



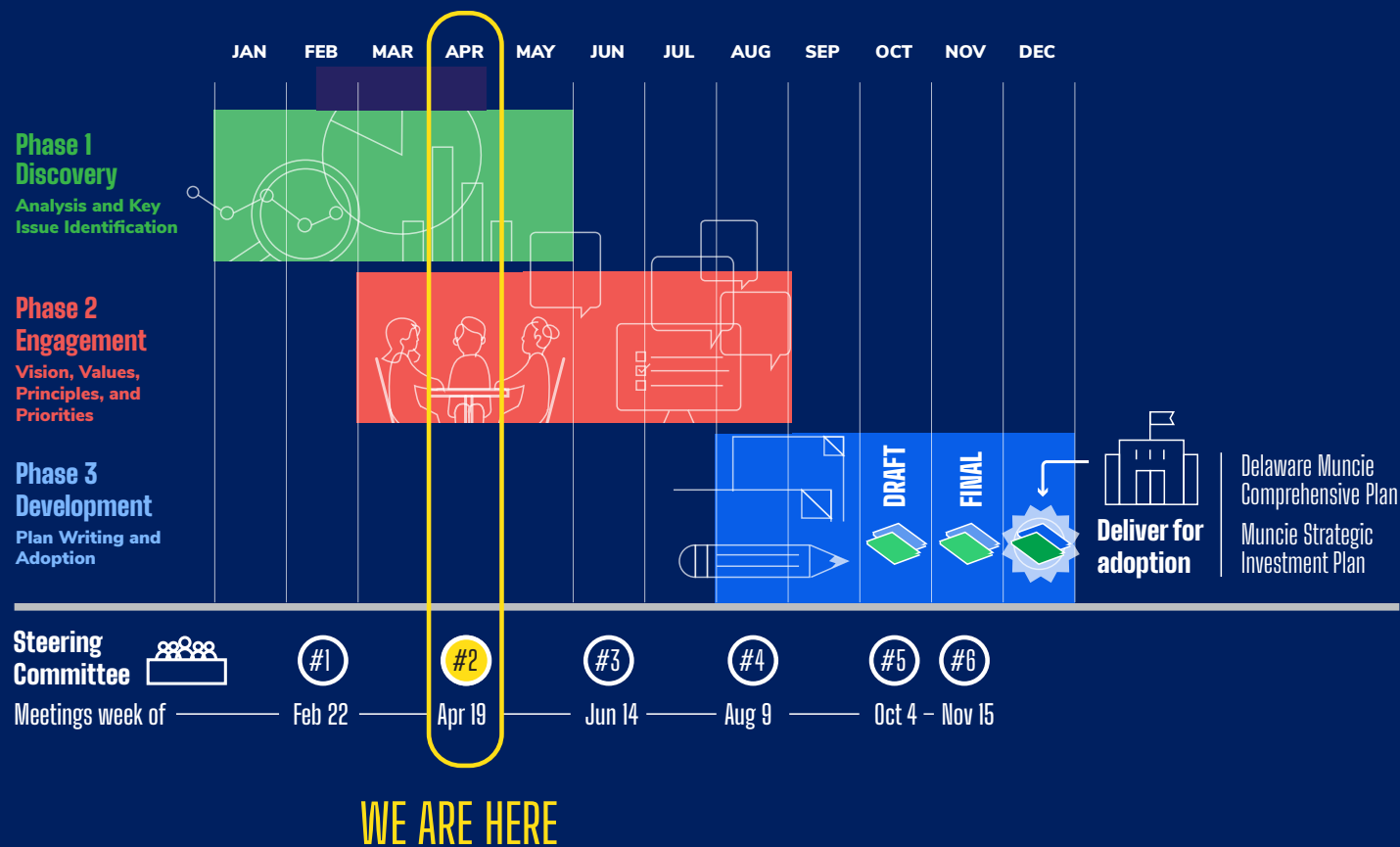
Briefing Book

For Project Steering Committee Meeting, April 23, 2021



Timeline Review

TogetherDM has been underway since January and is still scheduled to deliver plans for adoption by the County Commission and City Council by the end of 2021. Currently, Phases 1 and 2 are occurring simultaneously, and findings from engagement efforts are informing the selection of issues to analyze in greater depth.



