# REVITALIZATION PLAN for the Downtown Business District

CREATED FOR THE CITY OF HUNTINGBURG, IN January 2014









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January 8, 2014

Throughout Huntingburg's history, our downtown has been mainly comprised of 4th Street. This has been our major asset, which we will continue to recognize, utilize and appreciate. Now it is time to expand that vision to something much broader. With the valuable assets we have around 4th Street, we have the potential to create an all-encompassing downtown district. A downtown that can serve the wants and needs of residents, business owners and visitors.

That is the goal of this Revitalization Plan for the Downtown Business District. I applaud the team from Development Concepts Inc. and Commonwealth Engineers Inc. and those who worked on the Steering Committee to create this exciting and challenging proposal.

In 2013, Dr. Katherine Loflin, a noted expert on place-making, was in Dubois County to share with local leaders the results of a three-year study entitled "The Soul of the Community." She spoke about the factors that attach residents to their communities and the role of community attachment in an area's economic growth and well-being.

As she went through those factors one by one, it was like I was going down the list of what Huntingburg has to offer and checking them off, one by one. She inspired me to share with you and how I feel about my home town.

We need to be authentic to our place. Our goal and our vision is to not be like anyone else. We should not try create something we are not. Our vision is to make Huntingburg the best Huntingburg we can be. When it comes to quality of life essentials; social offerings, aesthetics, openness, culture, spirit, landmarks and history, Huntingburg's foundation is set. This plans builds on our strengths and identifies the potential of our downtown.

Any successful planning process requires significant community participation to represent the voices of a wide range of citizens. This input is an essential element to formulate the goals and objectives of this Revitalization Plan. I encourage all citizens to take an active role in forming the future of Huntingburg. Together we will develop a plan for the coming years that will revitalize our already vibrant city. Please join me in continuing to make Huntingburg "A City Like No Other!"

Mayor Denny Spinner City of Huntingburg



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# PROJECT OVERVIEW

& introduction

# "CITIES DIE FROM THE INSIDE,

and are reborn the same way."

- FORMER INDIANAPOLIS MAYOR BILL HUDNUT

The Revitalization Plan for the Downtown Business District was made possible by a planning grant from the Indiana Office of Community and Rural Affairs (OCRA) and managed by the City of Huntingburg. The mission of OCRA is to "promote community prosperity to strengthen Indiana's economy by providing capacity-building solutions to assure ready, marketable, and competitive communities for economic growth."

This Plan is meant to assist City officials and guide public investment projects in and around Downtown with the goal of catalyzing private investment in the coming years. It lays out significant data, analysis, and resulting recommendations needed to implement a comprehensive revitalization effort that builds off the significant progress already achieved in Downtown Huntingburg.



# BIG PICTURE FOR HUNTINGBURG

The primary goal of the Huntingburg Downtown Revitalization Plan is to provide Huntingburg leaders with the tools and strategies they need to continue revitalization efforts in the Downtown Business District. It is clear however that the tools and strategies outlined in this document, should be integrated into a larger comprehensive economic strategy if downtown and the community's economic potential is to be fully realized. In other words the downtown revitalization strategy will benefit greatly by Huntingburg's community leadership stepping back and taking a look at the "big picture."

While most cities have experienced a decline in both their downtowns employment in manufacturing, Huntingburg has not followed this trend. In contrast, their two most significant assets are a historic downtown and a significant manufacturing base. While it may not be obvious, both downtown and Huntingburg's manufacturing base are interdependent. Without employment, retailers suffer and without access to local amenities to attract and retain employees, employers suffer. A strategically designed program which leverages each entity's strengths will enhance the ability of each to grow and prosper in a manner that cannot be accomplished by operating in a vacuum.

#### **Current Conditions**

Huntingburg is fortunate to have several, reasonably strong manufacturing businesses, a number of which are in proximity to Downtown. These businesses demonstrate growth potential but are expressing an increasing frustration regarding their ability to attract skilled employees to the Huntingburg area. The current sentiment in the local market is that labor supply shortages have constrained business productivity and growth. There is an expressed need for a "retention-expansion" program to prioritize the creation of an improved business environment which makes long-term investment and growth by key industries and growth possible.

There are at a minimum, seven (7) significant employers within a five (5) minute drive of Downtown Huntingburg employing a total of over 1,300 people. Based on conversations with local economic development organizations and key community leaders these industries have grown and show potential for future growth. However, this potential has been stalled by limited access to a skilled labor pool and the inability to attract qualified employees to Huntingburg. Quality of life, local amenities, elementary and secondary education and access to appropriate housing are several of the key factors that help companies recruit and retain employees.

Amenities and services offered in Downtown provide residents with access to retail, services, recreation, and entertainment but do not provide the total "quality of life" package that will play a significant role in attracting new employees to the region. Downtown does however, demonstrates the ability to support additional retail and residential growth. Leveraging Downtown's existing reputation as a retail destination, Huntingburg must focus on expanding the current retail and service offerings to better suit the demands of a growing workforce.

### Business & Downtown Growth District (BDGD)

Huntingburg is fortunate to have a solid downtown and several healthy manufacturing businesses within a compact geographic area. Their proximity to each other offers an opportunity to create economic and programmatic linkages that if designed well can leverage growth and economic benefit for both entities. It is recommended that Huntingburg leadership consider the establishment of a "Business and Downtown Growth District (BDGD). The key premise for creating the BDGD is that both downtown and its nearby manufacturing base must serve each other interests if each is to have a successful long-term economic future.

It is understood that the establishment of a BDGD is a new concept that warrants further thought. It is believed that Huntingburg's downtown and manufacturing base are vulnerable to regional and national economic trends. At the same time, both economic bases are relatively strong and with concerted innovative programming the community can build from a position of strength not weakness.

If the community decides to explore the BDGD strategy potential next steps could include the following:

- Define boundary and rationale for BDGD;
- 2. Begin conversations with key employers to identify their potential for growth and what they need to realize that potential;
- 3. Identify the key short-term objectives for the BDGD (next 3 months)
  - a. Identify complementary land uses which serve and support business development
  - Identify amenities which will enhance quality of life for businesses and residents
  - Focus on incentives and infrastructure that support business investment
  - Identify steps, which if taken, would improve the ability of employers to attract qualified employees
  - e. Establish job and growth projections for key industries;
     and
- 4. Establish an Implementation Plan

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### EXECUTIVE SUMMARY

Building off Huntingburg's past successes in downtown, the goal of this Plan, from the onset, was to identify the few remaining hurdles that have kept Downtown from reaching the high expectations of Huntingburg residents and community leaders. Even with the hard work and support of local businesses, residents, and the City - Downtown Huntingburg is still missing key elements to its revitalization. Essential to this effort is Huntingburg's ability to expand their Downtown business mix to attract residents, employees, and visitors as users of Downtown, while concurrently increasing housing options to build a Downtown resident base and built-in customers to support local businesses.

What makes Downtown Huntingburg's task achievable, is its position within the region and the ability of the City to capture a large share of an undersupplied regional market for retail, services, and goods. Within their secondary trade area (25 minute drive) there is in excess of \$15 million dollars of potential spending that is leaking to neighboring retail centers. Attracting and retaining businesses which supply retail, goods, and services will allow Downtown to thrive and prosper as a true business district, pulling consumers from outside their primary trade area.

CREATE "WIN-WIN"
SCENARIOS FOR
HUNTINGBURG'S
LARGEST EMPLOYERS
AND DOWNTOWN BY
ENCOURAGING THEM
TO PARTICIPATE IN
AND SUPPORT THE
REVITALIZATION
OF 4TH STREET.

ESTABLISH DOWNTOWN
AS THE NEXT GREAT
NEIGHBORHOOD IN
HUNTINGBURG BY
CREATING ADDITIONAL
LIVING OPTIONS THROUGH
NEW CONSTRUCTION
AND UPPER STORY
RENOVATIONS.

BUILD OFF
HUNTINGBURG'S
POSITION AS A REGIONAL
DESTINATION FOR
SHOPPING, DINING, AND
ENTERTAINMENT TO
EXPAND DOWNTOWN'S
CUSTOMER BASE.

CREATE NEW EMPLOYMENT
OPPORTUNITIES AND
ATTRACT REGIONAL
EMPLOYEES TO
DOWNTOWN WITH
VIBRANT RETAIL, DINING,
AND ENTERTAINMENT
OPTIONS AS WELL AS
DIVERSE HOUSING
OPPORTUNITIES FOR
ALL INCOME LEVELS.



# EXISTING CONDITIONS

#### evaluation

# "WE CAN CHART OUR FUTURE CLEARLY & WISELY,

only when we know the path which has led us to the present."

