



Mid-States Corridor Economic Impact Study

Presented to:
Ed Cole
Grow Dubois County

Sent Via Email to: ecole@duboisstrong.com

January 29, 2021



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Grow Dubois County

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Dear Mr. Cole,

Grow Dubois County (GDC or Client) engaged Hunden Strategic Partners (HSP) to prepare an economic impact analysis related to a proposed highway-grade connection that would connect Nashville via I-65 with western Michigan via I-196. The Client was specifically interested in the portion of the I-67 corridor (Mid-States Corridor or Project) from south central Indiana to western Kentucky, and the economic impact it will have on Dubois and Spencer Counties. Attached is our final report.

This deliverable has been prepared under the following general assumptions and limiting conditions:

- The findings presented herein reflect analysis of primary and secondary sources of information that are assumed to be correct. HSP utilized sources deemed to be reliable but cannot guarantee their accuracy.
- No responsibility is taken for changes in market conditions after the date of this report and no obligation is assumed to revise this report to reflect events or conditions occurring after the date of this report.
- HSP has no control over construction costs or timing of construction and opening.
- Macroeconomic events affecting travel and the economy cannot be predicted and may impact the development and performance of the project.

We have enjoyed serving you on this engagement and look forward to providing you with continuing service.

Sincerely yours,

Hunden Strategic Partners

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EXECUTIVE SUMMARY

Hunden Strategic Partners, Inc. (HSP) was retained by stakeholders in Dubois and Spencer Counties to study the economic, fiscal and employment impacts of the proposed Mid-States Corridor on the economy of these two counties. As of 2018, the gross domestic product (GDP) of the two counties totaled \$4.04 billion.

- The construction and 30-year stabilized operation of the Mid-States Corridor through Dubois and Spencer Counties is projected to generate \$32.5 billion in new spending in constant 2020 dollars, or more than \$1 billion per year, or an increase of 26 percent over today's GDP.
- Net new earnings to the two counties is projected to total \$10.7 billion, or more than \$300 million per year, supporting more than 7,000 construction jobs and more than 7,000 ongoing jobs in the two counties, for a total of ~14,500 jobs. A primary benefit of time savings and efficiency of the Project is that employers will be able to attract many more talented employees from a farther distance compared with today.
- Total local taxes generated over the period are expected to be nearly \$130 million, or approximately \$4.33 million per year.
- The population growth rate in the two counties is expected to double compared to a future without the Project, leading to nearly 8,000 additional residents, which will boost housing development, rents and pricing.
- Real estate development is expected to increase in a number of commercial areas, primarily driven by industry and distribution centers, due to the more than 100 percent increase in trucks induced to travel the corridor compared with today. Service industries like retail, restaurants and gas stations will also increase substantially, as detailed herein.
- Tourism and hotel development will also expand by a significant margin, with more than 550 new hotel rooms supported, as well as attendance increases at tourist attractions of 30 to 40 percent.
- The table below shows the total construction and 30-year impacts (after stabilization) of the Mid-States Corridor in Dubois and Spencer Counties.

Table 1

30-Yr. Summary of Impacts	
Net New Spending	(millions)
Direct	\$19,304
Indirect	\$7,590
Induced	\$5,660
Total	\$32,554
Net New Earnings	(millions)
From Direct	\$5,968
From Indirect	\$2,850
From Induced	\$1,880
Total	\$10,697
Net New FTE Jobs (ongoing)	Actual
From Direct	4,374
From Indirect	1,484
From Induced	1,325
Total Ongoing Jobs	7,184
New Job-Years from Construction	7,321
Construction and Ongoing Jobs	14,505
New 30-Yr Taxes (incl. Construction)	(millions)
Dubois Income Tax - Resident (1.0%)	\$83.3
Dubois Income Tax - Non-Resident (0.55%)	\$10.6
Spencer Income Tax - Resident (0.8%)	\$24.8
Spencer Income Tax - Non-Resident (0.58%)	\$3.8
Hotel Tax (5.0%)	\$7.0
Total	\$129.6
Source: Hunden Strategic Partners	

Project Description

The Mid-States Corridor Project is a proposed high-speed expressway-grade connection in Southern Indiana that would provide an improved transportation link between the interchange of Interstate 64 and U.S. 231 south of Huntingburg, Indiana, and Interstate 69 at an as-yet undetermined location south of Bloomington, Indiana. While the entire Mid-States Corridor in Indiana covers an area as far south as the William H. Natcher Bridge at the Ohio River, near Rockport, Indiana and north of Owensboro, Kentucky, it includes an already-improved four-lane expressway from the Ohio River north to I-64 in northern Spencer County.

The proposed Mid-States Corridor expansion project is a northbound extension of this four-lane expressway from I-64 to I-69, although the route has not been selected. It is anticipated to be, both, a bypass of the current

alignment of U.S. 231 in Jasper and Huntingburg, and a through-route that would complete the Corridor's improvements and provide the missing link between the major logistical hubs of the Indianapolis and Nashville, Tennessee metropolitan areas. It is assumed that the highway would be limited access, resulting in the elimination of stop-lighted intersections throughout, including 13 such intersections amongst the current route through Jasper, and five additional intersections in Huntingburg.

The goals of the Project, which was identified in the 2014 Governor's Blue-Ribbon Panel on Transportation Infrastructure as a Tier 2 statewide priority, are as follows:

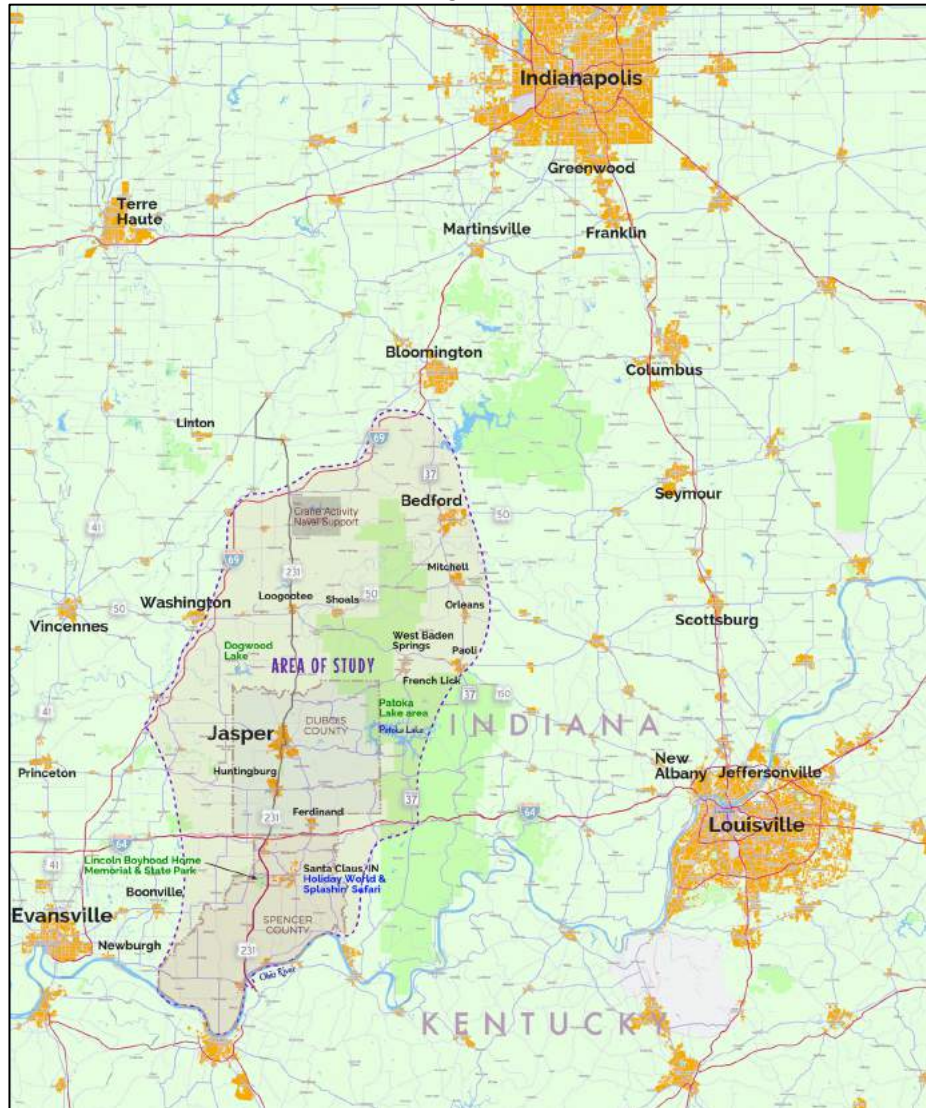
- To improve business and personal regional activity in Dubois County and Southern Indiana;
- To improve regional safety in Southern Indiana;
- To support economic development in Southern Indiana; and
- To improve highway connections to existing major multi-modal locations from Southern Indiana.