Phase 1

Several avenues of analysis ongoing through May

- Regional context analysis (population and economic trends)
- Housing market demand analysis
- Field survey of residential conditions
- Land use and development regulation review
- Budget / public finance review
- Open space, parks, and corridor analyses

Phase 2

- Online Survey #1—completed with 466 finished surveys
- Kitchen Table Conversation #1—completed with 13 conversations and 103 participants
- Discussions with County Commissioners and City Councilmembers—anticipated in late April through early May
- Open House Roadshow in mid-June—planning underway for hybrid events (in person and virtual)

Findings from Phase 1

How has the community changed since the 2000 comprehensive plan in terms of basic population and economic patterns?

POPULATION LOSS

Population loss has continued and is regional in scope, while nearby metropolitan counties have grown rapidly

Delaware County's population has fallen for five straight decades and is now 12% (or 15,000) lower than its 1970 peak.

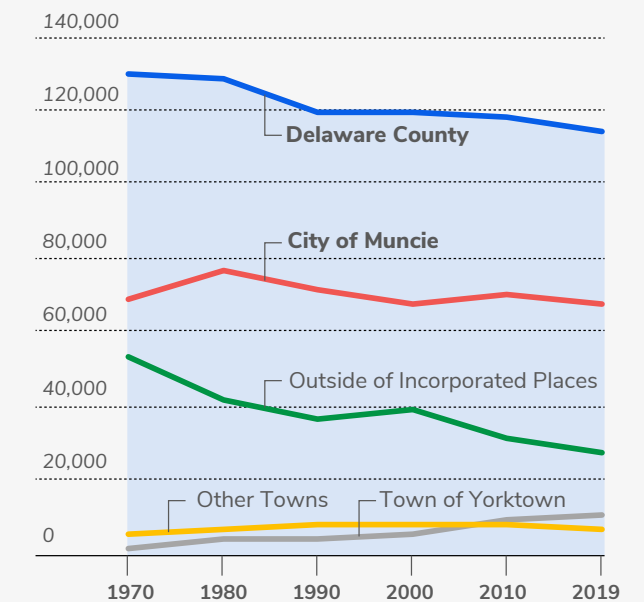
Within the county, boundary changes due to annexation make population shifts between places harder to analyze. Since 2000, however, changes at the Census Tract level make the following shifts clear:

- Most parts of Muncie have lost population, especially areas south and east of downtown.
- Rural parts of the county have lost population since 2000, though not as steeply as parts of the city.
- Areas that have experienced growth are concentrated in Yorktown and Muncie's northwest neighborhoods.

Delaware County isn't alone in experiencing these patterns. Since 2000, all six adjacent counties have also lost population. Combined, these seven counties have lost nearly 60,000 residents (falling from 473,000 to 415,000) over the past 50 years.

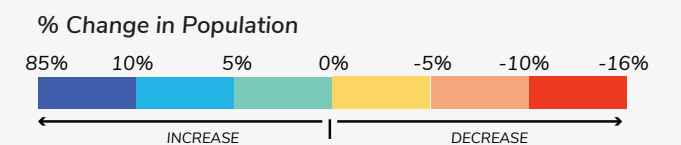
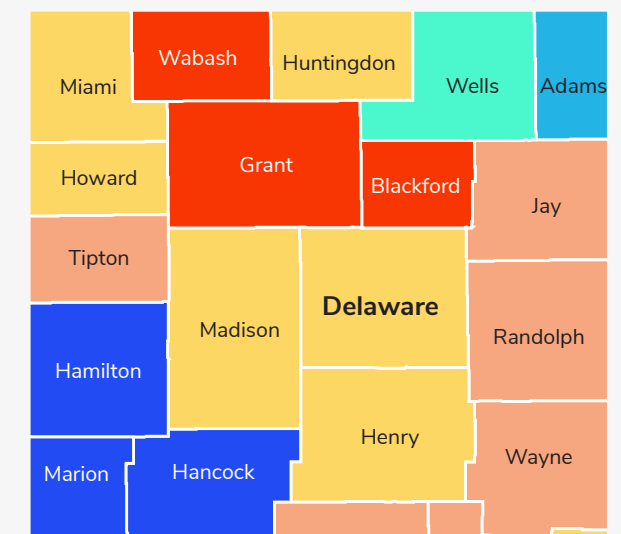
A very different pattern can be found just 20 minutes down I-69 in the outer suburbs of Indianapolis, where Hamilton County has grown by 85% since 2000 and now has nearly 350,000 residents. With plenty of room to grow, Hamilton is projected to exceed 415,000 residents by 2030.