- FORMER US VICE PRESIDENT, ADLAI STEVENSON

Strong employment base, steady population growth, and access to an unmet retail market, positions the City of Huntingburg with a great opportunity to capture a growing share of the retail and housing markets.

As part of this evaluation, two key trade areas were analyzed - the primary trade market, which is defined by a five (5) minute drive from Downtown Huntingburg and the secondary trade market, defined as a twenty-five (25) minute drive from Downtown. A majority of the region's population live within these two areas and includes the municipalities of Jasper, Holland, Ferdinand, and Santa Claus, Indiana.

Additionally, this area of Southern Indiana is known for its cluster of woodworking and food processing manufacturing businesses. Unlike many cities in the Midwest, Huntingburg and the surrounding region, have not experienced a significant decline in these job sectors. With access to manufacturing jobs, the City is one of the primary commuter destinations for the region, employing over 3,500 individuals within three (3) miles of Downtown.

Strategically located between both population and employment centers, the secondary trade area represents a \$15 million dollar retail gap, which indicates an ability to recapture some of the potential spending within Huntingburg's Downtown.

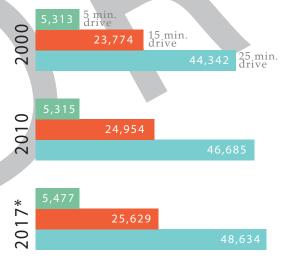


# DEMOGRAPHICS & MARKET CONDITIONS

#### **Population Trends**

Having experienced moderate population growth over the past decade, the small City of Huntingburg is home to just over 6,000 residents, representing a nearly ten percent (10%) growth rate over the last decade. Looking at growth within the city proper, the majority of growth since 2000 has been in the north and northwest sections. A comparison of the population changes between the City limits and the primary trade area (5 minute drive from Downtown) reveals the majority of new growth is occurring in the northern section of Huntingburg which is not included in the primary trade area. This indicates that the primary trade area's population has been essentially stagnant

#### Population Change

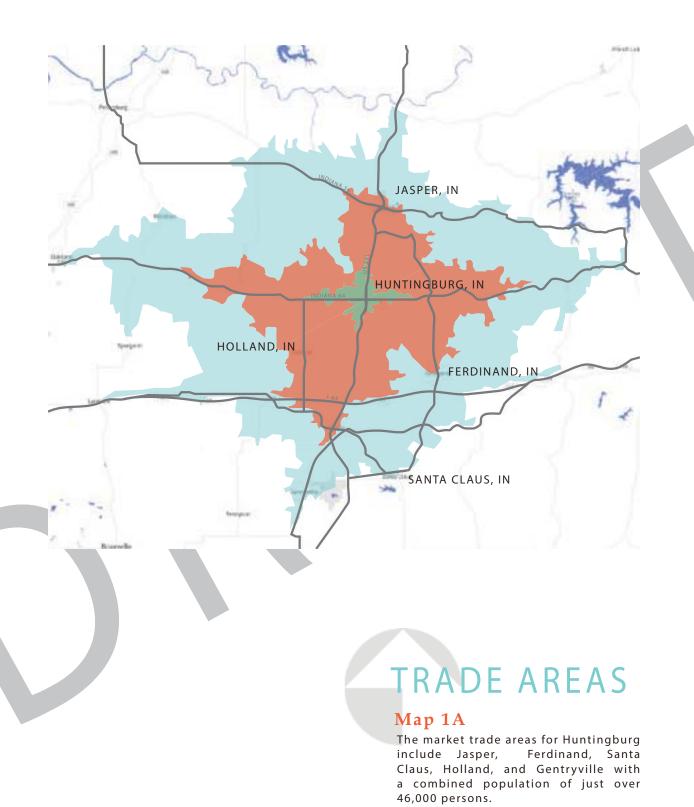


<sup>\* 2017</sup> based on projections provided by ESRI

during that same time. With the majority of recent development in the northwest quadrant of the City, it appears that new population growth is taking advantage of the recent housing opportunities in this area.

Huntingburg has experienced only slightly higher growth rates than other cities in the region. The secondary trade area (25 minute drive from Downtown Huntingburg), which includes Jasper, has seen very similar growth rates, increasing by approximately seven percent (7%) between 2000 and 2012.

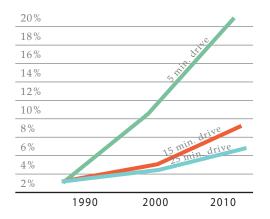
While the City and surrounding trade areas have experienced modest growth in the past decade, the City of Huntingburg's growth has been dominated by the influx of new Hispanic residents. The growth in the Hispanic population over the last two decades has been significant, experiencing a 1200% increase (from just 39 residents to over 500) between 1990 and 2000. The secondary trade area saw a much lower, but still significant increase during that time but has slowed to just over 100% growth in the following Rising sharply, beginning in decade. the 1990s and almost doubling over the following decades, this population subset now makes up twenty percent (20%) of the total population. Attracted to the well-established food processing and manufacturing jobs in and around Huntingburg, the City has embraced their fastest growing population sector with



25 min. drive (Secondary Market

source: ESRI Business Analyst

#### Hispanic Population Growth



source: ESRI Business Analyst

events and festivals, like the Hispanic Cultural Festival, that celebrates this diverse ethnic group.

It must be noted that, without the significant increase in Hispanic migration to the City, the predominately white population of Huntingburg would have declined to 1960s population levels. With a negative growth rate for non-Hispanic persons, Huntingburg must continue to embrace and accommodate the needs of this rapidly growing population that is projected to continue this trend over the next decade.

#### **Employment**

Known nationally for its concentration of locally-owned woodworking companies, Huntingburg's, as well as Dubois County's, employment base is dominated by manufacturing, accounting for forty-three percent (43%) of all jobs in the county. In addition to the

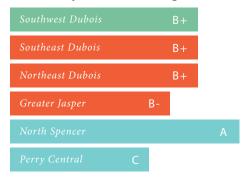
prevalence of woodworking industries, which employ sixty-four percent (64%) of all manufacturing employees, food processing manufacturing represents the next largest sector with ten percent of all manufacturing jobs in the County. The remainder of the County's jobs are concentrated in the retail and service industries.

Over the past few years, Dubois County has enjoyed the lowest unemployment rate in Indiana averaging just over five percent (5.5%) in 2012, while Indiana remained at over seven percent (7.4%). While this is certainly an asset to the City of Huntingburg, it can present a challenge to expanding manufacturing companies needing continuous access to a trained labor pool.

#### Education

Comparatively speaking, education attainment levels in Huntingburg are slightly below the regional and state averages, with fewer residents obtaining Bachelor degrees or higher level degrees.

#### School System Rankings



source: 2013 State Department of Education

This is in part due to the high number of manufacturing based jobs in the City which traditionally has required lesser amounts of education than other office and professional sectors.

The Southwest Dubois School System ranks higher than Indiana's statewide average on most educational categories, but it must compete successfully within a secondary market region with other highly ranked school systems. Huntingburg and Southwest Dubois schools must continue to improve their competitiveness within this region to attract future residents and employees with families.

#### **Downtown Markets**

Generally, downtown markets have three primary drivers – residents, employees, and visitors. Various factors determine how each driver impacts the downtown market, but simply speaking, higher densities and higher incomes will result in higher spending and more revenue for local businesses.

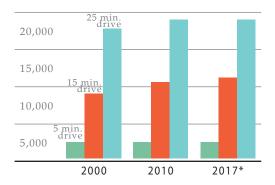
#### Downtown Markets



leverage employees, residents, and visitors to support a larger market within the Downtown. The residential market within Huntingburg has shown little growth and what new housing units have been captured within the City limits have predominately been on the north side of the City. However, the majority of new housing construction in the last decade occurred in Jasper and unincorporated parts of Dubois County. In addition to slower growth, sales and housing values in Huntingburg compared to other parts of the county are lower, reflecting the greater demand for housing in those areas.

While new construction and singlefamily housing values are lower, rental vacancy rates are very low within the City, indicating a solid demand for rental housing and multi-family apartments. Only six percent (6%) of rental housing is vacant resulting in an effective vacancy rate of around one percent (1%), which accounts for temporary vacancies and homes on the market. This demand has caused stress on the surrounding Downtown single-family neighborhoods; many homes have been subdivided into multiple units to accommodate the growing rental demand. This rental demand likely stems from the steady base of entry level manufacturing jobs. Very few new multi-family units have been built elsewhere in the county. This creates an opportunity for Huntingburg to capture a share of the expanding underserved rental market.