The need for a major north-south highway in the region was identified long before it was officially made a statewide priority. Regional accessibility has historically been limited, both for individuals and freight. Counties to the east of I-69 and west of I-65 lack access to the north and south. US 231, the existing north-south connection, is generally a two-lane road that is often heavily congested, especially in Dubois County.

The factors that contribute to congestion and increased travel times also contribute to unsafe conditions, namely the road's narrow shoulders and the presence of freight trucks and farm equipment. Inadequate transportation infrastructure can cause a ripple effect of negative impacts through a region as it can ultimately lead to decreases in workforce attraction, tourism and business activity.

The following figure shows Dubois and Spencer Counties in relation to the Mid-States Corridor impact area.

Figure 1



Anticipated benefits of the Project include increases in economic activity, reduction in congestion and delays, improved access to other modes of transit, decreased transportation costs for freight movement, and an increase in the quality of life for the region's residents. In order to confirm and quantify these benefits, an economic impact analysis was performed for the Mid-States Corridor in Dubois and Spencer counties and the findings are summarized herein.

Dubois County is the economic center of the Mid-States Corridor Study Area and is home to approximately 42,000 residents. Dubois County is part of the Jasper Micropolitan Statistical Area and encompasses the cities of Jasper and Huntingburg, as well as the smaller towns of Birdseye, Ferdinand and Holland. Dubois County is home to several large corporations which drive the economic activity in the region and employ

thousands of people throughout Southern Indiana. Representatives from a number of these organizations were interviewed as key stakeholders and the feedback of those interviews is summarized later in this report.

The City of Jasper is the county seat and is home to more than 15,000 people and nearly 6,000 households. Much of the land in Jasper is used for agriculture, but the city is also home to several large furniture manufacturing companies. Top employers include Kimball International, MasterBrand Cabinets, Jasper Engines, Memorial Hospital, Jasper Rubber Products and Jasper Group. Combined, these corporations employ an estimated 10,500 workers, many of whom commute from the surrounding counties. Jasper is also home to a satellite campus of Vincennes University.

South of Jasper along US 231 is the City of Huntingburg, home to slightly more than 6,000 residents. US 231 and SR 64 intersect in Huntingburg at a single traffic light in the downtown. Huntingburg is also home to major manufacturing employers, including OFS Brands and Farbest Foods.

The remainder of Dubois County is comprised of the towns of Birdseye, Ferdinand and Holland, as well as dozens of unincorporated places and townships. Ferdinand is home to two major employers, Best Chairs Inc. and Masterbrand Cabinets. The land use outside of these cities and towns is primarily agricultural, and farms throughout Dubois County cultivate corn, grain, soybeans, strawberries and tomatoes.

Spencer County, while only half the population of Dubois County at approximately 20,000 residents, has many industrial and tourism assets that would be positively impacted by increased accessibility and efficiency. These include the industries near Rockport and major tourism destinations like Holiday World near Santa Claus, Indiana. More on each of these counties attributes are discussed throughout the report.

An analysis of this study area as a whole, which will be examined in further detail in Chapter 2, indicates productive local industry which requires a highly skilled labor force. Furthermore, the key industries in the region all rely on supply chains that use highway transportation to move goods across the state and country. Increased access would improve the performance of these supply chains and benefit the region by allowing the existing industry to grow and attract a broader and more diversified workforce.

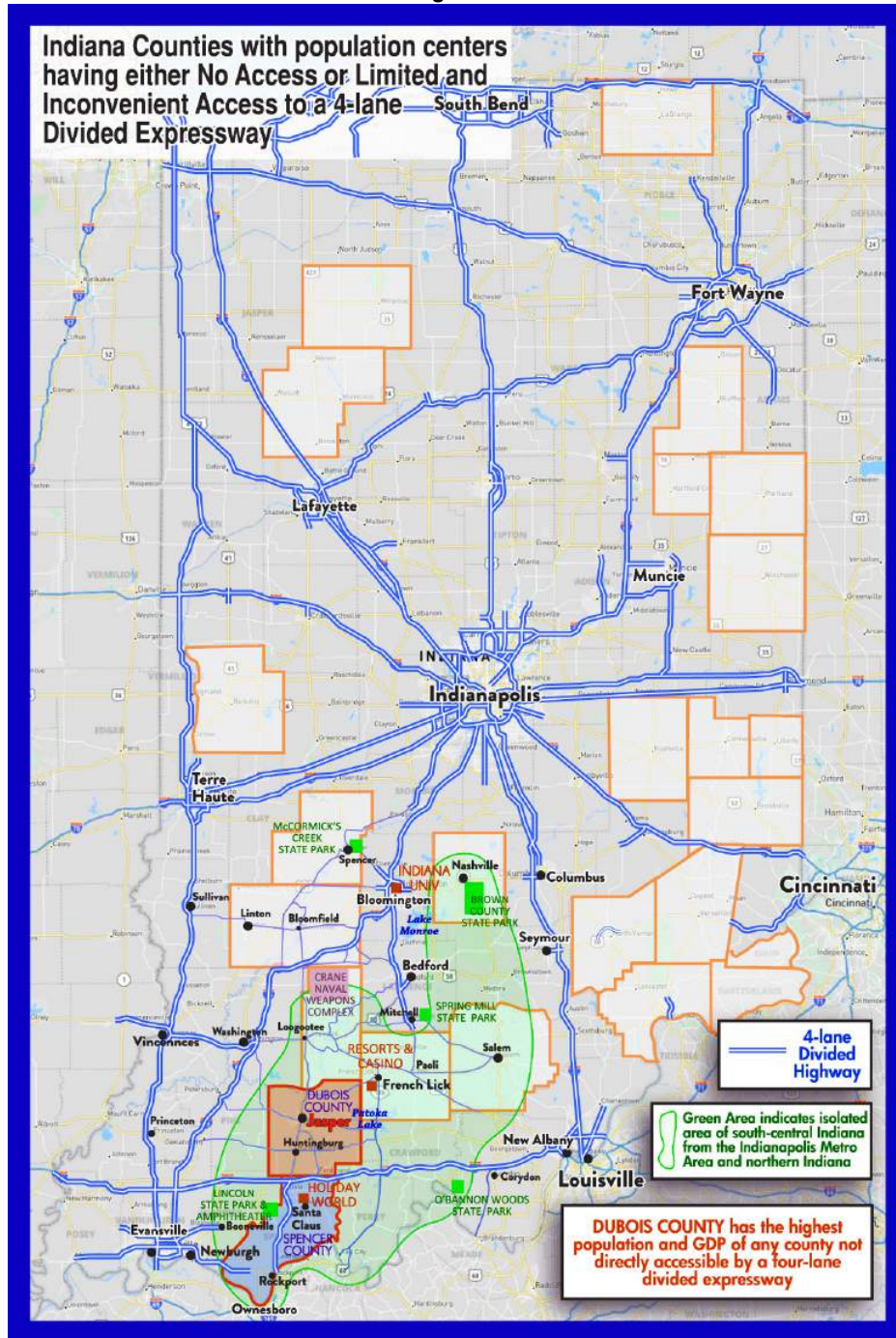
Largest Population Center without a Major Four-Lane Highway Connection

While many counties would like to have access to a four-lane, divided highway without traffic signals, the Mid-States Corridor area, especially Dubois County, has a special perspective on it. Dubois County is the most populous county and the most robust regional business center in Indiana without a four-lane highway directly connecting to the primary city and its commercial activity. Despite I-64 running just south of the county's southern boundary, interchanges with local roads that are necessary to provide connections between I-64 to Jasper's business and industrial zones are not numerous or convenient, and travel between the Interstate and these employment centers require considerable time and effort to navigate. Jasper is situated about 15 miles north of the interstate's interchanges with US 231 and SR 162. Between the interchanges and Jasper are the small cities of Ferdinand and Huntingburg, both of which act as choke points between the business centers in Jasper, and access to I-64.