Population Change in Delaware County 1970-2019



Source: czb/IPD analysis of decennial U.S. Census Bureau data and 2019 population estimates

Regional Population Change Patterns Since 2000 by County



Source: U.S. Census Bureau

JOB LOSS

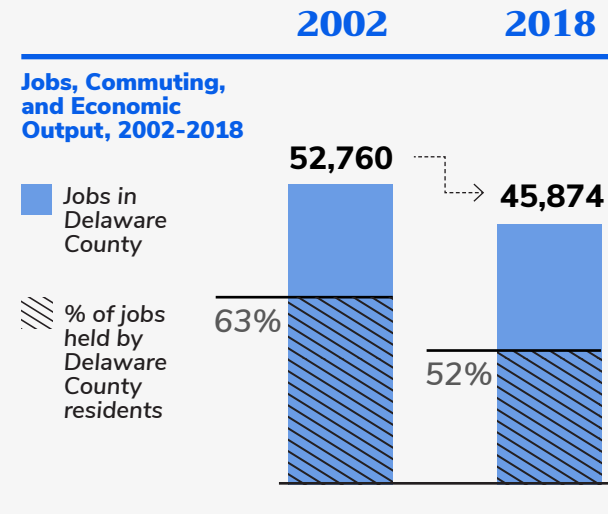
Declines in jobs and economic output have been substantial, and remaining jobs are increasingly held by commuters

The total number of jobs in Delaware County declined between 2002 and 2018 by 13%, falling from 52,760 to 45,874. Losses were heavily concentrated within Muncie, where the number of jobs fell by 21% and the city went from hosting 80% of all jobs in the county to 72%.

A steep decline in manufacturing employment (down 49%, or just over 4,000 positions) was a notable source of decline, but the education and health care sectors, which now account for one-third of all jobs in the county, also shed positions. Alongside the loss of jobs, total economic output (or GDP) also declined by 12% from \$4.2 billion to \$3.7 billion when adjusted for inflation, driven by a sharp drop-off in manufacturing output.

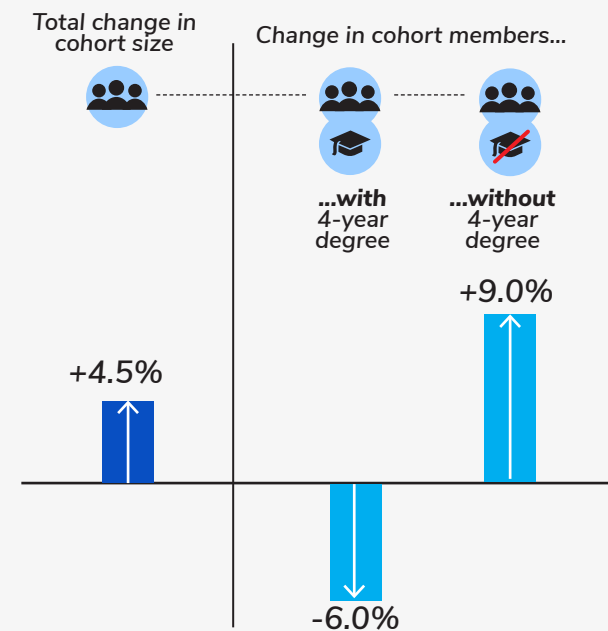
Over this same period, a significant change in where people lived and worked took place. In 2002, 63% of all jobs in Delaware County were held by Delaware County residents. By 2018, only 52% of jobs in the county were held by county residents. Conversely, while 34% of Delaware County residents who held jobs in 2002 commuted to other counties, 47% did so by 2018.