#### **Housing Growth**



source: ESRI Business Analyst \* 2017 based on projections provided by ESRI

With decent population growth over the past two decades, Huntingburg is projected to continue to grow, increasing the demand for housing. Based on current projections, population growth within the county is expected to stabilize while population in Huntingburg will continue to grow at a steady rate. This indicates that within the next thirty to forty years, Huntingburg will continually expand, capturing a larger percentage of the county population. Based on these estimations, it is likely that the market could absorb approximately twenty five (25) to thirty (30) housing units per year.

Secondary to the residential market, employees significantly impact the downtown market. With over 2,700 employees within one mile of Downtown, the ability to capture this market is critical to the area's success. Over half of that number is manufacturing employees, who receive slightly higher compensation than the average median income in Huntingburg. Downtown retailers and

business owner are in a position to capture a share of this market by expanding dining, shopping, and entertainment options to attract the daytime population and entice them to return with their friends and families on evenings and weekends.

Downtown Huntingburg has a solid visitor population; many business owners indicated this group represented a large source of revenue, drawing in people from the local region and surrounding states to visit the historic Downtown, local retail, and various well attended events and festivals throughout the year. While it is unknown what the actual scale and impact of visitors on local retail revenues, anecdotal evidence points to the need to leverage Huntingburg's position as a retail destination to further support existing businesses and grow this market segment. Additional data is needed to verify the actual impact that visitors have on the market.

#### **Retail Market Analysis**

Positioned in the center of a large regional employment hub, with nearly 30,000 employees within a half hour drive, and as a visitor destination, Huntingburg is poised to capture a much larger share of the retail market than other cities of comparable size. Currently, within the primary trade area (5 minute drive from Downtown), there is a retail gap of approximately \$5 million dollars. Retail gaps are estimates based on current spending patterns and the existing supply of consumer goods and services offered

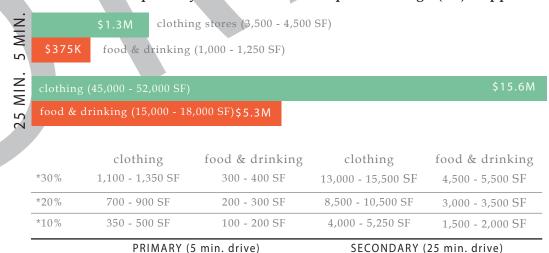
within a particular market. In this case, Huntingburg residents are spending over \$5 million dollars (of the \$42 million dollars spent annually) outside of the City because of the limited supply of goods and services they desire.

The retail potential of several trade categories were further analyzed to evaluate which market segments Huntingburg has the best ability to recapture. It should be noted that no one market will ever be able to recover 100% of their "leakage," however, conservative estimates for recapture rates fall anywhere between ten percent (10%) and thirty (30%). While there is some demand for large ticket items such as automobiles and specialty electronics, these markets are much harder to attract to small cities and demand for these is most likely absorbed into the larger

Jasper market or regional retail centers in Evansville, IN and Owensboro, KY. Smaller, everyday shopping needs are the easiest to recapture and should be the focus of any business recruitment and attraction program for Downtown.

While only a small amount of food and dining "leakage" occurs in the primary trade area, it is the secondary market (25 minute drive from Downtown) that presents the most significant opportunity for Huntingburg to establish itself as a restaurant and dining destination. With over \$5 million dollars in potential spending just within this category, taking advantage of existing local dining options, expansion of hours, new establishments, and offering more food choices will draw customers from nearby cities and towns with limited options.

#### Retail Market Gap Analysis & Additional Square Footage (SF) Supported



\*potential capture rates based on an average \$300-\$350 sales per square footage source: ESRI Business Analyst and DCI analysis



#### **1ST FLOOR USES**

#### Map 1B

4th Street in Downtown Huntingburg has a good mix of retail businesses and restaurants. Vacancies and underutilized storefronts, while limited in number, tend to be clustered near the west end of the downtown.

**CLOTHING & ACCESSORIES** 

MISCELLANEOUS RETAI

HOBBY, BOOK, & MUSIC

OTHER USE

URNITURE & HOME DECOR

FOOD & DINING

VACANT OR UNDERUTILIZED SPACE

source: DCI Analysis

Another retail category with room for growth is clothing retail. Only a few stores in Huntingburg currently offer these goods and with a regional retail gap in excess \$15 million dollars. Capturing only a small share of the clothing category would greatly benefit Downtown by bringing in new spending and diversifying the retail offerings.

No one location can capture all of the potential spending. Capture rates for small markets as stated previously tend to be between ten percent (10%) and thirty percent (30%) depending on the type of goods and services. Using this range, paired with conservative estimates for revenue per square foot, assumptions on the number of new retail opportunities can be calculated. The primary market doesn't present much opportunity beyond expanding existing businesses. The secondary market does, even on the low end, have the potential to support There is multiple new businesses. greater potential to capture spending if new businesses are clustered with other local stores as a retail destination.

#### PHYSICAL CONDITIONS

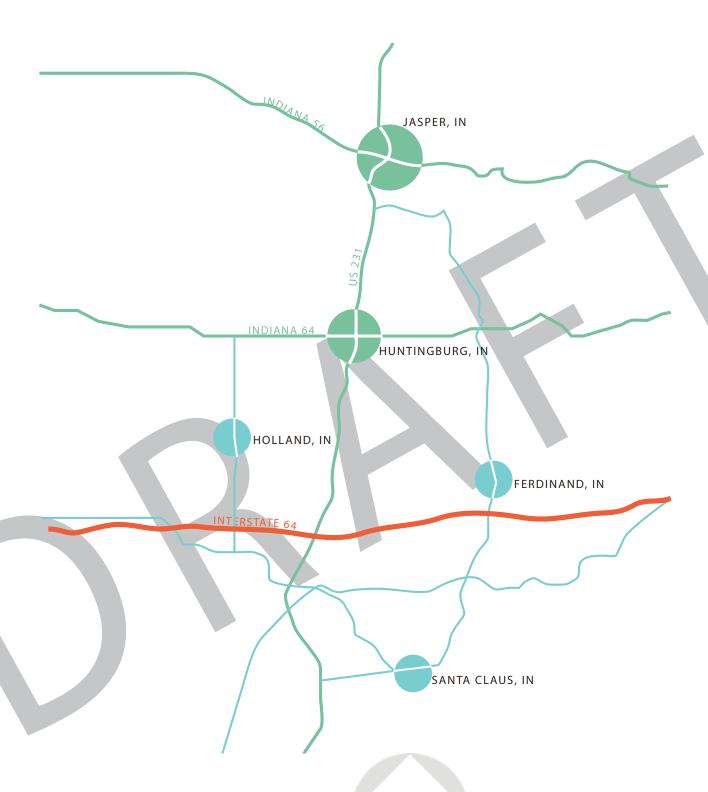
#### Downtown Retail

The health of any downtown is dependent on a vibrant and critical mass of shops, restaurants, and entertainment options. In many downtowns across the Midwest, retailers left downtown in response to the growing needs of the suburban

populations — Huntingburg is not one of these downtowns. With very few vacancies along 4th Street, approximately fourteen percent (14%), Downtown Huntingburg's retail is healthy compared to many cities of similar size and income levels. However, the make-up and variety could be improved to better reflect the existing market demand of the larger region. Increasing local options for dining and retail will allow merchants along 4th Street to pull from a larger trade area and attract additional spending from their primary market.

As of the writing of this report, there are currently only six first floor vacancies along 4th Street (see Appendix for complete building inventory) representing just less than 14,000 square feet of potential retail. These vacancies provide Downtown the opportunity to capture additional shares in the marketplace.

Miscellaneous retail, which accounts for thirty-five percent (35%) of the stores, is the primary retail use along 4th Street. This category includes gifts, florist, and antique stores. Food and drinking establishments with just under twenty-five percent (25%) of the existing storefronts represents the next largest retail cluster. However, nearly one-third of the storefronts are occupied by office and non-retail uses which detract from 4th Street as a true retail destination. Several of these uses would be more appropriate on the upper floors of buildings or in a service cluster. Clothing



# CIRCULATION

#### Map 1C

Located along two major highways, Huntingburg is accessible to most of Southern Indiana. and accessories, sporting goods / hobby stores, and furniture and home furnishing occupy the remainder of the space.

With lease rates between \$3 and \$5 per square foot the cost of retail space should not be a constraint to attracting businesses to Downtown. However, the low commercial lease rates make it difficult for building owners to not only cover operating cost but more importantly finance needed interior and exterior renovations to attract higher paying retailers and businesses.

#### Circulation & Traffic

Located along two major highways in Southern Indiana and just ten minutes from Interstate 64, Downtown Huntingburg is easily accessible from all directions by automobile. The only real hindrance to current mobility around Huntingburg is the east-west train tracks that bisect the City, just north of Downtown. The City in partnership with Dubois County and the Indiana Department of Transportation (INDOT), will begin construction on a new northwest overpass allowing north-south traffic to eliminate traffic delays caused by trains.

