/04/05/rural-areas-suffer-housing-shortage/7341817/>

## **PART B: Housing in Rural Indiana**

### *A Case Study of Seven Rural Communities*

As Indiana communities seek to position themselves to achieve long-term vitality, one of the issues that emerges time and time again as a major barrier to economic growth is the limited availability of a diverse stock of decent housing, especially in smaller populated areas of the state. As such, a question commonly posed by local government and business leaders is as follows: “How can we attract and retain a quality workforce when the range of housing options for the current and potential labor force is constrained?” A related concern is the limited investments being made by private sector developers in the construction of owner- and renter-occupied housing. What are the set of forces that may be contributing to a reluctance by private sector developers to finance new market-rate housing in rural Indiana?

It is with these and related issues in mind that a team of researchers and practitioners from the Purdue Center for Regional Development (PCRD) and Purdue Extension decided to conduct a series of focus groups in seven targeted Indiana counties. Funded by the Indiana Office of Community and Rural Affairs (OCRA), the sessions were designed to capture the views, insights and concerns of local leaders and residents on the topic of housing. Such local views, coupled with the more quantitative housing profile prepared by PCRD, provided the Purdue team with the breadth of information needed to articulate both the challenges and potential strategies associated with the housing problem in rural Indiana.

Part B of our report begins by highlighting the methodology that was followed in all study sites. Next, the report provides a profile of each of the counties that served as the host sites for focus group meetings, including the diversity of stakeholders who took part in each session and the key insights they offered with regard to housing. Next, the report offers a synopsis of the issues and challenges that were consistently expressed at the study sites. The report concludes with a listing of the strategies that these communities across the state may consider as they seek to expand housing opportunities and options in their local area.

## **Overview of the Study Methodology**

Seven rural and rural/urban mix counties were visited during the month of May 2016: Daviess, Dearborn, Jasper, Putnam, Rush, Wabash and Washington counties. These specific sites were selected in order to ensure that a broad range of community stakeholders were engaged in the rural housing discussion. Individuals from the following sectors/interest groups were represented:

- Local, regional, state and/or federal government agencies = **32**
- Business and financial companies = **26**
- Economic development-related organizations = **14**
- Non-profit/non-governmental organizations = **19**
- Educational institutions = **12**
- Key demographic groups (i.e., senior citizens, racial/ethnic minorities) = **16**

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In total, **119** people participated in the focus groups.

**Table 1. Composition of Participants in the Rural Housing Focus Group Meetings, Spring 2016**

Participants	Rush	Jasper	Daviess	Dearborn	Putnam	Wabash	Washington
Total Participants	26	12	22	10	15	15	19
Local, regional, state and/or federal government agencies	7	4	7	4	5	2	5
Business and financial companies	8	1	3	0	2	4	8
Economic development-related organizations	2	2	2	2	1	3	2
Non-profit/non-governmental organizations	4	1	5	2	2	3	2
Educational institutions	2	1	3	2	2	2	0
Demographic groups to include senior citizens and racial/ethnic minority groups*	3	3	2	0	3	3	2

*\*Note that this category will already have individuals represented in other categories*

## Report Contents

Each of the focus group sessions involved a (recorded) roundtable discussion that honed in the following topics: housing assets, challenges, current needs, and strategies to address the local housing problems. We now offer a synopsis of the information collected at each county that served as the host site for one or more of the focus group meetings. Each county report includes a data profile of the county's housing landscape and briefly showcases the participants' perceptions of the local housing situation, specifically the homeowner and rental markets and other factors at play with regard to the quality and stock of local housing. After the results of the focus group meetings held in the seven county sites are presented, we conclude with a synthesis of the common housing needs found in our multiple study sites and share a list of possible strategies that might improve housing conditions in rural Indiana.

## Daviness County

Population: 32,729 \*\* Typology Definition: Rural/Mixed \*\* PCPI: \$36,914 \*\*

Top Industries: Manufacturing and Construction



### County Challenges

Twenty-two community members attended the Daviness County focus group. Of those who attended, a key concern was having enough individuals trained to work for employers located in the county, both presently and in the future. Tied to this issue is the limited quality housing options that exist for present and incoming workers. Stakeholders noted that the county is not presently prepared to handle a large influx of workers, hence present discussion of investments in infrastructure and land-use guidelines. Up until this point, the county has not been actively planning for housing nor adjusting its plan to account for demographic changes. The county has seen a shortage in forward-looking investors, influencing small businesses and housing. Lastly, county-wide public transportation is limited, as is the walkability, within specific communities in the county.

### Data Snapshot of Housing Situation

	2014 Data	2014 %	Change ('00-'14)		2014 Data	2014 %	Change ('00-'14)
<b>Total housing units</b>	<b>12,483</b>		<b>4.9%</b>	<b>Total housing units</b>	<b>12,483</b>		<b>4.9%</b>
Occupied Units	11,462	91.8%	5.2%	<b>Population in occupied units:</b>	<b>31,609</b>		<b>8.0%</b>
<i>Owner occupied</i>	8,513	74.3%	-0.5%	<i>Owner occupied</i>	24,324	77%	1.7%
<i>Renter occupied</i>	2,949	25.7%	26.3%	<i>Renter occupied</i>	7,285	23%	36.2%
Vacant housing units	1,021	8.2%	1.7%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	3,309	26.5%	6.3%	Single Family	10,117	81%	8.7%
1940 to 1959	2,356	18.9%	-4.3%	Mobile Home	1,140	9.1%	-13.4%
1960 to 1979	2,423	19.4%	-25.5%	Duplex	342	2.7%	6.2%
1980 to 1999	2,639	21.1%	-14.0%	Apartment	731	5.9%	-6.3%
2000 to present	1,756	14.1%	6.3%	Condo/Townhouse	137	1.1%	-4.2%
				Other	16	.13%	-48.4%