Beyond these significant changes to the job market and commuting patterns, a noteworthy split occurred over the last decade among young adults. The cohort that passed from the 25-34 age range in 2009 to the 34-44 range by 2019 (or people born between 1975 and 1984) grew by almost 5% countywide. But those in this cohort with a four-year college degree or more declined by 6% compared to just a 9% increase among those without a college degree. This suggests that the county has been holding on to young adults in general but is having a hard time hanging on to its most educated young adults as they gain experience, form families, and seek opportunities for dual-income, mid-career households—a demographic especially susceptible to a Hamilton County relocation.



Source: czb/IPD analysis of U.S. Census Bureau Longitudinal Employer-Household Dynamics data; Bureau of Economic Analysis economic output data

Change in Size of Young Adult Cohort (Born 1975-1984) in Delaware County Since 2009



Source: czb/IPD analysis of U.S. Census Bureau American Community Survey 5-year estimates

SOFT DEMAND

Demand for housing is soft and vacancy has been rising

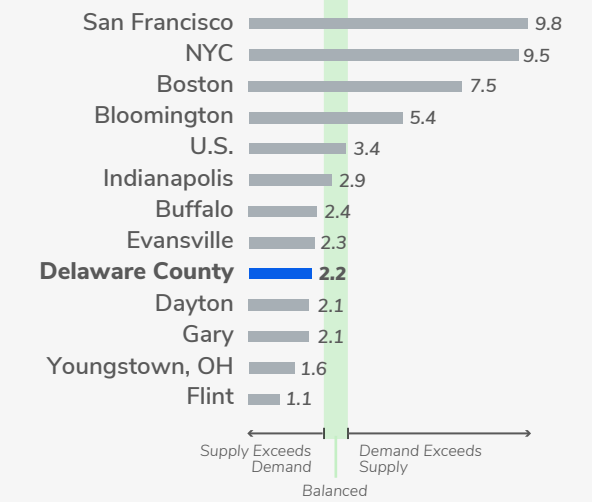
Supply and demand for housing have been out of balance in Delaware County and Muncie for at least a few decades, with supply exceeding demand in a way that is noticeable in pricing and vacancy patterns.

One barometer of housing market balance is the ratio of median home value to median household income. A ratio of 3.0 to 3.5 reflects a market where supply and demand are balanced and where the typical household can still afford the typical house. A ratio higher than that range has more demand than supply and lacks affordability. A ratio below that range—where Delaware County is today—has a surplus of housing. In such markets, prices and rents rise well below the rate of inflation, which can depress levels of reinvestment in existing homes and lead to deterioration of the housing supply.

Vacancy rates in Delaware County and Muncie also reflect soft demand, with rates nearly double the 5%-7% range that is considered healthy. While vacancy rates overall have risen over the past decade, of particular note is the rise in chronically vacant housing units, which are empty, off the market, and possibly abandoned.

All of this influences the strength of the tax base. Between 2011 and 2019, the aggregate assessed value of property in Delaware County rose by nearly \$200 million in current dollars, according to analysis of data from the Indiana Gateway. When adjusted for inflation, however, aggregate assessed value actually eroded by \$600 million.

Home Value to Household Income Ratio



Source: czb/IPD analysis of median home value and median household income data from American Community Survey 2019 5-year estimates

Housing Vacancy Rates, 2009-2019

	2009	→	2019
Delaware County			
% of housing units vacant	12.0%	→	12.7%
City of Muncie			
% of housing units vacant	14.2%	→	15.8%
% of housing units chronically vacant (not on market and not seasonal)	4.2%	→	7.5%
	4.7%	→	9.0%

Source: czb/IPD analysis of housing vacancy data from American Community Survey 2009 and 2019 5-year estimates

What these trends are telling us...

Altogether, these trends describe a place where the number and scale of problems to address have been outpacing the community's capacity to mobilize and pay for solutions that will produce durable outcomes. Consequently, for any plan in Delaware County and Muncie to be considered responsive and implementable, it should have the following characteristics:

It needs to cultivate demand and build the tax base: Demand is represented by the households and businesses who actively choose whether and where to locate within Delaware County and contribute to the tax base. The plan needs to guide decisions and investments that will give people confidence to choose to stay in or move to this community.