Traffic counts are highest, averaging about 19,000 cars a day, north of Downtown and steadily drop off as US 231 intersects with IN 64 and points further south. The impacts of the proposed overpass on Downtown traffic will require additional analysis.

#### Infrastructure & Utilities

The current conditions of Downtown infrastructure and utilities adequately meets the needs of existing businesses. However several issues, including an aging water line, that if not addressed will present challenges to redevelopment and discourage private investment.

The water line under 4th Street was constructed in 1896 and has adequately served Huntingburg's downtown area for more than a century. However, the 8" water line needs to be replaced due to its age and potential to break without warning which would cause a major water service crisis in Downtown Huntingburg. One lateral break occurred in December of 2013 that shot a geyser thirty (30) feet into the air, and required immediate Fortunately, the repair was managed without cutting off service to an entire block or more. The projected cost estimate for this repair is between \$800,000 and \$1,200,000, but it is a capital project that the City Water Utility must complete before a major break in the line causes a potentially catastrophic impact to the residents and businesses within its distribution area.

Several business and property owners commented on the need to study back-up issues for both the sanitary and storm sewers in the 300 and 400 blocks of 4th Street on either side of Main Street. It is recommended that the City budget around \$50,000 to \$200,000 for the study and potential repairs. The sewer

improvements may be adequately repaired by City Utility crews if improvements do not require special construction equipment or methods beyond normal maintenance and repair work for these sections of the sanitary and storm sewers.

While Huntingburg has sidewalks that provide a slant to meet the street pavement at the intersections in Downtown, many of these intersections do not appear to meet ADA requirements regarding proper slope angle of no more than three (3) degrees or adequate width to accommodate wheel-chair users' proper width for maneuvering about the intersections. It is recommended that these ADA intersections be improved to adequately meet modern requirements as part of the larger 8" water line replacement project and potential streetscape and parking upgrades along 4th Street.

#### **Parking**

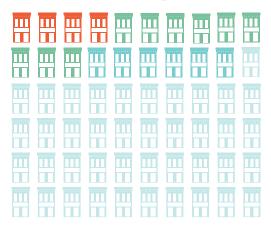
Parking has been a concern in Downtown Huntingburg. It is unclear whether the issue is a perception or reality. On-street parking is allowed, and during most visits to 4th Street, existing parking sufficiently meets the daily needs of most users. There are times during major events and festivals that on-street parking does not accommodate the demand. However, parking levels should not be based on peak levels, which occur less than once a month, but instead on the daily needs of downtown residents, shoppers, and businesses.

Without coordination and effective management, parking concerns can not be resolved. Overflow parking at peak times could be accommodated in nearby underutilized parking lots. Public buildings such as City Hall, Old Town Hall, and the Post Office are predominately used during weekday business hours and could be re-purposed on evenings and weekends. Additional parking could be secured in private lots through a shared parking program with local businesses and churches with an agreement to use their lots as overflow when not in use by the business and congregation, respectively.

### Facade and Building Conditions

The buildings along 4th Street are well maintained and in good condition considering many were built over a century ago, due in part to a small group of investors who are passionate about preserving the architectural heritage of Downtown. Of the sixty (60) buildings

#### **Facade Conditions & Improvements**



Of the 60 buildings inventoried, over 2/3 had no visual facade issues.

inventoried (see Appendix for a complete building inventory), less than one-third were identified as needing any type of facade improvements and only four (4) stood out as prime candidates for large scale facade restoration.

The cost associated with making needed repairs and improving space so it is marketable, is not supported by existing lease rates. The result is deferred maintenance, deteriorating buildings, and unusable space. If this existing condition is to be remedied "soft loans" and grant monies must be available to reactivate the impacted buildings.

Currently, the City's Revolving Loan Fund has some capacity to provide low interest loans to commercial building owners, but has yet to make a loan for facade restorations. A dedicated program incentivizing building owners to make upgrades may be necessary. This type of program could have the added benefit of encouraging high quality and historically accurate renovations. Without providing incentives or funding for projects, owners are at their own discretion as to how they improve their properties and may not adhere to appropriate design standards without incentives.

## Underutilized Sites and Spaces

Few sites within the core of Downtown should be considered underutilized. With the exception of the a few vacant parcels on the southwest block of 4th

Street and the City Hall parking lot, there is no available land adjacent to 4th Street in Downtown. There are a few properties that could be better utilized and present the greatest opportunity for redevelopment in Downtown. Starting conversations with property owners will allow the City to understand the current limitations and needs of individual property owners helping to reach positive solutions for both the property owner and Downtown.

#### LOCAL CAPACITY

Just as important as the historic buildings and the people that make up a downtown, the ability to implement projects and programs are critical to success. cities like Carmel, Columbus, and Elkhart where great strides have been made, local organizations were the key to these successful revitalization efforts. In the case of Huntingburg, a city with only 6,000 residents, the level of local capacity is much higher than other comparable cities and is a key asset for Downtown's revitalization. From financial incentives to festivals, the City offers a wide range of local programs and organizations targeted at improving Downtown and the businesses that make up 4th Street.

Recently established "Destination Huntingburg", the City's new Main Street Organization, should focus on taking the lead to coordinate the various groups, organizations, and events that support this goal. This will increase the reach and

impact of the individual organizations and programs offered in Downtown Huntingburg.

#### **Downtown Organizations**

Many existing organizations currently provide support to 4th Street and its businesses including - the City of Huntingburg, Huntingburg Chamber of Commerce, Downtown Merchants Association, Visit Dubois County, and Dubois Strong (county-wide economic development organization). Given the mission of the recently established Destination Huntingburg, they are the most appropriate entity to provide oversight on the programming, events, and financial support to 4th Street.

The ability to build capacity within Destination Huntingburg will be one of the keys to determining how quickly recommendations from this Plan may be realized. There needs to be coordination amongst the players and Destination Huntingburg is the likely organization to fill this role

#### Local Tools and Programs

Local financial tools should be used to leverage additional funding and to expand each program's capacity and ability to assist more businesses. Emphasis should be placed on working with, not independent of, local financial institutions.

Huntingburg's main assistance program for Downtown businesses is the City Revolving Loan Fund overseen by City staff and a five member review committee. This program offers financial assistance, typically between \$10,000 and \$25,000, to businesses turned down by traditional financing sources such as local banks. This fund has been used predominately in the past for inventory and equipment purchases for small businesses.

Dubois County, through Dubois Strong, offers a similar loan program. The Enterprise Loan Fund (ELF) provides gap financing for business ventures throughout the county, with a strong focus on job retention and creation. Loans are targeted primarily to industrial and commercial entities which may limit the impact in Downtown Huntingburg.

In addition to the on-going loan programs, both the County economic development entity, Dubois Strong and the City can apply on behalf of businesses, for grants and other funding sources to assist with start-ups and business expansion on a case by case basis.

Currently the City has not created a Tax Increment Financing (TIF) District to support redevelopment in Downtown Huntingburg. The City has effectively utilized TIF as an economic development tool to assist business expansions with new infrastructure, to the advantage of the growing manufacturing industries elsewhere in Huntingburg. A method that has been used by cities throughout



The Christmas Stroll is Downtown's largest and most notable event, drawing in crowds of 5,000+ visitors over 3 days.

the state has been to consolidate their existing TIF's into one consolidated TIF District to encourage development. Further consideration is needed to analyze the potential impacts of consolidating the separate TIFs which could include Downtown, and provide the City the flexibility to support and reinforce investments in industrial development with renewed investment in Downtown.

#### **Events and Festivals**

As a regional destination for much of Southern Indiana and parts of Kentucky, Downtown Huntingburg hosts over fifteen unique events and festivals each year. The most notable is the Christmas Stroll

which, over the course of the three day event, has been estimated to attract nearly 5,000 visitors from as far away as South Carolina. Many businesses indicated that Downtown events, the Christmas Stroll in particular, make up a large share of their annual sales and are vital to the sustainability of their businesses.

Understanding the impact of these events and festivals is necessary to attract larger event sponsors, support growth of existing businesses, and recruit new businesses Providing current and to Downtown. accurate data on spending patterns at previous events may show a potential business owner that there is a larger market than the small residential base within Huntingburg. A coordinated effort led by Destination Huntingburg will ensure that thorough and accurate information is collected for each event. Additionally, cross marketing and promotion of events and festivals will garner additional attention, reduce overhead cost, and potentially increase attendance.

#### **Community Partners**

Downtown Huntingburg is home to numerous community partners including churches, schools, and key public buildings like City Hall. Significant buildings such as Old Town Hall, renovated in the late 1980s, and Memorial Gym are key landmarks that attract visitors to the area. Completed in 1951, Memorial Gym is still the site of high school basketball sectional games

bringing in large crowds; the capacity of the historic building holds an impressive 6,000 fans.