#### Quick Daviness County Housing Statements:

- 26% of county's homes are rentals
- 89% of apartments are low/moderate income
- 6% of apartments are market rate
- 38 units for affordable/low income in county
- 650 units in Washington
- Rent is approximately \$850 per month for a two-bedroom house/apartment
- Rent is approximately \$1,000 per month for a duplex with two or more bedrooms



## Housing Situation – Local Perspectives

### *Homeowner market*

Focus group attendees noted that the current availability of housing inventory varies across the county, but the majority of the homes established in the county are older and built prior to approximately 1950-1960. Many of these homes have two bedrooms and require significant renovation, thus not attractive to buyers, especially younger buyers. Prospective buyers would like homes between 1,400 – 2,000 square feet, with open room concept, stainless steel appliances, large closets and 3 – 4 bedrooms at a price range of \$125,000 – \$225,000, which is not readily available. Additionally, they say that incentives do not exist to entice home builders to invest in this price range. They commented that incoming residents often encounter challenges in finding land because landowners don't want to sell and infrastructure isn't in place. Amish pole built homes are provided upon request in Daviess County, but mortgage insurance is either difficult to obtain/ not available for them. Focus group participants were concerned that access to capital can be challenging. For instance, bankers' notes are needed for home improvement loans so that existing homeowners don't have to resort to construction loans. It was noted that younger homeowners are usually more averse to home improvement projects (for a variety of reasons) than older homeowners.

The hospital and Perdue Farms have purchased homes to provide to executives with quality accommodations while in town visiting the area. Young professionals who work outside of the county at large employers often encounter difficulties in finding places to live and/or services related to home renovation. On the other end of the spectrum, participants said that the aging population has limited options in regards to downsizing and living with additional amenities. They also mentioned that developers/contractors who design/build homes are not currently available in the county, even though they were present in the past. However, local skilled tradesmen and renovation businesses do exist.

### *Rental market*

There is a demand for high-end apartments (for example, \$700 for a three-bedroom, two-bath rental). There is also interest in condominiums, in particular for those with stainless steel appliances, granite countertops and community amenities such as a pool or exercise area. The county does have a limited supply of market-rate and upper-end rental housing options in both apartment and condominium format; the demand outweighs the supply. Historically, Daviess County has been more of a homeowner community, which is why they don't have many rental options. Many existing rentals have landlords who disregard proper upkeep of their properties, and stakeholders noted that some rentals don't have heat, water or plumbing facilities. Since there is little to no temporary housing, large houses are used as multi-family units, most notably for migrant workers who live in the area for a season. Most existing rentals are utilized as low-income housing, yet landlords maintain a waiting list of interested tenants. Stakeholders lamented that there are no governmental standards/accountability on the quality of these housing units.

### *Other Housing Factors*

Focus group participants said the processes for handling properties in disrepair was a cumbersome one in Daviess County. For example, if someone wants to tear down a blighted property, and the owner does not want to sell, the county must wait until it is condemned before progress can be made. County leaders feel legislation has hindered the ability of towns and cities to enforce housing regulations, which affects the quantity and quality of housing and can lead to landlord abuse of disadvantaged populations.



## Dearborn County

Population: 49, 506 \*\* Typology Definition: Rural/Mixed \*\* PCPI: \$42,008 \*\* Top Industries: Government and Retail



### County Challenges

Ten community members attended the Dearborn County focus group. One of the main concerns raised in the focus group was a “lack of identity” in the southeast corner of the state between Kentucky and Ohio. Group members stated that this issue has led to missed opportunities in the past. Broadband internet continues to be a struggle for this region—impacting both businesses and residences. The county has a sizeable number of individuals who travel past state borders for jobs. Quality of place amenities are lacking, such as walking trails and housing for young professionals. Sentiments were expressed that the region is losing a large number of its young people on one end of the population spectrum. And on the other end, they are unprepared for the aging population.

### Data Snapshot of Housing Situation

	2014 Data	2014 %	Change (’00-’14)		2014 Data	2014 %	Change (’00-’14)
<b>Total housing units</b>	<b>20,199</b>		<b>13.5%</b>	<b>Total housing units</b>	<b>20,199</b>		<b>1,022</b>
Occupied Units	18,648	92.3%	10.8%	<b>Population in occupied units:</b>	<b>49,216</b>		<b>7.9%</b>
<i>Owner occupied</i>	14,699	78.8%	11.1%	<i>Owner occupied</i>	39,541	80.3%	6.0%
<i>Renter occupied</i>	3,949	21.2%	9.7%	<i>Renter occupied</i>	9,675	19.7%	16.5%
Vacant housing units	1,551	8.2%	61.7%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	3,478	17.2%	6.3%	Single Family	16,547	81.9%	20.2%
1940 to 1959	2,577	12.8%	-12.8%	Mobile Home	761	3.8%	-34.6%
1960 to 1979	4,554	22.5%	2.3%	Duplex	532	2.6%	-29.7%
1980 to 1999	6,860	34%	-3.5%	Apartment	1,700	8.4%	-6.6%
2000 to present	2,730	13.5%	6.3%	Condo/Townhouse	659	3.3%	147.7%
				Other	-		-100.0%

### Quick Dearborn County Housing Statements:

- Diverse housing market
- Most apartments are low-income
- Very few quality market-rate apartments
- Topology challenges negatively affect septic system development
- 1,700 apartment units in Dearborn County
- Rent is approximately \$900 per month for 3-bedroom house/apartment
- Rent is approximately \$700 per month for a 1- or 2-bedroom apartment

## Housing Situation – Local Perspectives

### *Homeowner market*

Dearborn County has been actively working on their vacant housing stock to limit vandalism and increase maintenance. There is a septic issue in some parts of the county, causing homes to be vacated. Focus group participants commented that neither codes nor regulations exist to assist the county in managing their housing issues. Land is available in the region for development, yet developers have little interest in acquiring and developing the property. An example cited by one of the focus group participants was 250 acres of land that had been for sale for a considerable amount of time.