It needs to focus demand and resources for highest impact: When there is less demand than supply for most land uses, steering demand to where it will do the most good—and help generate noticeable momentum—is critical. Almost always, that means concentrating, rather than scattering, demand and resources.

It needs to leverage community assets: The community's assets are natural (and tangible) rallying points. Protecting and strengthening assets is a way to maintain focus and stay positive while nurturing demand.

Emerging 'Big Things'

To date, three different engagement techniques have been used to identify the 'Big Things' that TogetherDM needs to get right to help move the community forward.



Steering Committee
February 28th Meeting

Ranked list of 'Big Things'

- #1 Quality of place
- #2 Workforce/talent attraction and retention
- #3 Housing (vacancy/blight and better options)
- #4 Wealth-building opportunities



March 2020 Online Survey
466 completed responses

Most common answers to question about the community's 'Big Things'

- #1 Address poverty, especially concentrated and multi-generational poverty
- #2 Remove sources of blight or address vacancy / abandonment
- #3 Take care of environmental/natural assets
- #4 Improve workforce quality

Most popular ways to direct resources from a hypothetical \$10 million implementation bond

- #1 Infrastructure maintenance (fix potholes, for example)
- #2 Quality of life amenities, such as parks and recreation
- #3 Neighborhood revitalization
- #4 Economic development incentives



Kitchen Table Conversation #1
13 reported conversations with 103 participants

Issues that arose most frequently across conversations

- #1 Economic opportunities (often referencing education and poverty)
- #2 Housing quality/options
- #3 Infrastructure quality
- #4 Quality and condition/attractiveness of place
- #5 Health and addiction issues

In a few neighborhood-level conversations, an important distinction was raised between framing big issues as long-term community-wide goals versus meeting immediate and localized needs. Both are important and the latter shouldn't be neglected.



From this feedback, three 'Big Things' are emerging as local points for the TogetherDM process:



Improve quality of place

(with a focus on basics)



Strengthen housing conditions and options



Cultivate opportunities for upward mobility

Each is a reaction to **population loss, job loss, soft demand**, and the consequences of those trends



Big Things

Improve quality of place

(with a focus on basics)

What does this mean?

There is a widespread sense that the community does not exhibit pride of place and ownership to an acceptable level—nor does it perform basic upkeep in a manner that instills confidence. Public properties, private properties, and the spaces that connect them—major corridors, gateways, streets, parks, etc.—send an overall message that the community has low standards for itself. There are certainly exceptions to this impression, but prevailing conditions raise an important question: If the community doesn't seem interested or capable of investing in itself, why should anybody else (potential businesses and residents included)?

In the context of **TogetherDM**, 'quality of place' has a broad definition and will mean different things at different scales. But it all boils down to one's experience of their community and how the physical environment influences that experience:

- **Block-level:** Absence of litter, condition of private property, condition of streets and sidewalks, quality of public fixtures, attention to visible details large and small
- **Neighborhood or corridor level:** Sense of arrival and identity, condition and quality of amenities and assets (parks, schools, etc.), consistency of property conditions and built form, apparent capacity of residents or businesses to manage their shared spaces
- **Rural area:** Quality of rural atmosphere and character, depending on context (pastoral, agricultural, small community)
- **Downtown or Main Streets:** Quality and vibrancy of civic spaces, sense of arrival and identity

Why is this a priority?

Low standards are a self-fulfilling prophesy. They discourage people within the community from working to improve the quality of their homes, neighborhoods, and civic spaces, and they discourage people and businesses with numerous options in nearby counties from moving in. Over time, this dampens the community's tax base—and with it, its fiscal capacity to improve and maintain itself.

What do we know about this, or what are we trying to find out?

Residential Property Condition Survey

During April and early May, a field survey of residential property conditions will assign a score to over 35,000 properties in Muncie and the county's six incorporated towns. This will identify properties with visible levels of deferred maintenance as well as properties where investment and pride of ownership are evident.

Corridor Audit

An analysis of major corridors will identify areas of strength and weakness in terms of the quality of design and user experience. Strong corridors instill a sense of pride and serve as magnets, while weak corridors convey disinvestment and/or lack of planning.