Additionally, traffic aiming to get through the county, whether there is the need to stop in the county or not, also face restricted travel situations and extended periods of time on the county's narrow highways.

The situation is illustrated in the following graphic.

Figure 2



The green highlighted area shows the isolated area of south-central Indiana that would be primarily served by the Mid-States Corridor. Dubois County has the highest population and GDP of any county not directly accessible by a four-lane divided expressway. Jasper is positioned as being separated by any four-lane highway by a number of miles and usually at least one town (such as Huntingburg or Ferdinand to the south, and Loogootee to the north), funneling both local and long-distance traffic through the narrow 150-year-old business districts.

The following figure shows the existing study area and the current base highway network.

Figure 3



Traffic Analysis

As mentioned, the impacts of the proposed Mid-States Corridor highway will be affected by the projected volume of traffic and the surrounding roads. The first step in analyzing the economic impact is to estimate the traffic pattern and volume on the proposed Mid-States Corridor and the roads it intersects. This is derived by studying the existing traffic volume on US 231 and other north-south connectors in the study area, as well as studying the effects of building new expressways in other similar situations. New modes of understanding the public's movements and travels via cell phone tracking applications have also been applied, as well as historical traffic growth data, locally and regionally.

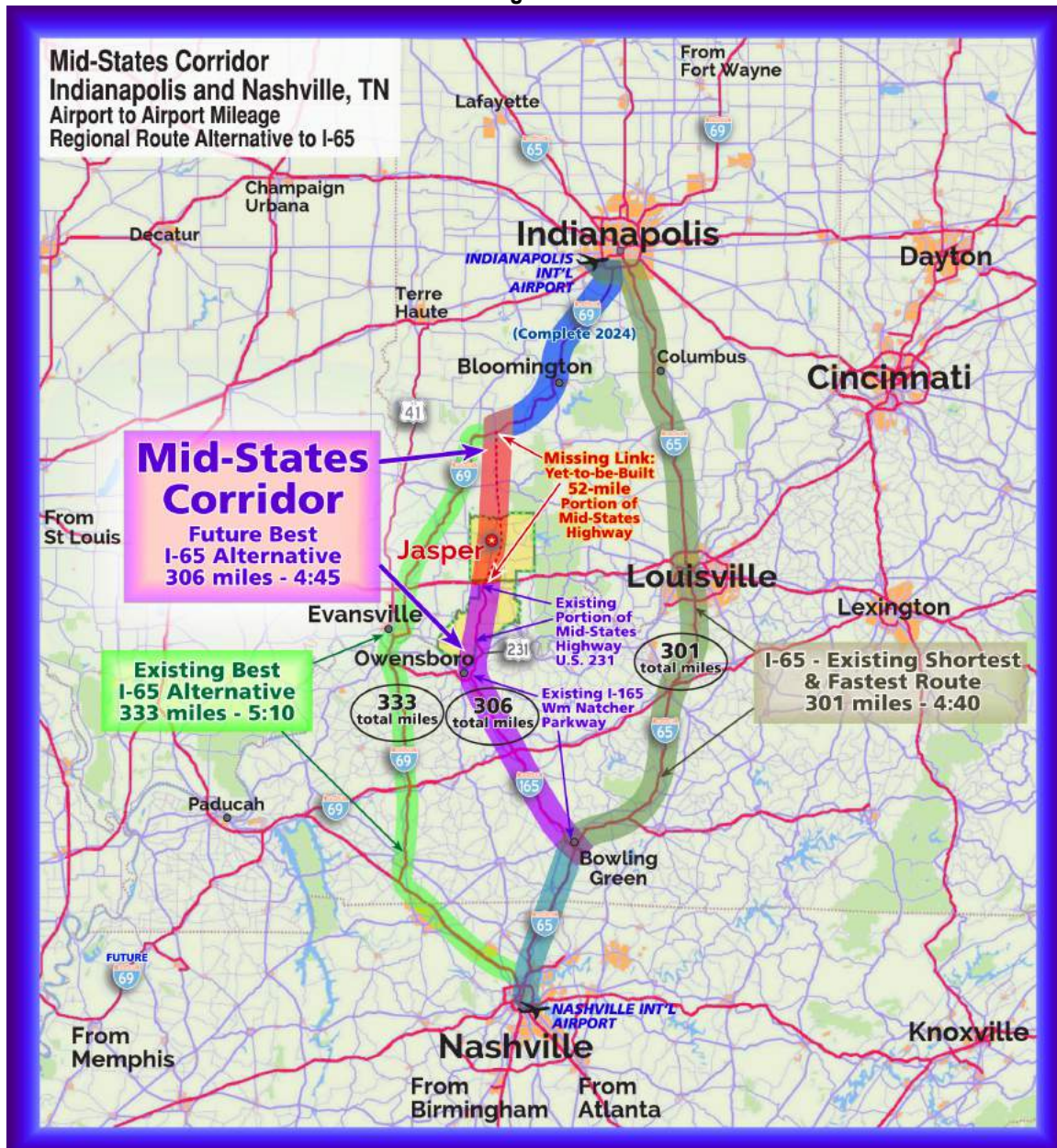
The routes on the map above are identified by color, with the gray route representing the missing Mid-States Corridor link, and the blue route representing Interstate 65. The biggest challenge and opportunity is the lack of direct, efficient access through the entire corridor, forcing trucks and passenger cars to choose to either go very far out of their way to use interstate-quality highways, or take a slow, dangerous and laborious more direct route. As shown from the traffic volumes on the map above, there are clear bottlenecks throughout the region, including in Jasper, Huntingburg and others.

The Ohio River is a common barrier to north-south traffic flow and tends to be a bottleneck as well. In Louisville, heavy traffic often slows down the flow of traffic, reducing efficiency, causing accidents, and adding to travel time.

The Mid-States Corridor could present an alternative route for long-distance travelers between Bowling Green, Kentucky, and Indianapolis. However, without the four-lane divided highway (one that would mimic non-stop Interstate-style travel at high speeds of 65 to 70 miles per hour, that missing link in the corridor between SR 64 and I-69 is viewed by travelers as useless, leaving I-65 as the only true expressway linking the metro areas of Nashville (and points south) and Indianapolis (and points to the north).

The following figure illustrates the Mid-States Corridor in a set of simplified color bands, and the two other north-south corridors along Interstate 65 and Interstate 69 and 24.