Existing homes are older – having been built in the 1960s and 1970's. There are pockets in the county where high-end housing has been built – mostly custom built homes. Land is limited in the incorporated area, hence homes have been built out in the county despite topography and sewer challenges.

### *Rental market*

In the rental market, Dearborn County has a high demand for market-rate apartments, but most of the apartments are section 8/subsidized. Of the few market-rate units available, a waiting list currently exists. Apartment complexes with market-rate housing are approximately 15-20 years old; focus group participants mentioned that quality is becoming an issue. The county lacks high-income housing options, particularly in the rental market. Developing housing is challenging in that the average median income varies in unincorporated areas versus incorporated, thus impacting funding opportunities for the county to improve its housing stock. Likewise, developers find it difficult to get their return on investment (ROI). It is costly to build, and the existing population's income is a limiting factor (making it difficult for the developer to attain a timely ROI). Focus group participants recognized that the county has a saturated market in regards to low-income housing.

Focus group participants said that senior housing is also quite competitive, and the quality of rentals is low, due to affordability. In nearby Madison, patio homes have been built and consistently stay in the housing stock. Dearborn County needs an array of senior housing options to expand upon what currently exists.

### *Other Housing Factors*

According to the focus group participants, neither manufactured homes nor mobile homes have zoning ordinances in place. The county recognizes the need to work on planning and zoning to be more attractive to developers. Focus group participants agreed that collaboration is needed across all zoning work groups to have a common vision towards housing needs. According to them, existing zoning is not focused on economic development and has limited controls.

# Jasper County

Population: 33,475 \*\* Typology Definition: Rural \*\* PCPI: \$40,130 \*\* Top Industries: Government and Retail

## County Challenges



Twelve community members attended the Jasper County focus group. The residents who attended said they have seen an increasing share of residents shift into the higher age groupings over the past 10-15 years, while the percentage of those under age 19 has dropped. Thus, their goal to retain and attract youth/college graduates is important. The region is very passionate about their schools, and the idea of consolidating due to population decline concerns them. The region has invested for future economic opportunities, but community members have concerns about where the county's employees will come from and where they will live. Much of the current workforce commutes out of the rural area. Focus group participants noted that several small towns near Jasper are dying (with buildings falling down). They say there have been limited efforts to proactively plan to sustain once-thriving communities by strategically placing housing throughout the region.

## Data Snapshot of Housing Situation

	2014 Data	2014 %	Change ('00-'14)		2014 Data	2014 %	Change ('00-'14)
<b>Total housing units</b>	<b>13,266</b>		<b>18.1%</b>	<b>Total housing units</b>	<b>13,266</b>		<b>18.1%</b>
Occupied Units	11,988	90.4%	12.2%	<b>Population in occupied units:</b>	<b>32,464</b>		<b>11.7%</b>
<i>Owner occupied</i>	9,428	78.6%	13.8%	<i>Owner occupied</i>	25,655	79%	11.0%
<i>Renter occupied</i>	2,560	21.4%	6.5%	<i>Renter occupied</i>	6,809	21%	14.6%
Vacant housing units	1,278	9.6%	132.4%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	1,611	12.1%	-23.5%	Single Family	10,781	81%	19.2%
1940 to 1959	2,002	15.1%	8.4%	Mobile Home	708	5.3%	-15.5%
1960 to 1979	3,429	25.8%	5.2%	Duplex	572	4.3%	48.6%
1980 to 1999	3,667	27.6%	-8.8%	Apartment	842	6.3%	15.0%
2000 to present	2,557	19.3%	-23.5%	Condo/Townhouse	363	2.7%	54.5%
				Other	-		19.2%

## Quick Jasper County Housing Statements:

- Great need for more senior housing
- Land for development difficult to obtain
- Older towns lack housing diversity
- Rentals available, but not always in best locations
- Housing exists – lacking people
- Rent ranges from \$400-\$650 per month for 2-bedroom house/apartment
- Rent is approximately \$1,000 per month for a duplex with two or more bedrooms

## Housing Situation – Local Perspectives

### *Homeowner market*

The housing stock in Benton, Jasper and White Counties was primarily built between 1950 and 1970. Homes there are typically 1,000 – 1,400 square feet and require renovation. Many times, younger people who purchase the homes don't have the time or lack the knowledge to renovate. Therefore, the homes don't get improved, and they fall into a state of disrepair. No new homes are being built due to the lack of developers willing to travel to the area. There is pent-up demand for housing in the \$125,000 to \$175,000 range, a difficult price point for developers who must juggle the current cost of materials and the limited financing options from banks. Very few spec homes exist in the county due to most existing builders aging out (Great Recession eliminated many newer firms) and the market being difficult to enter. Single family housing demands are for a 1,500 – 1,700 square foot home on a half-acre lot. Existing ordinances require an acre size lot.

Focus group participants said that Jasper County lacks elderly housing options. Senior housing does exist in the region, with one county having three healthcare facilities. However, more is needed to fulfill the demand of an aging population. Vacant homes often require a lot of renovation because they often fell into disrepair as senior citizens “aged in place” and were unable to maintain their homes.

Large employers in the area are beginning to purchase homes and rent them back to their workers. This is done as a mechanism to provide housing to their employees and support the county's tax base. Jasper County is starting to see blighted/vacant homes be purchased, lightly renovated, and then rented out to tenants.