There are a significant number of churches that surround 4th Street and attract large congregations each Sunday. Leveraging this large influx of individuals with targeted retail and dining will increase revenues for local businesses. Currently, very few businesses are open on Sundays and are therefore missing out on a significant opportunity. Offering expanded breakfast and brunch menusmay attract worshipers to stay Downtown after services. These extended hours and new customers could benefit local shops and retailers who would be in a position to capture this market segment.





# REVITALIZATION PLAN

for Downtown Business District

# "THERE IS NO ONE GIANT STEP THAT DOES IT. It a lot of little steps."

- AMERICAN WRITER, PETER A. COHEN

Often cited by others in Indiana as the example of downtown revitalization, Huntingburg's 4th Street is a successful business district; however, thinking about revitalization now instead of after disinvestment occurs, will ensure Downtown remains successful. Downtown Huntingburg is vulnerable due to the small local market, the cost to maintain / improve its' historic building stock and the regional and national retail trends. The foremost goal of this Revitalization Plan is to identify the area's limitations and strategize around short- and long-term programs and projects that will elevate 4th Street and its businesses in order to remain relevant in the market.

To be successful, downtowns must offer a distinct reason for people to become repeat visitors; focusing on offering one of a kind,

local retail and dining options that complement regional shopping centers and national chains, not compete with them. Huntingburg should continue to focus their efforts on creating a unique atmosphere for retail, dining, and entertainment that attracts visitors from outside the area, not only during the business day, but on evenings and weekends. Huntingburg is in an excellent position to capture this unmet regional demand for both retail and dining due to its central location within the region. The following strategies will assist Huntingburg and the various Downtown organizations to collaboratively tackle their underlying issues while working towards a shared vision for the revitalization of their Downtown Business District.



#### STRATEGIC GOALS

The vision for Downtown Huntingburg is to establish 4th Street as a true mixed-use neighborhood that attracts residents, employees, and visitors with its abundance of unique, local dining, retail. and entertainment choices. Increasing the quality of life in Downtown Huntingburg benefits not only the City and its residents, but also its many businesses who can point to Downtown as an amenity for their employees. Features like trails and restaurants will enhance the quality of life for residents and attract higher income, higher educated households to Huntingburg.

"win-win" Create scenarios for Huntingburg's largest employers and Downtown by encouraging them to participate in and support the revitalization of 4th Street. An attractive and vibrant 4th Street in downtown will retain and attract employees who are interested in working and living in Huntingburg because of its high quality of life. Work with local industries to gain a clear understanding of their immediate and long-term needs and identify creative solutions that both address these and increase the overall quality of life for residents. Quality of life improvements, such as trails, dining, and entertainment, directly benefits employers by making it easier to attract highly educated and skilled workers to Huntingburg.

Establish Downtown as the next great neighborhood in Huntingburg by creating additional living options through new construction and upper story renovations. In excess of 40,000 square feet of upper story spaced is currently vacant or used for storage, indicating ample opportunity for the City to bring new residential units to the Downtown market. These new residents will further support existing businesses, bring in new retail demand, and create a renewed sense of community. Providing activity during non-business hours, will create the 24/7 feel that is vital to establishing a prosperous and sustainable downtown neighborhood.

Build off Huntingburg's position as a regional destination for shopping, dining, and entertainment to expand Downtown's customer base. Due to the City's small population and proximity to Jasper, Huntingburg's primary market is insufficient to support additional retail and dining. However within the larger trade area (approximately 25 minute drive, including Jasper and Santa Claus) there is excess demand and Huntingburg's central location puts it in an excellent position to capture this unmet demand. Expanding on the downtown district's dining and retail offerings, festivals, and unique events give consumers a reason to visit Downtown to keep them coming back.

Create employment new opportunities and attract regional residents employees and Downtown with vibrant retail, dining, and entertainment options as well as diverse housing opportunities for all income levels. As the center of a large employment hub, nearly 23,000 individuals are employed within a 25 minute drive of Downtown Huntingburg, capturing this market is crucial to the sustainability of the downtown district. A multi-faceted strategy for engaging this market should be considered. First, the City must continue to foster business growth by creating a setting that attracts the regional market to Huntingburg and all that it offers. Second, Huntingburg attract regional residents/ must employees by filling the county-wide void in workforce housing. This housing can be a redevelopment tool for both downtown and the near north side.

attract visitors as repeat supporters of

local shops and restaurants.

Incentives. Expand upon existing incentives to recruit and/or expand desired businesses such as more dining options, local breweries, or additional retailers.

Infrastructure. Replacement of the water line along 4th Street is a well-known need, but improvements to sidewalks, parking configurations, and improved landscaping and lighting will enhance and unify the look of downtown.

**Connectivity.** Create additional access to Downtown by connecting existing recreational destinations along an urban trail system. Trails through urban areas are known to increase property values and spending.

#### DOWNTOWN NEEDS

Based on the findings of the existing conditions evaluation, a list of Downtown Needs was identified and strategies to address them are presented in the following section. Overcoming these hurdles will ensure that Downtown Huntingburg is able to achieve its strategic goals for 4th Street and spur additional revitalization in the areas surrounding Downtown.

**Destinations.** In order to attract new and repeat customers, Downtown Huntingburg needs to establish an anchor destination that provides a reason for people to visit 4th Street.

Residential Base. Increasing the number of people who live in and around Downtown will ensure around the clock activity, expand the built-in customer base for local shops and restaurants, and increase the local tax base.

**24/7 Activity.** Supplement existing businesses with additional retail, dining, and entertainment options that attract users to Downtown on evenings and weekends.

Public Spaces. Formalize existing gathering and open spaces to be used by the public for events and festivals. Open space is an important factor in increasing the quality of life for Downtown residents, employees, and visitors, while at the same time diversifying its ability to support different activities.

## 4TH STREET IMPROVEMENTS Public Infra-structure







With a major infrastructure project along 4th Street looming, the opportunity to leverage this construction project to the benefit of the downtown is possible. Construction of the 4th Street water main will require that a large portion of the northern travel lane and likely much of the sidewalk be removed, leaving the opportunity to improve the accessibility, usability, and appearance of the entire district.

To firmly establish Downtown Huntingburg as a destination for retail, dining, and entertainment, additional attention should be given to the urban streetscape. Currently, 4th Street provides little to no room for any outdoor activities to take place, but by reconfiguring parking from its existing configuration to singlesided angled parking, enough space is created on the north side of the street to allow for outdoor seating and expanded supplementary retail space.

With the proposed parking configuration, 4th Street would continue to accommodate approximately the same number of parking spaces. The angled parking creates structured spaces and reduces underutilization caused by irregular parking in parallel spaces.

Prior to the reconstruction of 4th Street. consideration should be given to the existing landscaping, lighting, and street trees. The current species of street trees is not appropriate for Downtown.

Conversations with local owners indicated that the trees are too large for the existing tree lawns and in the worst case have caused damage to the historic building Additionally, they are fruit facades. bearing trees which are a safety hazard and become a nuisance for local shop owners and their customers.

Funding for the streetscape and sidewalk enhancements along 4th Street will partially come from dollars set aside by the City of Huntingburg for the 4th Street water line replacement. Supplemental funds will be needed to offset the cost of the improvements and will likely be funded by the City of Huntingburg with possible assistance from federal or state grants and loans. Estimates for additional upgrades are approximately \$200,000 per block. This project should be done in conjunction with the Downtown leg of the Huntingburg Heritage Trail along 4th Street and northern alley access to reduce overall cost and duplication of work.

**WHAT** | Leverage the 4th Street water and upgrade 4th Street to allow for

**WHO** | The City of Huntingburg

**WHEN** | Immediately begin conversations

### 4TH STREET WATER LINE

The water line under 4th Street was constructed in 1896 and has adequately served Huntingburg's downtown area for more than a century. However, the 8" water line needs to be replaced due to its age and potential to break without warning which would cause a major water service crisis in Downtown Huntingburg. One lateral break occurred in December of 2013 that shot a geyser thirty (30) feet into the air, and required immediate repair. Fortunately, the repair was managed without cutting off service to an entire block or more. The project cost estimates for this repair are between \$800,000 and \$1,200,000, but it is a capital project that the City Water Utility must complete before a major break in the line causes potentially catastrophic impact to the residents and businesses within its distribution area.