Figure 4



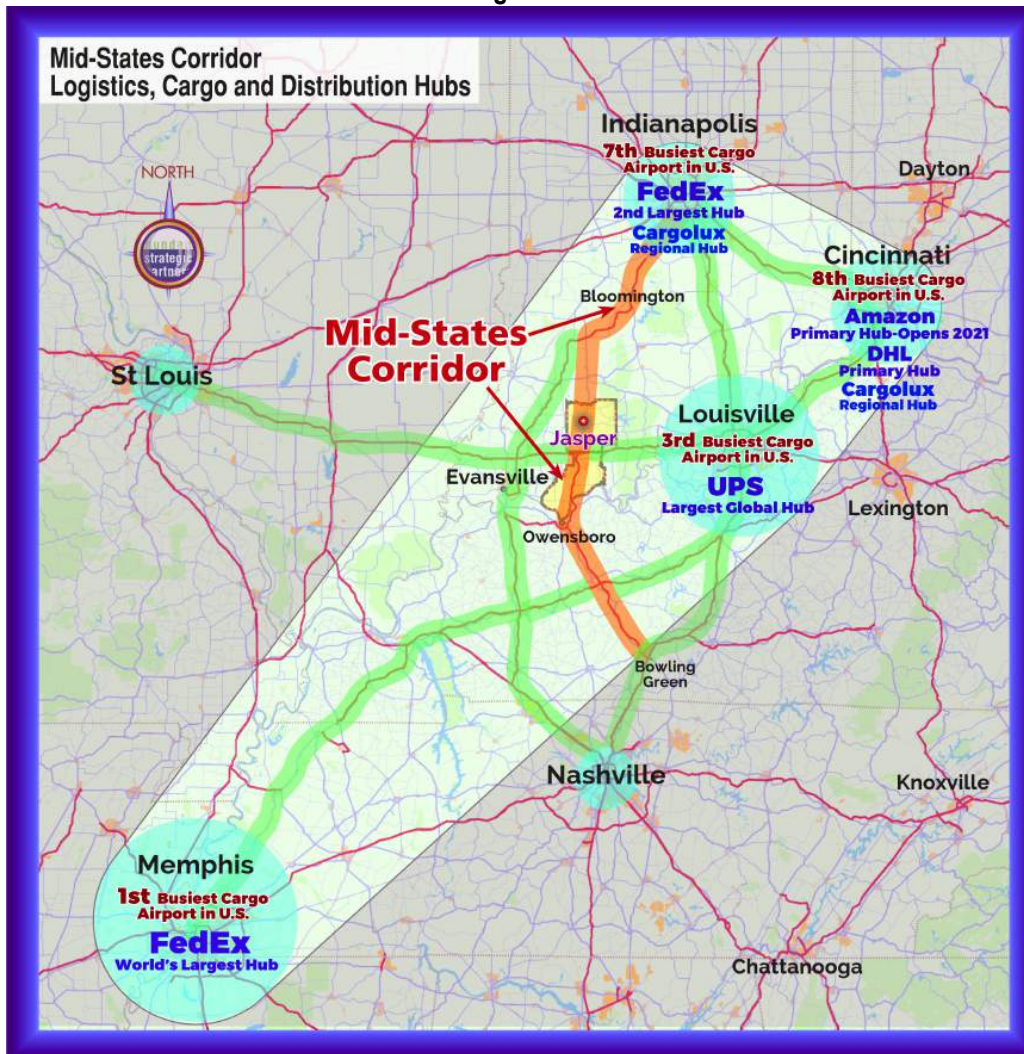
As shown above, the Mid-States Corridor route (blue, red and violet) between the major commercial airports at Nashville, TN and Indianapolis, is 306 miles in total length, is only 5 miles longer than the 301 miles along I-65 (olive green) between the same airports. Given the unreliable nature of traffic congestion in Louisville, or at any point along the crowded I-65 route due to an accident, construction, poor weather or any other reason, a fair percentage of travelers will likely see the Mid-States route as a more consistent alternative to I-65 when traveling between the two cities, but only if the Mid-States Corridor is built to nearly the same high expressway or limited access standards as an Interstate highway.

The current alternative to I-65 that is aligned with I-69 through Evansville and connects with I-24 in southern Kentucky near Clarksville, is 333 miles (shown in green) from airport-to-airport, 27 miles longer than a Mid-States route, and 32 miles longer than the I-65 route.

Logistics Hubs at Major Airports

The following figure illustrates the advantageous location of the Mid-States Corridor in relation to logistics hubs, which are centered at four of the busiest freight airport hubs in the U.S. and the world.

Figure 5



As shown above, the orange is the Mid-States Corridor, while the faint green lines mark other major expressway trucking routes between the airports at Memphis (busiest), Louisville, (3rd busiest), Indianapolis (7th Busiest) and Cincinnati (8th Busiest). Cincinnati is scheduled to open Amazon's new major national hub at Cincinnati-Northern Kentucky International Airport, which will boost that metro area's freight shipping to

new levels as well. Each of these airports have voluminous acres of warehouse and sorting facilities within their proximity that rely on overland trucking to distribute goods.

The proposed Mid-States Corridor is in a superior position to help the southern Indiana and western Kentucky region benefit from their proximity to multiple major freight airport hubs. This proximity will assuredly boost the attractiveness of these counties along this corridor and will assist their growth in terms of business and product distribution. Major passenger airports at Nashville, TN, and St. Louis are also within a short drive, and are major regional hubs as well.

Existing Conditions

Highways and other transportation infrastructure is an essential part of any economic system, as they allow for the movement of goods and people around and outside of the region. Efficient transportation expands trade opportunities, increases labor mobility and improves the economic well-being of residents. As such, the economy is directly affected by the efficiency and safety of highways and roadways.

In order to assess the need for and future impact of any infrastructure project, the existing conditions must be examined. As mentioned, the only existing north-south thoroughfare in the study area is US 231, which runs to the Ohio River, where it leads directly into Interstate 165 in Kentucky. The segment of US 231 north of I-64 is primarily two lanes, while south of I-64, it has been improved to expressway standards. Southern Indiana is known for its hilly terrain, and this combined with narrow lanes and shoulders decreases safety along the road. The lack of adequate highway shoulders and limited visibility also contribute to suboptimal conditions along the route. US 231 is directly accessible by a number of county roads, which allow for slow-moving farm equipment to merge with the flow of traffic, which in addition to a safety concern can cause slow-downs and congestions. Travel time predictability is important to commuters and truckers, and some opt to avoid US 231 by taking a detour east or west on I-64, then using I-65 or I-69 instead, though this comes with increased travel times and inconvenience, and also diverts potential business from travelers away from Dubois County.

The inadequacy of US 231 poses a number of threats to the region. From a traffic perspective, the existing conditions cause higher crash rates and safety concerns. The overall lack of connectivity and access decreases the quality of life for residents and commuters, and eventually makes it more difficult for corporations to attract and retain a workforce. The congestion and unpredictable traffic flow negatively impact the trucking and freight operations that move to and from the corporate headquarters in the area. Additionally, a lack of access restricts the amount of tourism that can occur in this area, especially as compared to neighboring parts of Indiana and Kentucky.

HSP's research found that the issues with US 231 can be generally categorized as follows:

- **Safety.** US 231 has several safety concerns due to limited visibility and sightlines, narrow or absent shoulders, and due to routing through downtowns and school crossings. Slow moving farm equipment and freight trucks, as well as hidden driveways and intersections increase the risk of collisions and accidents.
- **Efficiency.** US 231 is prone to congestion, as commuters, freight and public service vehicles all must use the same two-lane route. In many areas, there is a lack of passing lanes, so traffic can slow to a standstill from a single blocked intersection. As there are no alternative routes,

commuters frequently experience increased drive times even while traveling relatively short distances.

- **Connectivity.** The Dubois and Spencer county areas are effectively isolated from northern parts of Indiana. During inclement weather, employees can have difficulty getting to work, and the barriers to transport are discouraging new talent from moving into the area.
- **Modernization.** The Mid-States Corridor, and specifically Dubois County as a regional hub, need to have improved roadways as a form of modernization, and to improve the image and sense of place.

The following figure shows the traffic signals in the City of Jasper and illustrates the bottleneck that occurs, slowing all manner of traffic for many parts of the workday. It is not dissimilar, but likely worse, than what the numerous traffic signals in Kokomo caused as a delay between Indianapolis and South Bend. Prior to the construction of I-164 around Evansville, travelers on US 41 experienced a similar delay through that urban area's numerous traffic signals.

Figure 6



As shown, there are 13 stoplights along 231, each adding travel time and the opportunity for accidents. The major highways through Jasper, which are never more than one lane in each direction, are also the major through truck routes, as well as retail centers. Throughout the city, these routes carry an average of between 12,300 and 20,000 vehicles per day. A few narrow roads bypassing these areas exist, however, these also pass-through residential areas and schools, and area attractions. Any through traffic must use these same two-lane roadways.