### *Rental market*

Demand outweighs supply in select areas of the county's rental market – especially in the incorporated areas. Often rentals are not readily available, and if they are, they are of low quality or not placed in optimal locations (namely in the unincorporated areas). Focus group participants mentioned that there are absent or unengaged landlords who do not maintain their rentals. The county does have low-income rentals available, but many are affected by the county's drug problem. Desire for more mixed-use development exists. Focus group participants noted that apartment complexes have vacancies, which may be related to quality issues.

### *Other Housing Factors*

Financial institutions are very reluctant to risk lending to developers due to the impact of the Great Recession on the construction industry. Subsequently, developers are reluctant to take risks to develop in the rural areas due to limited funding support. Another issue is the limited availability of large lots of land to be developed due to farmers' reluctance to sell high-producing ground. If land does become available, utilities are needed, another expense. Focus group participants mentioned that it appears there are infill opportunities within some towns, and lots are available in select areas.

# Putnam County

Population: 37, 618 \*\* Typology Definition: Rural/Mixed \*\* PCPI: \$31,565 \*\* Top Industries: Government and Manufacturing



## County Challenges

Fifteen community members attended the Putnam County focus group. Participants noted that, as the county’s economy expands, key emerging challenges are childcare (especially second and third shift), housing and eligible workforce. The community has a shortage of rental and housing options across all economic and lifestyle points, which is influencing workers to live in surrounding communities. Poverty does persist in Greencastle, thus the need to provide intervention services. Communities outside of Greencastle often have a management shortage, thus they have difficulties in pursuing funding opportunities to positively impact their communities.

## Data Snapshot of Housing Situation

	2014 Data	2014 %	Change ('00-'14)		2014 Data	2014 %	Change ('00-'14)
<b>Total housing units</b>	<b>14,757</b>		<b>9.3%</b>	<b>Total housing units</b>	<b>14,757</b>		<b>9.3%</b>
Occupied Units	12,557	85.1%	1.5%	<b>Population in occupied units:</b>	<b>32,103</b>		<b>1.4%</b>
<i>Owner occupied</i>	9,593	76.4%	-1.4%	<i>Owner occupied</i>	24,530	76.4%	-4.2%
<i>Renter occupied</i>	2,964	23.6%	11.9%	<i>Renter occupied</i>	7,573	23.6%	25.4%
Vacant housing units	2,200	14.9%	94.5%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	2,525	17.1%	-14.3%	Single Family	11,467	77.7%	13.7%
1940 to 1959	2,154	14.6%	10.1%	Mobile Home	1,652	11.2%	-3.1%
1960 to 1979	3,487	23.6%	-12.3%	Duplex	314	2.1%	-17.6%
1980 to 1999	4,366	29.6%	-5.7%	Apartment	1,061	7.2%	-3.1%
2000 to present	2,225	15.1%	-14.3%	Condo/Townhouse	225	1.5%	4.7%
				Other	38	.26%	46.2%

## Quick Putnam County Housing Statements:

- 5.7 months’ supply of single family units
- Housing valued at \$110,000 or less sells quickly
- Limited stock of quality Section 8 housing
- City pursuing housing, despite bureaucratic challenges
- Year waiting list for Section 8 housing
- Rent is approximately \$600-700 per month for a quality 2-bedroom apartment
- High income earners are unable to find housing and choose to live elsewhere

## Housing Situation – Local Perspectives

### *Homeowner market*

The current availability of housing falls into three categories: 1) Homes below \$110,000, 2) Homes between \$110,000 and \$225,000, and 3) Homes above \$225,000. Homes below \$110,000 tend to sell quickly, homes above \$225,000 sell relatively well. The homes in the moderate price range are slow to sell, as they are not as attractive to prospective home buyers. The greatest housing need is for units priced around \$150,000, followed by \$250,000-\$350,000 homes and \$500,000 homes. The county has numerous 1970's and 1980's homes that need renovated for quality purposes to attract new homebuyers, and opportunities may exist to convert this housing into workforce housing. The county continues to have challenges in attracting developers to Greencastle due to the potential risk, as well as the presence of more lucrative nearby markets. The shortage of attractive housing is significant enough that a local company has begun purchasing homes for their employees to ensure available accommodations. Focus group participants commented that if someone wants to find housing in Putnam County, word-of-mouth channels and personal connections will typically work better than traditional online or newspaper searches – a testament to the difficulty non-native residents have in obtaining housing.

### *Rental market*

Putnam County appears to be trying to aggressively develop more rental properties – focusing on market-rate and high-income ranges. Focus group participants said that development of condominiums in the downtown was a challenge, yet has been a successful effort. The city has actively pursued mapping incorporated areas for housing opportunities with the thought of purchasing property to aggregate lots (in an effort to attract development for infill projects). The city makes the effort to minimize developers' risk by providing infrastructure in the form of sewer, roads and such. One successful endeavor was creating a housing plan for Zinc Mill Terrace Apartments, developed by Emert out of Brazil, Indiana (local developer). The price for studio apartments begins at approximately \$700. The EDC, now the Mayor, Bill Dory, also indicated the demand of the apartments mitigates the risk of the developer. The developer had a waiting list prior to the project completion.

There is current demand for the rental of condominiums – not only for the millennials but also for the elderly. Additional opportunities exist to develop more rentals in downtown areas, especially in historic districts, yet focus group participants said that concerns about funding and “know-how” still exist.

Challenges also persist for those in need of low-income housing. A big concern is the quality of the existing housing stock and the difficulty in attaining section 8, or subsidized, rentals based on income levels. There is a need for transitional housing, which would be used for individuals who have recently been released from incarceration and those working to “graduate” from subsidized housing.