## MARKET STREET IMPROVEMENTS



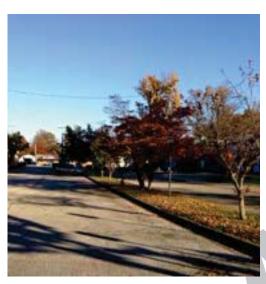












Market Street (photo taken November 2013)

Straddling both sides of Old Town Hall, the significance of Market Street in Huntingburg's history is evident. In recent years however, the tree lined boulevard which features historic lighting, has been underutilized with the exception of parking and overflow from downtown festivals and events.

Market Street should be recognized as an important cultural resource for Downtown Huntingburg through enhancements to reflect a formalized market and festival center with year-round programming. The ability to limit traffic, makes this an ideal location to host events such as an expanded farmers market, a venue for regular festivals, and other outdoor activities without causing any conflict with existing traffic flow and on-street parking along 4th Street.

its Additionally location, flanking both sides of the Old Town Hall will stimulate activity and interest in utilizing the historically recognized building. Significant historic landmarks, like the Old Town Hall, need to be engaged in community building efforts to build social capital and preserve the unique downtown character. The nearly vacant and grossly underutilized Old Town Hall has served this role in the past, but fails to do so currently. Reactivating the structure will require some creative thinking to attract users that are compatible to both the building and the future role of Market Street.

**WHAT** | Enhance Market Street to become the premier outdoor venue for events and festivals and includes year-round programming.

**WHO** Destination Huntingburg in coordination with event and festival organizations with support from the City of Huntingburg.

**WHEN** | Begin informally holding events and festivals in 2014.

#### destinations







#### DOWNTOWN PARK + EVENTS AREA

Retail districts must be multi-faceted in order to consistently appeal to its targeted market. For example modern malls incorporate entertainment, and event venues in their building program giving customers more than one reason to visit. Downtowns must do the same. Creating an attractive retail line-up is only one important dimension of making downtown a magnet for visitors. Venues, both indoors and outdoors that attract event organizers, events, festivals and programs increase visitor traffic and provide critical additional support for downtown businesses.

Increasing downtown's ability to serve as a visitor magnet can be done with year-round programming and the proper facilities to host these events. Informally used as event and gathering space for a variety of activities in Downtown, the vacant parcels on the southside of the

**WHAT** Formalize existing underutilized greenspace as a Downtown park and events space for year-round programming.

**WHO** | City of Huntingburg with coordination from Destination Huntingburg and the Merchants Association.

WHEN | Planning for the redevelopment of the vacant parcels should begin in early 2014 with construction completed for the Herbstfeast in 2014



Underutilized greenspace is used informally as a downtown gathering space for events and festivals. (photo taken November 2013)

300 block of 4th Street presents a great opportunity to formalize an important public space and create substantive programming throughout the year. Events such as concerts and movies in the park, will give residents and visitors a reason to come downtown and to do some shopping or grab dinner before and after events.

To complete a park project of this scale, costs may range from \$150,000 to \$300,000 depending on the actual design and amenities which may range from seating to public restrooms. This project may be able to attract private contributions for all or specific elements of the park with City funds to match private dollars raised. Also, the City may be able to attract federal or state grant funds to support a well-designed park that could encourage activity and attract future contributions to Downtown.

### HUNTINGBURG HERITAGE TRAIL











The physical layout of downtown and its neighborhoods is relatively compact. The distance between the 4th Street retail district and venues including the Memorial Gym, League Stadium Ball Park, and even the near northside industrial park is not great. This compactness offers attractive options for linking recreational venues and employment centers directly to downtown with careful planning.

The Huntingburg Heritage Trail, as proposed in this Revitalization Plan, would connect local recreational amenities, employment centers attractions, and recent public investments along a nearly eight mile looped trail. Recent studies indicate that trails not only increase residential property values for adjacent properties, but increase retail revenues for businesses located along the trail. The proposed Huntingburg Heritage Trail would not only increase access to recreational amenities but act as an effective economic development tool to spur additional spending at Downtown businesses if constructed along 4th Street.

With \$5 to \$8 million dollar cost estimated for the design, phasing of the trail will be important to minimize cost to the City while providing the highest benefit to residents, businesses, and users of the trail. The rough estimated was developed using costs from similar projects completed. Each segment of the trail should be analyzed for possible cost saving implementation,

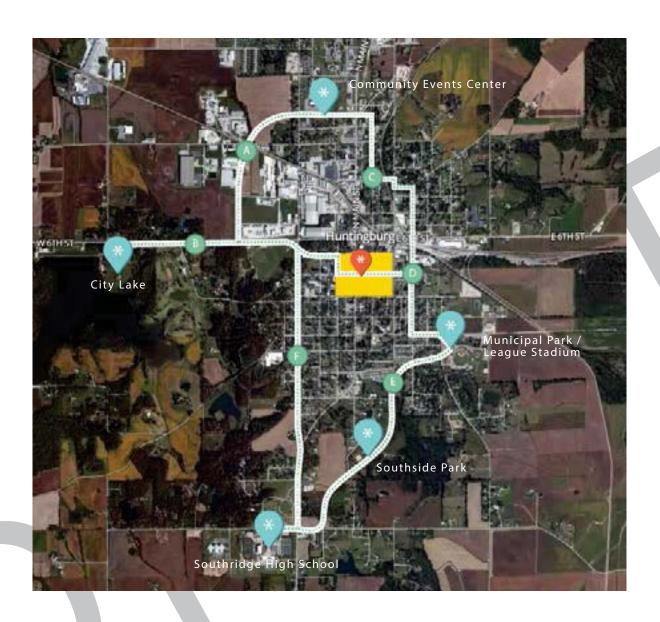
such as utilizing existing right of way and existing sidewalks, building in tandem with upcoming infrastructure projects, and implementing appropriate scale and design elements that reflect the capacity and nature of each segment.

WHAT Construct a city-wide trail system to connect recreational attractions, spur additional investment in Downtown, and enhance the overall quality of life in Huntingburg.

**WHO** | The City of Huntingburg in coordination with Dubois County.

**WHEN** | Leveraging construction plans for the bypass and 4th Street infrastructure projects should be a priority in 2014.

Leveraging funding for road and infrastructure projects is critical to reducing the financial burden to the City and tax payers. Timing for construction of each segment should closely follow existing infrastructure projects maximize the utilization of funds already dedicated. Additional funding for this project may come from a variety of other sources including INDOT, Safe Routes to Schools, City Infrastructure dollars, and various federal and state grants that are available for trail construction.



### HERITAGE TRAIL

#### Map 2A

Recreational amenities can play an important role in increasing the overall quality of life and economic development opportunities for Huntingburg. The proposed Huntingburg Heritage Trail would connect existing amenities via greenways, trails, and urban paths.

PROPOSED TRAIL ROUTE

DOWNTOWN HUNTINGBURG

**Existing Amenities** 

#### WAYFINDING & SIGNAGE





Many downtowns struggle to find a balance between creating urban, walkable cores and providing adequate parking for residents and visitors who, in a market such as Huntingburg where consumers are accustomed to traveling, are heavily dependent on automobiles. In these situations, attention must be paid to addressing both the concerns for easily accessible parking and the walkability of an area.

It is common to hear visitors, residents, and property owners voice concerns over inadequate parking along 4th Street. A simple parking analysis indicated that there is adequate parking for on-street spaces and off-street public and semipublic lots to sufficiently meet the current daily demand. However, this indicated another issue, the perception of limited parking, which is a real concern to many retailers and is perpetuated by regional and national chains that cater to oversized parking lots in front of retail establishments.

To combat this perception Destination Huntingburg should invest in additional wayfinding and signage to clearly identify and direct Downtown visitors to existing free public and semi-public parking. Signs at each lot within walking distance of 4th Street should indicate when and where patrons are allowed to park. Additional signage along 4th Street is needed to direct visitors to the existing lots if on-street

parking is unavailable. Shared parking of underutilized lots, such as churches who typically have complementary hours of operations to downtown businesses, would increase the amount and location of parking for Downtown users.

**WHAT** | Build and expand on existing wayfinding and signage to include public parking and directional signage.

**WHO** | Destination Huntingburg in coordination with the City of Huntingburg and the Merchants Association.

**WHEN** | Public parking identification signage should be installed in the first half of 2014 followed by further evaluation of additional wayfinding needs later in the year.

Since parking already exists, cost for this strategy will be reasonable and easily implemented. The Dubois County Visitors Bureau and the Merchants Association both provide signage in and around 4th Street. Expanding on the brand already established, will further enrich the identity of Downtown. Coordination between the two organizations and Destination Huntingburg will be needed.



## 4TH STREET FACADE PROGRAM

The National Register of Historic Places lists Downtown Huntingburg's Street as an architecturally significant commercial district featuring Italianate and Romanesque architecture from the turn of the century. Maintenance of and care for historic properties can become financially demanding on small businesses and building owners without assistance. Further adding to the problem is the over 40,000 square feet of vacant and underutilized upper story space which provide little to no additional income for most building owners, reducing their ability to fund facade restoration projects.