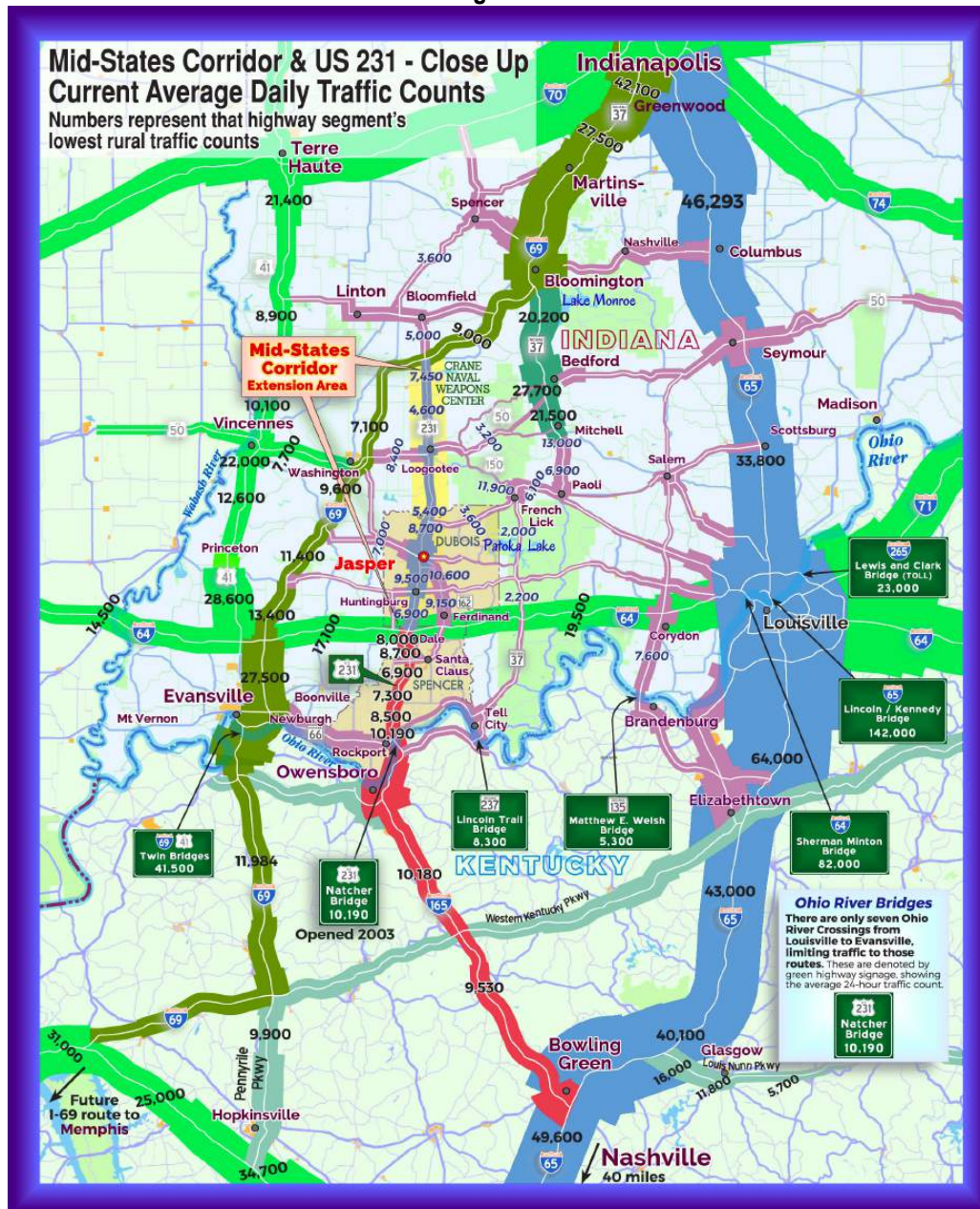
A generally regarded rule-of-thumb is that highway segments in rural areas and small cities carrying over 10,000 to 12,000 vehicles per day utilizing only two lanes, travel will likely need to be expanded to four in order to keep the flow of traffic moving at reasonable speeds, depending on other very localized conditions such as the number of intersections, driveway entrances and the agility of the variety of vehicles. The most congested area in Jasper is North Newton Street, which backs up with traffic from just north of the downtown

area to north of 36th street and will take multiple cycles of green lights for vehicles to pass through the area, adding an additional ten to fifteen minutes (or more) of travel time.

Traffic Counts

The following map gives a closer look at the average daily traffic counts for the area surrounding Dubois and Spencer counties. It is important to note that the average annual daily traffic figures shown are for 24-hour periods along rural segments of those highways, and not the higher traffic counts that are found in and near towns and cities, especially busy retail and business districts. This study is primarily a look at how longer-distance vehicular travel would be altered by a newly created regional travel corridor that directly affects two states, and indirectly affects travel patterns within a multi-state area, and therefore, localized traffic nodes are avoided.

Figure 7



HSP used propriety software, data from INDOT, research and cell location technology to determine the amount of truck traffic vs. passenger traffic, the percent of drivers originating more than 100 miles away and the preferred route of travel for those traveling more than 100 miles.

Traffic Projection

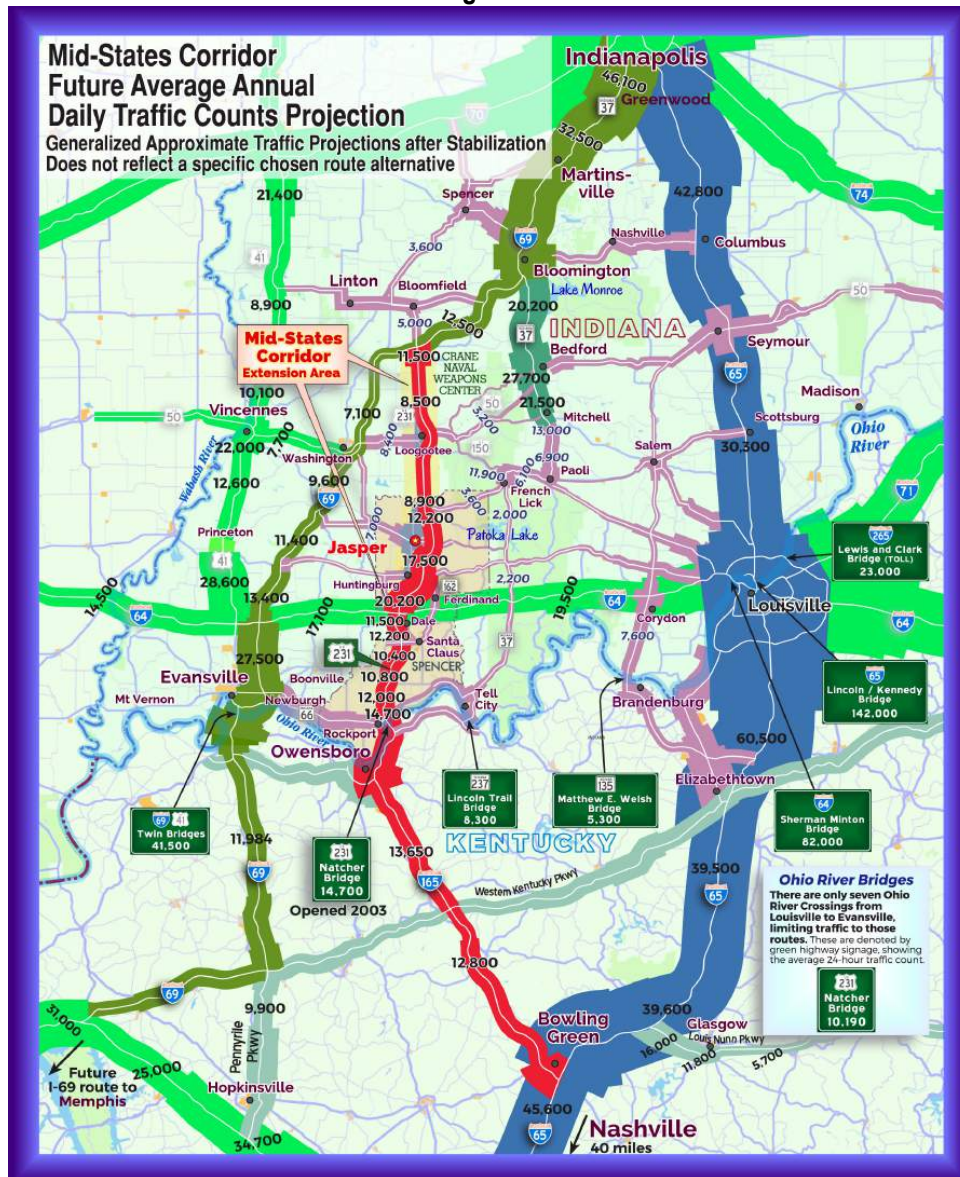
While there will be a number of efficiencies and benefits brought about by the Mid-States Corridor (in many directions, to/from many locations inside and outside the counties), the primary benefit will be the fast, direct connection north-south. As demonstrated and analyzed by HSP, there are a number of travelers who avoid traveling through the area and go out of their way to use I-65, I-69 and other routes, despite those being less direct.