### *Other Housing Factors*

Putnam County has a continuous flow of people and money due to DePauw University. The groups recognized that limited communication exists between the university and local officials surrounding housing. How the university structures their hiring processes affects the housing inventory. If intentional communication were fostered, it would allow the community to best plan for upcoming needs. Focus group participants suggested that the city should pursue annexation to acquire more public land for future development, as currently, land is difficult to secure. Focus group participants suggested that better building inspection processes and enforcement is needed throughout the county.

# Rush County

Population: 16,892 \*\* Typology Definition: Rural \*\* PCPI\$ 38,764 \*\* Top Industries: Government and Manufacturing



## County Challenges

Twenty-six community members attended the Rush County focus group. They said that Rush County’s housing challenges are compounded by its location among farmland, which makes it difficult to attract new residents. A quiet community, it is not near an interstate and has limited activities, entertainment and retail options in close proximity. The county has a transient population, a surplus in low-income housing, drug issues and a general dearth of housing options. One of the focus group participants noted that new employees often commute into the area due to inability to find housing locally. County residents will need to actively pursue infill development opportunities due to their desire to protect the agricultural community and prevent urban sprawl.

## Data Snapshot of Housing Situation

	2014 Data	2014 %	Change ('00-'14)		2014 Data	2014 %	Change ('00-'14)
<b>Total housing units</b>	<b>7,485</b>		<b>2.0%</b>	<b>Total housing units</b>	<b>7,485</b>		<b>2.0%</b>
Occupied Units	6,920	92.5%	0.0%	<b>Population in occupied units:</b>	<b>16,901</b>		-6.0%
<i>Owner occupied</i>	4,922	71.1%	-4.1%	<i>Owner occupied</i>	11,947	70.7%	-12.0%
<i>Renter occupied</i>	1,998	28.9%	11.5%	<i>Renter occupied</i>	4,954	29.3%	12.3%
Vacant housing units	565	7.5%	36.5%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	2,805	37.5%	-18.3%	Single Family	6,316	84.4%	4.7%
1940 to 1959	1,412	18.9%	31.0%	Mobile Home	277	3.7%	-42.9%
1960 to 1979	1,438	19.2%	-1.5%	Duplex	219	2.9%	-17.4%
1980 to 1999	1,298	17.3%	-4.9%	Apartment	652	8.7%	40.2%
2000 to present	532	7.1%	-18.3%	Condo/Townhouse	21	0.3%	-75.0%
				Other	-		100.0%

### Quick Rush County Housing Statements:

- 29% of homes are rentals
- Rent is approximately \$250 per month for low-income housing
- Large presence of outside investors in housing, equating to poor maintenance of units
- Little to no senior housing exists
- Rent is approximately \$450+ per month for a 2-bedroom house/apartment
- Rent is approximately \$550-650 per month for nice rental home

## Housing Situation – Local Perspectives

### *Homeowner market*

Rush County has a very strong agricultural heritage and much care has been taken to ensure farmland is not developed. Therefore, ordinances have been enacted to restrict rural residential development. As a result, the housing stock is quite limited and competition for housing is fierce, often forcing new potential residents to live outside of the county. Realtors even have difficulty finding price comparisons for existing or new construction homes. New construction has been nonexistent due to high developer risk. Currently, developers feel they would not be able to quickly generate a profit due to income levels in the area. The greatest housing need is for homes between the \$130,000 and \$200,000 price point.

Many homes are dated and renovation is needed to attract new buyers. Unfortunately, obtaining funding for renovation purposes is difficult and often residents do not have the required capital. One focus group participant mentioned that it is common to find a block of nice homes and an adjacent block filled with blighted homes, which affects the appeal of the neighborhood and impacts home values. The city is currently working towards tearing down blighted homes to improve community aesthetics and making lots available for reinvestment.

### *Rental market*

Focus group participants recognized a severe shortage in market-rate rentals as the county has a large quantity of low-income housing and little to no additional options. The community is aging, and homes for this portion of the population will continue to be a concern. Currently, the community has little to no housing for seniors and only a few assisted-living units. A new development is happening downtown, but the shortage will still persist. The community has a large transient population in the rental home market, where individuals move from home-to-home and are not concerned with home quality, inspection nor cleanliness. Additionally, focus group participants said the county has landlords who do little to improve the condition of their rentals, contributing to the eyesores in the community.

### *Other Housing Factors*

Bankers and other lenders have witnessed a tremendous need for homebuyer education – a service they find increasingly necessary to provide. Focus group participants stated that current zoning for rural residential requires future homeowners to purchase 10 acres; subdividing the acres for additional lots is not allowed. This ordinance is in place to prevent urban sprawl, but the effect has been greatly restricted residential development on the outskirts of the community.



# Wabash County

Population: 32,252 \*\* Typology Definition: Rural/Mixed \*\* PCPI: \$40,011 \*\* Top Industries: Manufacturing and Government



## Regional Challenges

Fifteen community members attended the Wabash County focus group. Of those who attended, a key concern was attraction and retention of a skilled workforce. The region has both a declining and aging population. Little housing development has occurred in the region, causing shortages in housing options for potential workforce. Likewise, there is a shortage of building sites and quality rental options. Although there are numerous beautiful historic buildings available for renovation, the cost to take on these projects is often a barrier. The region is actively attempting to repair and/or remove dilapidated buildings and enhance the county’s overall quality of place in order to appeal to its young residents to return to their hometowns. Focus group participants expressed concern about the small school sizes – making it difficult for them to compete with schools in the Fort Wayne area (an unappealing factor to millennials with children).