These buildings, which add considerably to the culture and charm of 4th Street, are an important asset to the City of Huntingburg. With only a small number of Downtown buildings in need of large-scale restoration and a few in need of minor upgrades and repairs, the City and downtown organizations should identify additional resources and incentives to provide financial motivation for property owners to tackle these projects.

A potential response would be to establish a traditional facade grant or loan pool, accessible to all property owners within downtown, to reduce the initial costs of restoration and upgrades to commercial buildings. Typically, programs like this, fund improvements to the front facing walls, signage, windows, and entryways. Funding could be available as a low interest







330 E. 4th Street retains much of its historic details (top: early 20th C., middle: c1930s, bottom: 2013) (photo credit: Huntingburg Public Library)

loan, a forgivable loan, or a matching grant where owners pay for up to fifty percent (50%) of the costs. There are benefits and draw backs to each option and additional discussion is needed to determine what type of support best suits the needs of property owners and works given resource availability.

Limited capacity, time, and financing are large hurdles that prevent many building owners from taking on facade improvements. The use of a Facade Easement Program is one way to reduce those hurdles. Similar to a utility easement, transferring the rights to a building's facade greatly reduces the costs and risk to each owner, while allowing a local organization, such as Destination Huntingburg, to control the quality of restoration and ensure compatible designs for facade improvements and new signage are completed. Once the construction project is completed, the facade easement can be transferred back to the building owner for long-term maintenance.

Funding for either option would require the City or Destination Huntingburg to have access to a sizable pool of money. One potential source of these funds may come from local "angel" investors who do not need to realize a quick return on their investments but see this as a way to invest in their local community.

WHAT | Establish an accessible facade program that provides financial incentives for building owners to make needed improvements to their property.

WHO | City of Huntingburg and/or Destination Huntingburg with support from local financial institutions.

**WHEN** A pilot program to test the facade easement program should be organized and implemented within the first year and a completed facade program in 2015.



Various stages of facade restorations are needed along 4th Street. The building shown here is in good condition but needs the former storefront glass and casing replaced (photo taken 2013)









#### BUSINESS RECRUITMENT

Regional analysis of consumer spending indicated that residents are going outside the secondary trade area to make major and everyday purchases. Categories with high levels of leakage are clothing, dining, and general merchandise. While Huntingburg (and any city in that case) cannot assume to capture all of this spending, it is possible with the right grouping of businesses and services to increase spending in the local market. For every \$100 dollars spent at a local business, \$68 dollars remains in the local economy; however, for every \$100 dollars spent at a national chain, only \$43 remains in the local economy. (source: US News)

Interviews and discussions with City stakeholders identified a local gap in the dining and food service business, which

WHAT | Promote City and County financial resources to existing and potential businesses. Clearly define opportunities in the market as a recruitment tool for desired businesses such as restaurants and evening dining options.

WHO Destination Huntingburg
in coordination with the City of
Huntingburg and Dubois Strong.

WHEN Immediately begin to market existing programs, available space, and existing opportunities. Throughout 2014 collect statistics on visitor impact to include in business recruitment efforts.

confirms the findings from the retail analysis. With limited options for dinner, many residents must leave the primary market of Huntingburg for larger markets such as Jasper to meet their demand.

Downtown should leverage this by recruiting additional locally owned businesses to 4th Street to meet the unmet demand and draw people into downtown. With a proper recruitment plan in place, Huntingburg has the ability to capture a larger share of the regional market. One way to attract businesses is by properly marketing Downtown as a great place to do business and the opportunities that exist, including access to relevant market data, available real estate, and financial incentives for start-ups and expansions.

There is not a need to create a new resource for this program. Promoting and marketing the existing City Revolving Loan Fund and County ELF program is a good start. Access to these funding sources may, at the current time, present a barrier to small businesses who have limited experience with public funding sources. Destination Huntingburg, with support from the City and Dubois Strong, should take the lead in educating existing and potential businesses on how to use these funds and other resources for business start-ups and expansions.

#### WHY SHOP LOCAL?

<u>LOCAL CHARACTER:</u> local businesses provide a community with a distinctive character.

<u>COMMUNITY</u> <u>WELL-BEING:</u> locally owned businesses build strong communities, link neighbors, and contribute to the local economy.

<u>LOCAL</u> <u>DECISION-MAKING:</u> local ownership ensures decisions are made by people who live in the community.

<u>KEEP DOLLARS LOCAL</u>: locally owned businesses invest a much larger share of their revenue back into the local economy.

JOBS & WAGES: locally owned businesses employ more people and can pay higher wages.

<u>ENTREPRENEURSHIP</u>: local businesses allow individuals to create opportunities for themselves and their families.

<u>PUBLIC BENEFITS & REDUCED COST:</u> downtown shops require little infrastructure and make efficient use of public services.

<u>SAVE THE ENVIRONMENT:</u> downtown stores reduce sprawl and automobile use.

<u>COMPETITION:</u> small businesses ensure innovation and low prices over the long-term.

<u>PRODUCT DIVERSITY:</u> local businesses know their customers and provide products to meet their needs.

source: Institute for Local Self-Reliance









With a strong visitor population, it is surprising that Huntingburg has only one hotel; requiring many visitors and business travelers to go outside the City for these accommodations. This allows surrounding towns and cities to capture much of the potential visitor spending, which could have remained in Huntingburg. Spending is not only limited to hotel accommodations, but dining, shopping, and conveniences such as gas typically are associated with tourist activity.

The recently completed Comprehensive Plan calls for the creation of a Hospitality District on the City's north side to lure travelers back to Huntingburg. And while this will meet much of the potential demand for hotel stays, there is an opportunity in Downtown Huntingburg to capture a small amount of this market with a unique hospitality offering. There appears to be enough steady visitor

WHAT | Establish a B&B District that offers each individual owner joint management, marketing, and coordination between local retailers and services.

WHO | Private operators with support from Destination Huntingburg and the Merchants Association.

WHEN | Immediately begin to research alternative operation methods and define the boundaries of the B&B District with the goal of opening the first B&B in 2015.



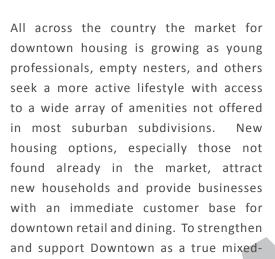
Hotels dotted the streets of early 20th Century Huntingburg, including this one on Geiger St. (photo credit: Huntingburg Public Library)

demand to support the creation of a small Bed and Breakfast (B&B) District. Downtown Huntingburg has ample amenities to draw in tourist including a beautiful downtown for strolling, safe community for biking, unique local shopping, and events throughout the year.

To reduce the barriers of operating a Bed and Breakfast, Destination Huntingburg should explore alternative operation methods. These may include joint management by a single entity, collaborative marketing, or other creative solutions to limit the resources needed by individual owners.

Huntingburg should take advantage of this unmet demand and leverage it to support existing businesses. A B&B District, if managed well, could integrate products and services from local businesses such as breakfast from local restaurants, linens and decor from local shops, and furniture from local manufacturers all to showcase the unique offerings found in Huntingburg.

## UPPER STORY RENOVATIONS



One of 4th Street's greatest assets is its historic building stock, which is currently underutilized as upper story storage and warehouse space. With over 40,000 square feet identified as "storage" the ability to convert these spaces back to their original use as residences presents a unique, but challenging opportunity for Huntingburg to expand housing options and attract new residents.

use district, Huntingburg must increase

the residential base.

While a few upper floors have been renovated, a majority remain empty because the cost to make the improvements outweighs the financial return on their investment, creating a financial "gap" for building owners. A gap financing program is a powerful tool to incentivize and assist property owners in rehabilitating upper floor space.









Over 40,000 SF in Downtown is used for storage, conversion to residential units would bring new life to the area (photo taken 2013)

WHAT | Create a gap financing program to assist building owners absorb the high cost of rehabilitating upper floor space for market rate rental housing

WHO | City of Huntingburg in coordination with local building owners or private developers.

**WHEN** | Explore options during **2014** and identify pilot a building with renovations completed within twelve months of program start.

There are many ways to fill this gap and each project will need to be evaluated on a case by case basis to determine the best financing solutions. In many cases, a combination of incentives is needed to make the project feasible for the owner.

### CASE STUDY: TAMAQUA, PA

The Pennsylvania Borough of Tamaqua (2012 population 7,003) had a similar issue with upper story vacancies and underutilization. DCI assisted the small Borough by identifying and analyzing upper story opportunities for conversion to residential. The Upper Story Revitalization Plan, completed in 2010, identified innovative public-private partnerships for upper story mixed-use development in their Downtown. The primary recommendation involved packaging several buildings into a single development to leverage state and federal resources - primarily tax credits.