Street/Road Maintenance Analysis

The quality of streets and roads is one of the most basic signals a community sends about its ability to take care of essential infrastructure and niceties that contribute to quality of life. The latest assessment of Muncie's streets shows that over 60% of its streets are in need of reconstruction. Similar data will be collected from the County.

Parks Assessment

Existing park networks and opportunities to better connect or expand upon that network will be explored.



Big Things

Strengthen housing conditions and options

What does this mean?

The softness of local housing markets—with supply exceeding demand and leading to stagnation of prices and rents relative to inflation—has produced two phenomena that are noticed by the community.

One is the deterioration of the existing housing supply as owners hold back on major upgrades and defer basic maintenance, either because they lack confidence in the wisdom of investing in their homes or they are unable to afford such improvements. The result is an overabundance of housing that is increasingly unappealing.

The other phenomena is the market's inability to stimulate production of new housing products (rental or ownership) because the community is accustomed to prices and rents that are below what it costs to build new. While the construction of new apartments with modern amenities, for example, will require rents of \$1,300 or more to cover acquisition, construction, management, and financing costs, the typical rental unit in Delaware County is less than \$800 per month.

Why is this a priority?

Combined, the deteriorating quality of existing housing and the dearth of new housing types result in a supply that makes it hard for the community to compete for residents and businesses that can locate in places with a wider range of appealing options.

This also directly influences Big Thing #1 because deteriorating residential properties dampen quality of place throughout the community, and areas that might become more vital with new types of housing (especially downtowns and Main Streets) experience limited development.

What do we know about this, or what are we trying to find out?

Housing Market Analysis and Typology

A variety of local and federal data sources have been used to develop a preliminary picture of Delaware County's housing market geography – where it is relatively strong and where it is relatively weak. This will be refined and can be used to help identify strategies appropriate to different market conditions.

Residential Property Condition Survey

The study of housing conditions in Muncie and the county's incorporated towns will yield an up to date view of the extent of housing disinvestment and where it is most concentrated.

Existing Policy Review

A review of how the governments and non-profit agencies in the community spend existing housing resources—and the outcomes they achieve—will be conducted to identify baseline housing policies.



Big Things

Cultivate opportunities for upward mobility

What does this mean?

As in most communities with a similar economic background, decades of deindustrialization have made it harder for individuals with low or outdated skills to climb the economic ladder in Muncie and Delaware County and created concentrations of high poverty that are difficult to escape from. Cultivating opportunities for upward mobility is about expanding the chances that individuals and families have to advance their economic position and contribute meaningfully to community goals.

This 'Big Thing' ties into a number of spheres, such as the quality of educational and training infrastructure, access to work opportunities to build skills and experience, and improvements to household stability. But it also ties into matters of housing policy (does it alleviate or exacerbate concentrated poverty?) and the degree to which community decision-making is intentional about creating a sense of agency and ownership in areas of high need.

Why is this a priority?

Creating opportunities and tools for economic advancement has the potential to reduce concentrated poverty, strengthen the county's workforce, and build the capacity of the community to invest in other priorities (such as Big Things #1 and #2).

What do we know about this, or what are we trying to find out?

High and Concentrated Poverty

The household poverty rate in Delaware County (22% in 2019) is 1.6x higher than the state and national rates. When the influence of college students is largely removed by looking only at family poverty rates, Delaware County is still 1.5x the state average.

Within Delaware County, poverty is most pronounced within Muncie (with a household rate of 31%), especially on the city's south and east sides. But four of the county's six incorporated towns also have poverty rates that are above (sometimes well above) the state average.

Limited Opportunities to Advance Generationally

Long-term research on generational economic advancement by Raj Chetty at Harvard (creator of the 'Opportunity Atlas') reveals that children born to low-income families in Delaware County can expect to make \$26,000 per year as adults—the second lowest income expectation among counties in Indiana.

Next steps for TogetherDM's 'Big Things'



Steering Committee on April 23rd

Reactions and feedback about the issues that have emerged so far, how they are defined, and how well they reflect the tenor of committee-led conversations.

Late April through May

Continuation of Phase 1 analysis with a particular focus on understanding baseline conditions around the 'Big Things.'

Early May

Build out the 'Big Things' subpage of TogetherDM.org to begin the process of communicating these issues to the public.