## Data Snapshot of Housing Situation

	2014 Data	2014 %	Change ('00-'14)		2014 Data	2014 %	Change ('00-'14)
<b>Total housing units</b>	<b>14,135</b>		<b>0.7%</b>	<b>Total housing units</b>	<b>14,135</b>		<b>0.7%</b>
Occupied Units	12,777	90.4%	-3.3%	<b>Population in occupied units:</b>	<b>30,491</b>		<b>-7.6%</b>
<i>Owner occupied</i>	9,689	75.8%	-3.4%	<i>Owner occupied</i>	23,594	77.4%	-8.4%
<i>Renter occupied</i>	3,088	24.2%	-2.9%	<i>Renter occupied</i>	6,897	22.6%	-4.8%
Vacant housing units	1,358	9.6%	65.8%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	5,205	36.8%	1.1%	Single Family	11,343	80.2%	4.5%
1940 to 1959	2,333	16.5%	-14.1%	Mobile Home	778	5.5%	-37.6%
1960 to 1979	3,360	23.8%	-2.0%	Duplex	542	3.8%	20.4%
1980 to 1999	2,399	17%	-12.5%	Apartment	1,175	8.3%	-1.3%
2000 to present	838	5.9%	n/a	Condo/Townhouse	297	2.1%	-0.3%
				Other	-		-

## Quick Wabash County Housing Statements:

- Sizable quantity of \$80,000-\$120,000 homes for sale
- Low-income rentals \$125-\$185/week + utilities
- Year waiting list for subsidized senior housing
- Little to no short-term rentals available
- Rent is approximately \$500-700 per month for a house/apt with two or more bedrooms
- Rent is approximately \$1,000-\$1,200 per month for single family house rental or executive apartment



## Housing Situation – Local Perspectives

### *Homeowner market*

According to focus group participants, there is a considerable amount of older housing stock that is consistently being recycled. They think that's due to a lack of significant new housing construction in Wabash or Fulton County. Subdivisions are limited in quantity because developers have to come from the lucrative Fort Wayne market to build – an increased level of risk. A need exists for spec homes to be built, but there is no developer/builder appetite to fill this gap. Currently, some development occurring, such as duplexes, executive apartments, apartments, etc., but the demand far outpaces the supply and speed with which the housing can be built. The region has a dearth of homes in the \$100,000-\$200,000 range and even executive level homes at the \$200,000-\$400,000 range. It was forecasted that there is demand to build approximately 30 mid-range new construction homes a year.

According to focus group participants, land for residential development is in short supply due to the desire to protect farmland for agricultural production. Likewise, participants noted that construction loans were scarce. Bankers are reluctant to loan to developers, thus increasing the risk for developers. Likewise, banks are hesitant to loan to individuals wanting to purchase and improve a house.

### *Rental market*

An effort has been made to increase the stock of rentals for each community's residents. According to focus group participants, these units fill up quickly, and the condominiums and executive apartments have a waiting list. Development of newer rental units has been a challenge with bureaucratic hurdles along the way. A need for additional apartment complexes was expressed – especially at a rental price point of \$700/month. Another, in-demand price point is between \$400 to \$500/month for quality apartments. Infusing the rental units with short-term rentals would be optimal due to executives visiting or working in the area for extended periods of time. Wabash city officials are beginning to be more aggressive in purchasing downtown lots to aggregate for the purpose of creating new rental unit opportunities.

It was frequently mentioned that senior citizens have very limited options in regards to patio homes, independent living, assisted living or nursing homes within the county. Often this population has to move to the Chicago, Fort Wayne or Indianapolis markets, thus their wealth leaves the county.

### *Other Housing Factors*

Zoning was expressed as a potential barrier within select areas of the county because of the ordinances' detrimental effect on current housing development. A few communities have worked through a comprehensive planning process, which helped their incorporated or unincorporated towns to better tackle housing challenges.

In Fulton County, historic buildings are beginning to be repurposed with some becoming available as housing. However, the challenges of knowing how to navigate the bureaucratic system to obtain adequate funding while maintaining historic status can be daunting.

# Washington County

Population: 27,878 \*\* Typology Definition: Rural \*\* PCPI: \$33,352 \*\* Top Industries Manufacturing and Government



## County Challenges

Nineteen community members attended the Washington County focus group. They discussed the county’s housing landscape at length. They suggested that while the county has housing, much of it is dated and needs renovation to appeal to new homebuyers. The county’s topography challenges for septic systems limits housing construction options. According to focus group participants, the county has a declining and aging population. It is also experiencing loss of its young adults and family-bearing population. Washington County, like many other counties, hopes to appeal to young residents to return to their hometowns. While income levels have risen in the past 15 years, they still lag behind the state. Drug issues touch the county, negatively affecting housing and available workforce. Attraction and retention of quality workforce is one of their major challenges.

## Data Snapshot of Housing Situation

	2014 Data	2014 %	Change ('00-'14)		2014 Data	2014 %	Change ('00-'14)
<b>Total housing units</b>	<b>12,213</b>		<b>9.1%</b>	<b>Total housing units</b>	<b>12,213</b>		<b>9.1%</b>
Occupied Units	10,512	86.1%	2.4%	<b>Population in occupied units:</b>	<b>27,724</b>		<b>3.1%</b>
<i>Owner occupied</i>	8,299	78.9%	-0.3%	<i>Owner occupied</i>	22,374	80.7%	0.3%
<i>Renter occupied</i>	2,213	21.1%	14.1%	<i>Renter occupied</i>	5,350	19.3%	16.9%
Vacant housing units	1,701	13.9%	83.5%				
<b>Age of Housing Units</b>				<b>Housing Type</b>			
1939 or earlier	2,082	17%	-1.7%	Single Family	8,811	72.1%	11.7%
1940 to 1959	1,398	11.4%	-14.7%	Mobile Home	2,565	21%	-0.2%
1960 to 1979	2,751	22.5%	-17.0%	Duplex	241	2%	9.5%
1980 to 1999	4,138	33.9%	0.4%	Apartment	501	4.1%	26.5%
2000 to present	1,844	15.1%	-1.7%	Condo/Townhouse	92	.8%	-13.2%
				Other	3	.02%	-76.9%