In addition to the efficiencies of moving traffic from overused highways that are not as direct, to the more direct Mid-States Corridor, there will be induced traffic that is 100 percent net new to the corridor, the counties and the State of Indiana. This new traffic was only calculated for the two study counties but can be extrapolated for the other affected counties to the north, as well as neighboring counties like Orange, that would see benefits.

The map below shows the projected amount of average daily traffic once the Mid-States Corridor is developed and stabilized. Adoption and awareness typically takes five to ten years (HSP assumes seven), so the ramp up period, in addition to construction, may mean that these levels are not achieved for 15 to 20 years from today, given typical time for the engineering, funding, INDOT and construction work to be completed.

All of HSP's traffic projections are shown as the "stabilized year", which again, is estimated to be approximately seven years after completion. Traffic would be expected to continue to increase by a modest rate thereafter.

Figure 8



As shown, the Mid-States Corridor will pull traffic from existing roads, making travel more efficient, as well as induce new traffic to the counties due to the ease of access and economic opportunity that will be presented. The table below shows the current and future projection of the corridor, which in some segments includes two existing two-lane roads that handle the north-south traffic. In the future, the traffic on these roads will diminish and shift to the efficient Mid-States Corridor.

The table below shows the comparison between the current north-south traffic in the corridor and the future projection.

Table 2

Mid-States Corridor Avg. Daily Traffic by Segment (Rounded)					
	Current	Future w/ Mid-States	Traffic on Mid-States Only	% Change	Net New Total
Segment 1	5,400	8,900	8,900	64.8%	3,500
Segment 2	8,700	12,200	12,200	40.2%	3,500
Segment 3	20,100	24,000	17,500	19.4%	3,900
Segment 4	16,050	20,200	20,200	25.9%	4,150
Segment 5	8,000	11,500	11,500	43.8%	3,500
Segment 6	8,700	12,200	12,200	40.2%	3,500
Segment 7	6,900	10,400	10,400	50.7%	3,500
Segment 8	7,300	10,800	10,800	47.9%	3,500
Segment 9	8,500	12,000	12,000	41.2%	3,500
Segment 10	10,200	14,700	14,700	44.1%	4,500
Avg./Segment	10,000	13,700	13,000	37.0%	3,700

Source: HSP, Placer.ai, INDOT, various

The “Future with Mid-States” column shows the total future traffic on both the existing and Mid-States Corridor routes. In Segment 3, the Mid-States Corridor and local roads will handle 24,000 vehicles per day, but the Mid-States Corridor will handle 17,500 of them. This is the segment where the change in traffic count will be the smallest percentage change, but likely the biggest reliever of bottlenecks and improved efficiency.

The percent change in traffic ranges from ~20 percent to as much as ~65 percent. However, the additional through traffic on the corridor stays relatively consistent, ranging from 3,500 to 4,500 per day and averaging 3,700 per day. Overall, the added traffic through the corridor is estimated to increase by 37 percent compared with today. HSP believes this is a *conservative* estimate, as similar situations have exhibited a 50 percent increase, and significantly more in many situations, in traffic once stabilized.

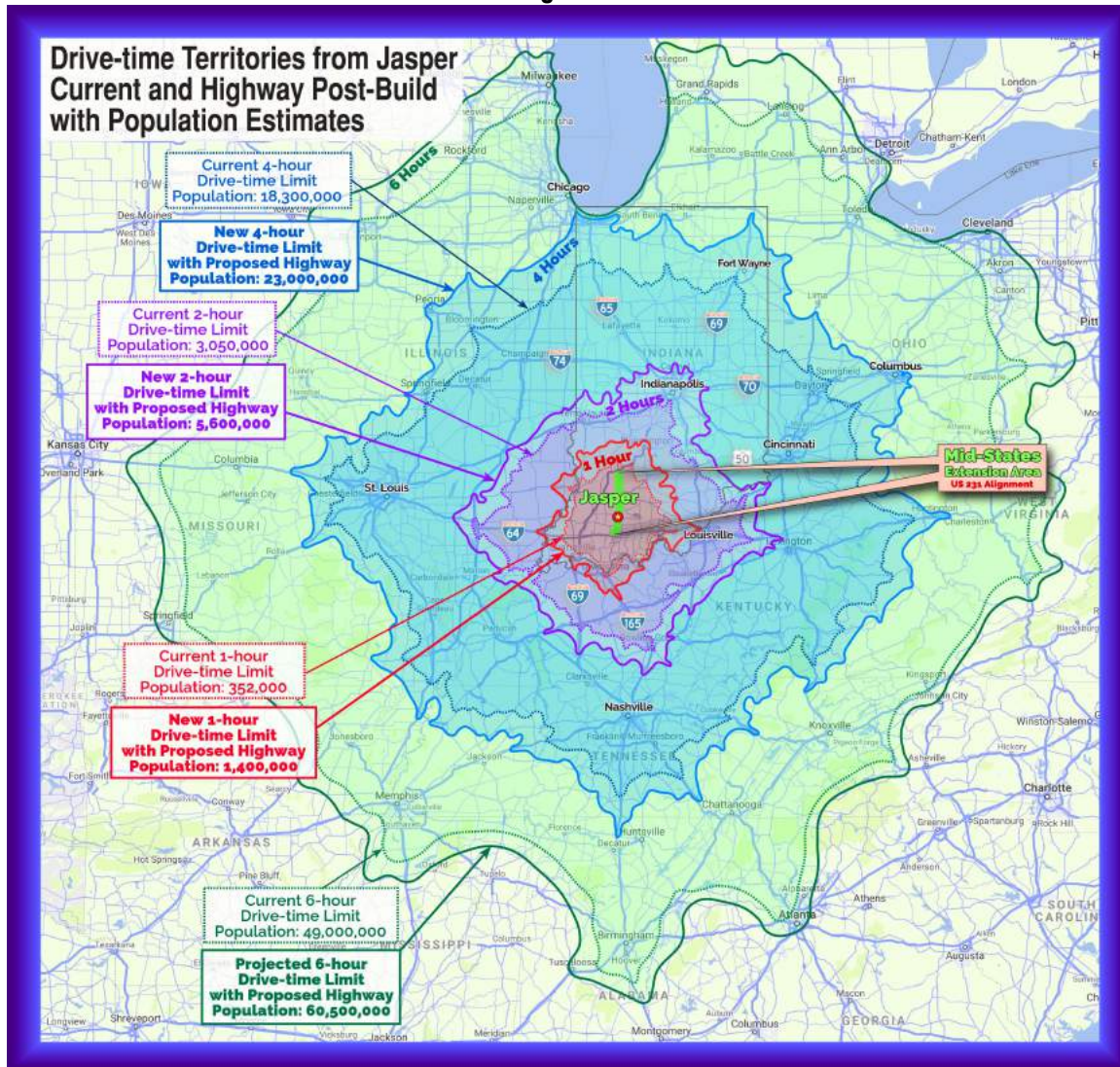
Access to Larger Markets for Talent, Goods, Services and Tourism

HSP assessed the time savings in each direction, which is greater to the north, as well as to the south, west and east. The average time savings is approximately 20 to 22 minutes, one way, and can range generally from a minimum of 15 minutes to 25 minutes, depending if in a truck or passenger vehicle, and the amount of distance being transferred from a two-lane highway to a four-lane expressway. This time savings translates directly to larger accessible markets into and out of the area.