Since the completion of the plan, community leaders have acquired one property and received a \$500,000 grant for the renovation of that building. They have optioned several other properties that will be packaged into a \$16 million dollar project creating 40 new housing units in their Downtown. Additionally they utilized the Plan with support from the State Legislature to help them establish the downtown area as a City Revitalization and Improvement Zone (CRIZ) that provides additional funding, from state taxes, to incentivize redevelopment of their upper floor spaces.

### GAP FINANCING OPTIONS

<u>lease write-downs:</u> in many cases the rent needed to cover the cost of redevelopment is higher than what the market supports. In situations like this, a lease write-down covers the difference between market rate rents and costs needed to cover the rehabilitation.

balloon loans: raising capital can present challenges to small businesses. Balloon loans require less money upfront and typically lower interest rates which reduces cost during the start-up phase and over the first few years. After revenues have stabilized, a large payment or "balloon" is due at the end of the short-term loan.

TIF increment waiver: improvements on vacant and underutilized buildings can create a financial burden due to increased property taxes. One way to combat this initial increase is to essentially abate the increment (or the difference between the pre-rehab assessed value and the completed renovation assessed value) for a short-term period following the improvements.

Low Interest Loans: can support and be blended with conventional bank financing to improve the cash flow of projects to make it attractive for conventional lenders to participate in a redevelopment project.



#### **UPPER STORY USES**

#### Map 2B

With just under 70,000 ft² of combined space in the second and third stories of the 4th Street buildings, Huntingburg has a unique opportunity to bring much needed rental housing to Downtown.

NO UPPER STORY USE

OFFICE OR RETAIL USE

UNOCCUPIED RESIDENTIAL USE\*

OCCUPIED RESIDENTIAL USE\*

STORAGE / WAREHOUS







### WORKFORCE HOUSING

Housing options play a vital role in determining a city's quality of life. A city needs to be able to meet the varied housing needs of all residents regardless of income level. Without a diverse range of housing options, including both for ownership and rent, the attractiveness of a city for residents and employees and more importantly employers is greatly reduced. Huntingburg and the region's manufacturing base require that special attention be paid to the concept of workforce housing.

Diverse housing choices, including a range of options for home ownership, historic downtown apartments and quality rental options are a necessary tool for attracting qualified employees to Huntingburg. Single-family homes are the predominant housing type within the City and plans are in place to increase the availability of Downtown apartment units. However, what Huntingburg and the region lack

WHAT | Develop a menu of incentives to reduce barriers for development and attract private investment to Downtown Huntingburg.

WHO | City of Huntingburg in coordination with local building owners or private developers.

WHEN | Analyze potential incentives over the next six to twelve months and market development opportunity by mid 2014.

are high quality rental options. Over the last decade very few units have entered the market each year, and the majority of those have been in Huntingburg. (source: US Census Housing Starts)

Construction of multi-family housing, especially in Downtown, will likely require some form of public sector participation due to the higher costs associated with urban infill development. With very few underutilized or vacant buildings in the Downtown core, any multifamily development will most likely be in the form of new construction, which can create larger development "gaps" than rehabilitation. A public-private partnership between the City and a private developer will ensure that both parties are able to realize a benefit from this initiative. Land assembly and public right-of-way / infrastructure improvements may need to be undertaken by the City to entice private investment within the Downtown area.

An added benefit of public-private partnerships is the ability to have control over the final product. This may include insisting on appropriate historic designs, affordability, or the inclusion of amenities that complement the needs of Downtown users and residents. A community room, fitness facility, or senior center would be appropriate uses of first floor "retail" space within a Downtown apartment development.

## EMPLOYER SUPPORTED HOUSING







The thinking behind Anchor Institutions is to identify common needs between large employers and the communities in which they are located. Collaborative efforts between the two groups provide a greater return on each groups investment. Anchor Institutions typically fall under the Education and Medical "Eds & Meds" category, but in Huntingburg their historic base in woodworking manufacturing could be considered an anchor.

This thinking can be applied to concerns from businesses in the area regarding their ability to attract qualified employees to Huntingburg which has been a growing concern and was identified during numerous stakeholder interviews. The City's rural location, limited housing options, and access to cultural amenities were cited as limiting factors in attracting a qualified workforce to live in Huntingburg. These concerns are not dissimilar from those we heard from local businesses and residents. A joint solution must be vetted to create a "win-win" for both the City and its largest employers.

A disconnect between housing needs and available housing choices has caused many residents to relocate to other parts of the county or surrounding counties. Enticing people to Huntingburg and creating appropriate housing price points for employees will increase the City's tax base, attract new residents, and should be used by businesses to attract and

retain employees. Further exploration of this concept, in conjunction with local employers, is needed to understand the scale and impact of an employer supported project.

WHAT | Work with local employers to identify quality of life and housing improvements that would support additiona employee recruitment and retention.

**WHO** | City of Huntingburg in coordination with local developers and local employers.

WHEN | Immediately begin conversations with area employers with the goal of completing one employer supported project by the end of 2016.





## IMPLEMENTATION PLAN

for Downtown Business District

# "WHAT MAKES A PLAN CAPABLE OF PRODUCING RESULTS IS THE

commitment of key people to work on specific tasks."

- SOCIAL ECOLOGIST, PETER F. DRUCKER

Already recognized by its peers and amongst the region as a retail destination, Downtown Huntingburg has the opportunity to leverage this reputation and establish itself as an attractive City with unique shopping, dining, recreation, and living options. In the short-term, Huntingburg must focus on capturing the unmet regional retail demand and building its residential base. Once a healthy retail and dining mix is established, the primary market will respond, but without a traditional residential base to support the commercial core, sustainability of this market is uncertain. Huntingburg must invest in building this base if they want to ensure the sustainability of their Downtown.

The Revitalization Plan for the Downtown Business District identified four strategic goals, drafted to leverage the City's existing strengths and offer creative solutions to issues that have in the past, created a challenging environment for revitalization and private investment. To achieve this, the City of Huntingburg must work in coordination with supporting organizations to strategically implement the priority projects from the Plan.

The following section provides a basic guide on project phasing, key players, and funding sources. Additional implementation information is included with the project descriptions in the Revitalization Plan section.



#### PROJECT LIST







IMPLEMENTATION TIMELINE		KEY PLAYERS		FUNDING SOURCES			2014			2015					20	16	2017	2018	
		LEAD ENTITY	PARTNERS	PUBLIC	PRIVATE	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4		
Public Investments Projects	4th Street Improvements	City of Huntingburg	Destination Huntingburg, INDOT	100%	0%														
	4th Street Water Line	City of Huntingburg	IOCRA, USDA-RD, IFA, Merchants Association	100%	0%														
	Market Street Improvements	City of Huntingburg	Destination Huntingburg, INDOT	75%	25%														
	Downtown Park	City of Huntingburg	Destination Huntingburg, Merchants Association, Dubois County Visitors Bureau	25%	75%														
	Huntingburg Heritage Trail (phase 1)	City of Huntingburg	Destination Huntingburg, Indiana Greenways, INDOT, SRTS, IDNR	75%	25%														
	Huntingburg Heritage Trail (phase 2)	City of Huntingburg	Destination Huntingburg, Indiana Greenways, INDOT, SRTS, IDNR	75%	25%														
	Wayfinding & Signage	Destination Huntingburg	City, Merchants Association, Chamber of Commerce, Dubois County Visitor Bureau	100%	0%														
Public-Private Partnerships	4th Street Facade Program	Destination Huntingburg	City, Local Banks, Dubois Strong	50%	50%														
	Business Recruitment	Destination Huntingburg	City, Merchants Association, Chamber of Commerce, Dubois Strong	75%	25%														
	B&B Cluster	Private Operators / Developers	Destination Huntingburg, City, Local Banks	20%	80%														
	Upper Story Renovations	Building Owners / Private Developer	City, Destination Huntingburg, Local Banks	20%	80%														
	Workforce Housing	Private Developer	City, Local Banks, Dubois Strong, IHCDA	15%	85%														
	Employer Supported Housing	Private Developer / Major Employers	City, Local Banks, Dubois Strong, USDA-RD, IHCDA	10%	90%														

IDNR: Indiana Department of Natural Resources IFA: Indiana Finance Authority

IFA: Indiana Finance Authority
IHCDA: Indiana Housing and Community Development Author
INDOT: Indiana Department of Transportation
IOCRA: Indiana Office of Community and Rural Affairs
SRTS: Safe Routes to Schools
USDA-RD: US Department of Agriculture - Rural Developme

PLANNING & DESIGN