## Quick Washington County Housing Statements:

- Very few senior housing options
- Non-existent market-rate housing
- Two-year waiting list for section 8 housing
- Approximately 50 units of section 8 housing
- Rent is approximately \$700-\$850 for upper-end of the county’s rental market
- There is a need for \$600-\$700/month workforce rentals



## Housing Situation – Local Perspectives

### *Homeowner market*

The most frequently requested housing units are three bedrooms, two baths, 2-5 acres and a two-car garage – all for approximately \$120,000-\$150,000. Real estate agents frequently hear how the county has a lower housing cost than the surrounding region, yet locals have the opposite perspective. Many of the older homes tend to be in various states of disrepair or poor quality, which in turn, makes them unattractive to potential homebuyers. Furthermore, the older homes do not qualify for government financing. Newer health regulations have forced occupants of older housing units (1960's and 1970's homes) to upgrade sewer systems, a significant financial burden on owners. Participants also commented that homes above the \$200,000 mark tend to sit on the market for a while, at least in subdivision areas, whereas ones in the country seem to sell fairly quickly.

### *Rental market*

In the high-end apartment rental (\$700-\$850/month) market, there's a waiting list for units, especially near schools, according to focus group participants. However, interest for this type of housing also exists in the unincorporated areas. Attendees volunteered that individuals of advancing age with growing physical limitations, as well as handicapped persons, often leave the county to find suitable housing. Desired senior housing includes patio homes, independent living and assisted living, housing for all phases of the aging process and varying physical abilities (working in conjunction with existing resources). This type of housing would also assist with reducing the revolving door of injuries associated with medical recovery efforts, as existing housing units are usually not equipped with handicap accessibility. An attendee shared that eight acres will soon be developed to build 12 units tailored for this population – with no steps, larger bathrooms and handicap accessibility. Existing rentals with these features are consistently full.

Section 8, or low-income housing, is very difficult to get into due to its low-income requirement. Acceptance does not ensure a quality unit. Shortage of this type of housing likely influences individuals to turn to mobile homes or low-quality housing alternatives – based on what they can afford. Participants stated that those in greatest need of housing are residents who cannot afford the high-end rentals, don't qualify for the section 8 housing, and are asset-limited, yet employed (often minimum wage, entry level or single-earner households). Focus group participants suggested that quality energy-efficient workforce housing is needed with rent for under \$600-\$700/month.

### *Other Housing Factors*

Building spec homes on country lots incurs several upfront expenses, such as infrastructure and electric utility fees, which sends construction costs over \$150,000. Local developers are nearly nonexistent due to the 2008 housing crash that eliminated many construction firms. Developers who are building homes are asking for a higher down payment of up to 35 percent, and banks are even reluctant to loan to developers. Opinions were that income levels in Washington County prevented many people from being able to put down funds on a new house – even 3 percent was viewed as challenging.

## Focus Group Meetings: Summary and Conclusions

It is worth noting that local stakeholders were uniform in their appreciation of being invited to participate in the focus group meetings and be given the opportunity to share their opinions, perspectives and concerns about the state of housing in their respective counties. Across many parts of rural Indiana, housing remains a significant challenge. It is clear that local leaders and residents are struggling in terms of how best to address this problem. The sites that served as the host of the focus group meetings face common challenges -- the need for more housing diversity, be they residential or rental properties, priced at a market rate level that aligns with the socioeconomic profile of the county. Some residents believe their county is in need of improved enforcement tools to spur the growth in the stock of quality housing, as well as a better understanding of best practices that can guide housing development activities in their communities. Some believe that creation of incentives to lure developers into the non-urban markets could assist counties economically by enhancing quality-of-life.

In light of the information gathered in the focus group sessions held in the seven rural sites, the PCRD/Purdue Extension team offers the following conclusions with regard to the key housing challenges facing the rural areas that were visited as part of the OCRA-sponsored project, along with a core set of strategies that could help expand housing options in these and other rural areas of Indiana.

### Seven overarching housing challenges found at the study sites:

- 1. Planning and Zoning:** The lack of clearly delineated planning and zoning ordinances – or the existence of highly restrictive ordinances – wrecks havoc for potential builders/developers. If no zoning exists in the area/county, then developers can build almost anywhere, but face the risk of building in areas that may attract activities that can deflate the value of homes or rental property. On the other hand, if very strict zoning regulations exist, prospective developers/builders are apprehensive about investing in housing construction in this kind of highly regulated zoning environment. An example is the requirement in some counties that housing developments located outside of the city limits must have lot sizes of 10 acres or more.
- 2. Housing Standards:** The failure to have housing standards that local government officials can use to reduce the presence of blighted or dilapidated housing stocks.
- 3. Housing Stock:** At virtually all seven study sites, the housing stock was dominated by homes built prior to the 1980s. As such, the availability of homes that are attractive to new residents or to younger-aged adults and families are limited (at best). Many adults in the early stages of their careers are hesitant to purchase older homes that require substantial resources to bring up to current codes or to be retrofitted with the amenities they want in their homes. The lack of moderate-to-higher income housing is resulting in new workers moving to counties with a better mix of housing stock.
- 4. Aging Population:** Many of the study sites are seeing a growing aging population. Most of the counties are not well-positioned to provide the variety of housing options needed by their senior citizen population – be they patio homes, independent living, or assisted living facilities. When such housing options are not available, elderly residents are oftentimes forced to leave their community or county to fill their housing needs – usually in larger populated counties. The psychological and social costs for many of these individuals can be significant given that they have had to sever their long-term ties to the communities/counties of which they have been part for so many years.