Although Interstate 69 between Martinsville and I-465 in Indianapolis is not yet a completed limited-access highway as of 2021, by the time the fully built Mid-States Corridor is projected to open, the remaining length of I-69 will also be fully operational, saving approximately eight to ten additional minutes on travel times over the current travel scenario. The Mid-States Corridor has no effect on that additional 8–10-minute time savings, yet total travel times to Indianapolis and other destinations to the north will decrease, benefitting the regional travel efficiency.

The next map shows the current and future accessible markets based on typical travel times: 1, 2, 4, and 6-hour travel times. Jasper was used as the center point.

Figure 9



As shown, the increased market access means that new markets are now accessible within standard drive times. For example:

- Evansville and Louisville will be easily accessible within an hour,
- Indianapolis, Lexington and Terre Haute will be accessible within about a two-hour drive time,
- The time to Nashville, TN and St. Louis, MO will be reduced by approximately 15 to 25 minutes,
- Chicago, Fort Wayne, and Columbus, Peoria and Springfield will be newly accessible within a four-hour drive time, and

- Atlanta, Birmingham, Memphis, Cleveland-Akron, Detroit, Grand Rapids, Milwaukee, the Quad Cities, Springfield (MO) and nearly to Kansas City will be newly accessible within a six-hour drive time.
- The population within each distance's drive-time is increased remarkably. Because Bloomington and Evansville are both within reach in under 60 minutes, the 60-minute drive-time population increases from 253,000 to 1.4 million. The two-hour drive-time population nearly doubles, due to virtually all of metro Indianapolis being accessible.

Each of these incremental improvements, whether 15+/- minutes to the south, east and west or nearly 30 minutes to northern destinations, bring markets, talent and customers within the reach of these two counties. The opportunity for manufacturing, distribution centers and tourism attractions all increase due to this accessibility.

East Side versus West Side Corridor Route Location

The importance of connecting Jasper and Dubois County to the larger regional expressway network cannot be understated with regard to the business and manufacturing community. Many of the largest local employers are no longer owned by families or corporations with ties to Dubois County, thus, their loyalty to the community is weaker. If access to the outside world is not made more efficient, the area, Jasper in particular (because it is the farthest and largest employment center from any existing expressway) is in a position to lose corporate manufacturing facilities to other competing cities and towns outside of the region or state, and its ability to attract new facilities and the pool of good employees is greatly inhibited.

The geographic position of the new corridor route is important to the future growth in all aspects of Jasper and both Dubois and Spencer Counties, as well as other surrounding counties. However, it is most important to commerce and access to products and materials, both inbound and outbound, which is the heartbeat of any manufacturing and employment center. *Therefore, positioning the corridor route (and its interchanges with local access roads) in close proximity to the existing manufacturing and warehouse facilities is nearly as important as the very existence of the proposed expressway.*

There are advantages of an east-side U.S. 231 corridor route around Jasper and Huntingburg, rather than a western route. In short, these are:

- Industries and manufacturing clusters, which rely on a constant flow of supplies and product transport, are located primarily on the east and south sides of Jasper;
- Significantly less cost for fuel and vehicle maintenance, especially regarding heavy and cumbersome freight-hauling trucks, due the convenient and closest access, free of most city traffic and other impediments between the highway and the manufacturing and warehouses in Jasper;
- Would create a separation between industrial and residential traffic that would keep the vast majority of trucks and other slow, oversized and heavy vehicles off the same main streets used by families, pedestrians and school children, which is a major safety risk;
- A faster, more reliable and safer link for thousands of daily employees to reach their jobs than a western route would provide;

- Avoids the conflict of bringing twice-daily employee traffic from outside of Jasper through city streets during commuting times;
- Would bring tourist travelers closer to the array of unique, but somewhat under-visited recreational and natural assets of southern Indiana, without having to travel through the city streets of Jasper; and
- The noise of a major highway would be avoided near the predominantly residential districts on the west and north sides of Jasper.

ECONOMIC, EMPLOYMENT AND FISCAL IMPACT ANALYSIS

The Mid-States Corridor Project will create regional and statewide economic impact that can be grouped into the following categories:

- Travel Efficiency Impacts,
- Increased Tourism and Service Industry Impacts,
- Induced and Redirected Traffic/Spending Impacts,
- Accident Reduction/Safety Impacts,
- New Employment Impacts,
- New Resident Growth, and
- County and State Fiscal Impacts.

Travel Efficiency and Cost Savings

The Mid-States Corridor study area – and specifically Spencer and Dubois Counties – will benefit from the Project both from reduced travel costs and improved efficiency. This impact will vary depending on the type of trip purpose, distance and direction traveled, and will likely be maximized for those industries that require a significant amount of travel or movement of goods and supplies, especially to the north.

The following table shows the travel time and cost savings for the proposed Project, focused primarily on the north-south time savings that will be achieved by the existing traffic, and the resulting savings in gas and vehicle maintenance.

Table 3

Time & Economic Impact Savings Due to Mid-States Corridor						
	Cars/Day	Trucks/Day	Total/Day	Cars/Year	Trucks/Year	Total/Year
Present	8,327	1,658	9,985	3,039,337	605,188	3,644,525
Time Savings per (Minutes)	22.0	20.0	21.7	22.0	20.0	21.7
	Hours/Day	Hours/Day	Hours/Day	Days/Year	Days/Year	Days/Year
Total Time Saved	3,053	553	3,606	46,434	8,405	54,840
	Per Car/Day	Per Truck/Day	Total/Day	Per Car/Year	Per Truck/Year	Total/Year
Cost Savings per	\$ 10.84	\$ 31.94	\$ 14.35	\$ 3,958	\$ 11,658	\$ 5,236
	Per Day	Per Day	Per Day	Per Year	Per Year	Per Year
Cost Savings Total	\$ 90,288	\$ 52,956	\$ 143,243	\$ 32,955,094	\$ 19,328,782	\$ 52,283,876

Source: HSP

Based on the estimated time savings per passenger car and truck from the existing traffic counts, the gas and wear/tear savings on the cars and trucks is projected to be \$143,000 per day, or more than \$52 million per year (essentially \$1 million per week). Just this time and cost savings is a major impact for existing cars and trucks. This savings is included in the economic impact modeling shown in the remaining part of this chapter.

New Traffic and Passengers to the Counties

Based on the projections for new through traffic on the Mid-States Corridor, HSP then determined the likely split between passenger vehicles and trucks.

The projection of average daily traffic by segment by vehicle type is shown in the table below.