Early May

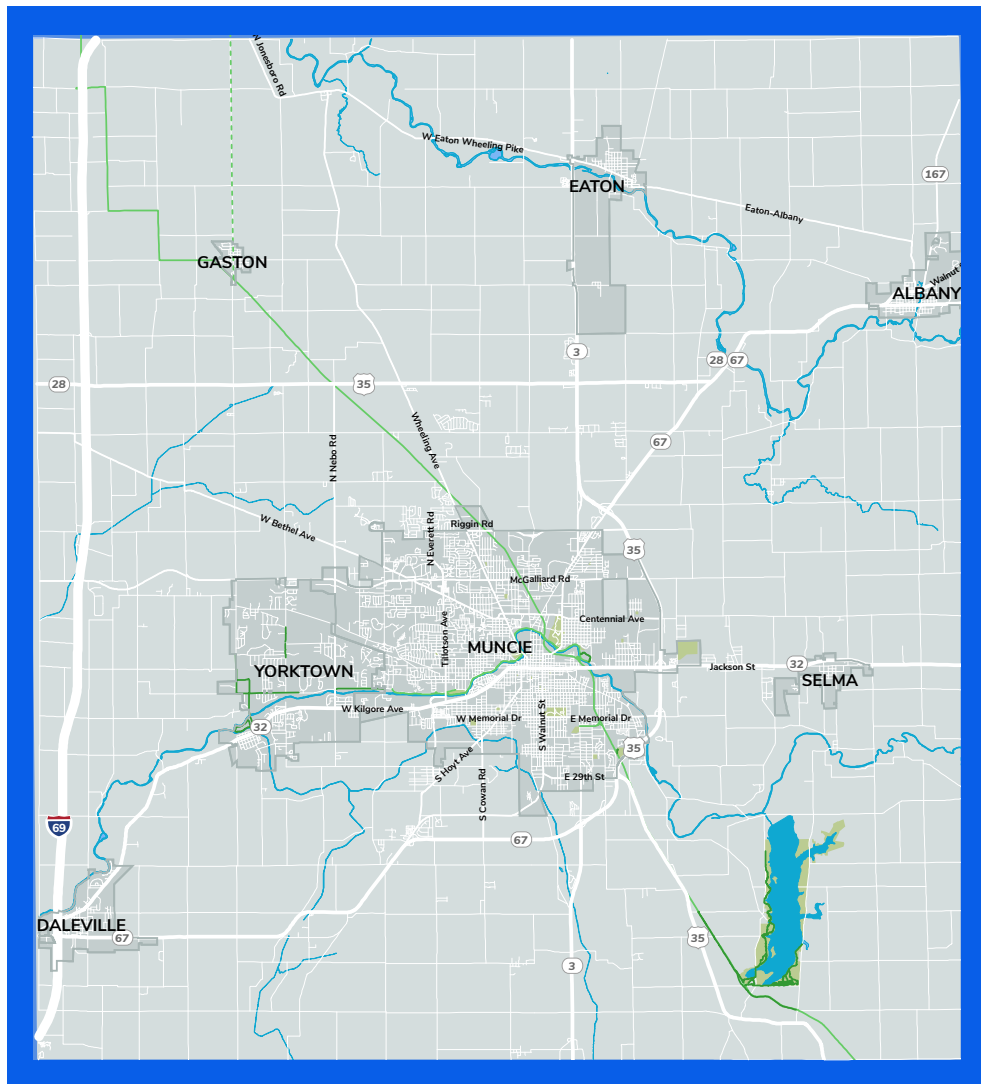
Consultant conversations with City Council members and County Commissioners about TogetherDM and the 'Big Things.'

Mid-June

Conduct first project open houses (likely a hybrid of virtual and in-person) to, among other things, communicate the 'Big Things' and get public reactions and feedback.

Late June

Refine 'Big Things' based on public feedback and move toward strategy development and plan outlining in July and August.



Our Choices for a Stronger Delaware-Muncie

Through the crafting of implementable plans that reflect widely shared values and the community's top priorities, TogetherDM will provide leaders and organizations throughout Delaware-Muncie with tools for making consistent, well-informed, and strategic decisions with their resources to achieve well-defined outcomes.



Visit TogetherDM.org to learn more