- 5. Risk Aversion by Developers:** Many potential housing developers are risk-averse when it comes to building new homes or rental properties in smaller-populated rural counties. The reluctance may be a product of the difficult times that builders and developers faced during the 2007-2009 Great Recession. Even though the economy has shown substantial improvement over the past few years, builders and developers remained concerned that the period for recouping a return on their investments is simply too long in rural areas.
- 6. Capital Resources:** Access to capital remains problematic for individuals who are seeking loans to build or finance the purchase of a home. In some cases, the down payment requirements are well beyond the capacity of many families, especially younger families.
- 7. Rental Housing:** The need for quality rental housing is significant in several of the rural areas that were studied. At those sites, where higher-end rental properties were in place, the demand far exceeded the availability. Moderate-priced rental properties were hard to come by as well.

*Eight possible strategies for tackling the housing problem in rural areas:*

- 1. Assess the Need for Zoning:** While unpopular in some rural areas of the state, exploring ways to put land use/zoning ordinances in place that would reduce the risk to builders/developers who may want to invest in new home and/or rental property construction in small populated counties is something worthy of careful consideration. Moreover, if ordinances are already in place, review the degree to which they may be so restrictive that they dampen housing construction within and/or outside the boundaries of incorporated cities.
- 2. Establish Public/Private Partnerships:** What is clear from the various focus group sessions is that developers remained concerned about pursuing housing activities in many rural areas. The issue, in part, is a matter of recouping their investment in a timely manner. Creating a public/private partnership that could co-fund housing developments would be one way to reduce the financial risk to developers. Exploring other incentives to attract market rate housing development into rural areas may be another topic that local leaders might consider.
- 3. Examine Opportunities to Pursue In-Fill Activities:** Mapping the availability of lots within the borders of a city could be one option to further build on properties that would be ideal for homeowner or rental properties. Some of these lots could be created by removing abandoned or dilapidated housing.
- 4. Invest in the Upgrading of Older Housing Stock:** Since older homes dot many of our rural counties, finding ways to renovate and retrofit many older homes so that they comply with existing housing codes is something that should be given serious consideration. It is a great way to expand the availability of quality homes and attract younger families who may be willing to purchase older homes that have undergone major renovations.
- 5. Recognize Older Residents' Expanding Housing Needs:** The demographic trends are very clear; a grower share of the population in many rural counties are 65 years of age and older. Ensuring that housing options are available for an aging population will be a key ingredient to keeping these individuals as residents of the county.

- 6. Assess the Need for Higher to Moderately-Priced Rental Housing:** As many businesses and industries continue to struggle in their ability to retain and attract young talent, one factor that can help retain/ attract talent is the availability of high quality rental housing. Local leaders should evaluate what role an expanded pool of rental housing may play in keeping and attracting higher-skilled workers.
- 7. Learn More about Existing Housing Programs:** A number of federal and state housing programs may exist that could be tapped by local elected officials, developers, home owners, renters and other agencies – programs that could help improve housing conditions in rural areas. It is important to learn more about these programs and determine how well they align with the housing needs of rural areas. One example worth exploring is the Web site of the Indiana Housing and Community Development Authority: [www.in.gov/ihcda](http://www.in.gov/ihcda). Other sites worth exploring are ones that PCRD compiled as part of this report (available on the Indiana Rural Stats website: <https://pcrd.purdue.edu/ruralindianastats/>).
- 8. Develop a Checklist of Steps to Tackle Local Housing Challenges:** Many of the counties visited were struggling in terms of how to address their respective housing challenges. With the help of key organizations and agencies (such as Purdue Extension, the Indiana Housing and Community Development Authority, OCRA and USDA RD), a blueprint for tackling local housing needs could be developed. Such a process could provide a pathway for rural areas to carefully assess their housing needs and assets, and then build and act on a plan to improve their housing situation.

## Resources

Data for this report can be found online at [www.pcrd.purdue.edu/ruralindianastats/about.php](http://www.pcrd.purdue.edu/ruralindianastats/about.php) under 'reports.'

This study was undertaken in partnership with the Purdue Center for Regional Development and the Indiana Office of Community and Rural Affairs (OCRA). Funding was provided, in part, by OCRA Grant Number EDS 159-I6-PSC-265.



## Appendix: Focus Group Protocol and Questions

### Opening Question (5 minutes)

Let me start by asking you how long you have lived in this county?

### Introductory Questions (10 minutes)

I'd like to ask you to briefly share your thoughts about your county. First of all, what would you say are the ONE to TWO things you like most about your county?

Okay, let's discuss the other aspect of your county. That is, what ONE to TWO things concern you most about your county?

### Transition Questions (20 minutes)

You have shared your thoughts on some of the positive and challenging features of your county. Now, I'd like to shift our discussion to the topic of HOUSING. I am interested in seeking your perspective on the following housing-related questions.

- a. How would you describe the current availability of housing in your county?
- b. Do you think there are adequate numbers of single family, multi-family and rental properties available for those who live in the county?
- c. How would you rate the quality of homes and rental properties in the area?
- d. How about the price for homes or the monthly cost to rent a home or apartment in the county?
- e. Do you feel homes and rental properties are available for households from different income levels (i.e., such as higher, middle and lower income households)?

### Key Questions (45 minutes)

Let's delve a little more deeply into the housing issues that may be impacting your county.

- a. Are there key factors that may be limiting the availability of a good mix of quality housing in the county?
- b. What strategies do you recommend be considered by local leaders in order to expand the quantity and quality of housing in your county for people of all income levels?

### Ending Question (10 minutes)

The responses you have provided to our questions are very much appreciated. I have a final question that I would like to ask you to comment on, if you can. What is the MOST IMPORTANT thing that you believe the county should do to provide good quality housing – single family, multi-family, and/or rental -- to current and future residents?

### Closing Statement

I want to express my sincere thanks on behalf of the Purdue Center for Regional Development and Purdue University Extension for your active participation in this meeting.