Table 4

Mid-States Corridor Avg. Daily Traffic by Segment by Type									
	Current			Future with Mid-States			Difference		
	Passenger Vehicles	Trucks	Total	Passenger Vehicles	Trucks	Total	Pass. Vehicle Change	Trucks Change	Change Total
Segment 1	4,914	486	5,400	6,675	2,225	8,900	1,761	1,739	3,500
Segment 2	8,004	696	8,700	9,760	2,440	12,200	1,756	1,744	3,500
Segment 3	18,492	1,608	20,100	20,232	3,768	24,000	1,740	2,160	3,900
Segment 4	13,964	2,087	16,050	15,756	4,444	20,200	1,793	2,358	4,150
Segment 5	5,920	2,080	8,000	7,820	3,680	11,500	1,900	1,600	3,500
Segment 6	6,525	2,175	8,700	8,296	3,904	12,200	1,771	1,729	3,500
Segment 7	5,244	1,656	6,900	6,968	3,432	10,400	1,724	1,776	3,500
Segment 8	5,621	1,679	7,300	7,344	3,456	10,800	1,723	1,777	3,500
Segment 9	6,630	1,870	8,500	8,400	3,600	12,000	1,770	1,730	3,500
Segment 10	7,956	2,244	10,200	10,290	4,410	14,700	2,334	2,166	4,500
Avg./Segment	8,327	1,658	9,985	10,154	3,536	13,690	1,827	1,878	3,705
	83.4%	16.6%	100.0%	74.2%	25.8%	100.0%	21.9%	113.3%	37.1%

	Current			Future with Mid-States			Difference		
	Passenger Vehicle %	Trucks %	Total	Passenger Vehicle %	Trucks %	Total	Pass. Vehicle Change	Trucks % Change	% Change Total
Segment 1	91%	9%	100.0%	75.0%	25.0%	100.0%	35.8%	357.8%	64.8%
Segment 2	92%	8%	100.0%	80.0%	20.0%	100.0%	21.9%	250.6%	40.2%
Segment 3	92%	8%	100.0%	84.3%	15.7%	100.0%	9.4%	134.3%	19.4%
Segment 4	87%	13%	100.0%	78.0%	22.0%	100.0%	12.8%	113.0%	25.9%
Segment 5	74%	26%	100.0%	68.0%	32.0%	100.0%	32.1%	76.9%	43.8%
Segment 6	75%	25%	100.0%	68.0%	32.0%	100.0%	27.1%	79.5%	40.2%
Segment 7	76%	24%	100.0%	67.0%	33.0%	100.0%	32.9%	107.2%	50.7%
Segment 8	77%	23%	100.0%	68.0%	32.0%	100.0%	30.7%	105.8%	47.9%
Segment 9	78%	22%	100.0%	70.0%	30.0%	100.0%	26.7%	92.5%	41.2%
Segment 10	78%	22%	100.0%	70.0%	30.0%	100.0%	29.3%	96.5%	44.1%
Average	83.4%	16.6%	100.0%	74.2%	25.8%	100.0%	21.9%	113.3%	37.1%

Source: HSP, Placer.ai, INDOT, various

As shown, currently the breakdown of passenger vehicles versus trucks is 74 percent to 26 percent. HSP projects that the number of passenger vehicles will increase by about 1,800 on average over the segments, or about 22 percent. Trucks are suggested to increase by nearly 1,900 per segment on average, or an increase of more than 100 percent. In total, the number of vehicles is expected to increase by 37 percent.

As a basis for determining impact of the corridor to the two counties' economies, HSP then estimated the number of new drivers/passengers to the two counties, based on the number of people per vehicle type.

The next table shows the number of people per vehicle, current totals and future expected totals at stabilization, and the difference from today.

Table 5

Net New Vehicles & Passengers (Stabilized Year)										
	People Per Vehicle	Current Passengers per Day	Future Passengers per Day	Difference: Passengers per Day	Difference: Passengers per Year	Current Vehicles per Day	Future Vehicles per Day	Current Vehicles per Year	Future Vehicles per Year	Difference: Vehicles per Year
Passenger Vehicles	2.07	17,225	21,004	3,780	1,379,550	8,327	10,154	3,039,337	3,706,247	666,910
Trucks	1.03	1,708	3,642	1,934	705,978	1,658	3,536	605,188	1,290,604	685,415
Total	1.90	18,933	24,646	5,714	2,085,528	9,985	13,690	3,644,525	4,996,850	1,352,325

Source: HSP, NHTSA

The number of people per vehicle is a weighted average of cars, SUVs and minivans and is 2.07, while the number of people per truck is estimated at 1.03. Currently there are nearly 19,000 passengers per day, whereas in the future with the corridor, the figure is expected to increase to nearly 25,000 per day. This translates into ~5,700 more per day and nearly 2.1 million new passengers per year. The number of *new* vehicles per year is projected to be 1.35 million, nearly evenly divided by passenger vehicles and trucks.

Economic Impact of Service Businesses

The majority of immediate new job creation will be at new businesses that develop along the highway to serve motorists. Gas stations, hotels, retail, and restaurants will be developed at the various interchanges along the Corridor, providing jobs to residents and fiscal benefit to the county and state. Additional economic impacts from such spending will occur in communities in these counties as well. Tourism will also flourish, with places like Holiday World and other attractions able to reach and attract many more visitors. All of these will synergize with the Corridor for new spending and jobs.

The development of service businesses at rural interchanges along an interstate highway are dependent on the average daily traffic (ADT) on both the interstate and intersecting roads, the distance to the nearest metro center, and the distance to the next interchange.

Hotels. The next table shows the new hotel room nights generated by those spending the night (both passengers and truckers).

Table 6

Projection of New Hotel Room Nights	
	Stabilized Year
New Hotel Room Nights	118,612
Supported New Hotel Rooms	560

Source: Hunden Strategic Partners, Various

HSP projects that nearly 120,000 new hotel room nights will be generated per year, eventually supporting the development of 560 hotel rooms in the two counties.

Service Stations. HSP estimates nearly 60 million new miles traveled on the Corridor resulting in nearly \$9 million per year in gasoline consumed alone, supporting a number of new service stations. The average sales of gasoline per retail outlet is about 1.2 million gallons per year, or 100,000 gallons per month. Assuming an average of \$2.75 per gallon, this equates to 3.3 million gallons of gas, or enough to support two to three additional gas stations.

Restaurants. HSP estimates that nearly \$19 million in new restaurant spending will occur each year, supporting more than 37,000 square feet of new restaurants.

Retail. HSP estimates that nearly \$20 million in new retail spending will occur, supporting more than 65,000 square feet of new retail space.

Tourism Attractions. While exact estimates for each of the major tourist attraction have not been calculated, the change in access, drive-time and awareness about the offerings from the north (especially) is expected to induce much more business from central and northern Indiana, as well as some added tourism from the east, west and south. HSP estimates that, over time, increases of 30 to 40 percent in visitation could be expected after the highway is completed.

Safety Impact

Federal highway studies have shown that there is a 50 percent reduction in accidents when moving from a two-lane highway with traffic lights and crossings to a four-lane, divided highway without stoplights. Even with a 37 percent long-term increase in traffic through the two-county portion of the corridor, expected accidents will decline by 32 percent, saving lives, lost work time, and overall economic and physical damage.

A comprehensive study by the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) shows that the economic damage caused by each crash is approximately \$12,600 in 2020 dollars and is expected to exceed \$17,000 by 2035, when the Mid-States Corridor could be complete.

Dubois County had 1,517 crashes in 2018 and more than half, 842, occurred in Jasper and Huntingburg's intersections and stop-and-go backups, mostly along US 231 before it becomes a four-lane highway to the south. In Spencer County, where US 231 is already primarily improved, there were only 542 accidents in 2018. Given the size of the county and population, HSP projects that Spencer County would have closer to 950 annual accidents if it had the US 231 road conditions of Dubois County, which would pull much of the traffic involved in crashes at the numerous intersections onto a safe, divided, non-stop-lighted highway. The savings in injuries and lives are difficult to measure in economic impact, but clearly are priceless to those families involved.

The economic impact of the accidents is measurable, as is the potential savings to the economy. HSP estimates that 550 accidents could be saved in Dubois County alone with the Mid-States Corridor, which would benefit the economy and citizens involved by \$9.35 million per year.

Economic Impacts

HSP uses the IMPLAN input-output multiplier model, which determines the level of additional activity in the Indiana economy due to additional inputs. For example, for every dollar of direct new spending in the two counties, the IMPLAN model provides multipliers for the indirect and induced spending that will result.

The net new and recaptured direct spending discussed earlier in the chapter is considered to be the **Direct Impact**.

From the direct spending figures, further impact analyses will be completed.

- **Indirect Impacts** are the supply of goods and services resulting from the initial direct spending. For example, a visitor’s direct expenditure on a cabin or onsite store causes the cabin to purchase items from suppliers. The portion of these purchases that are within the local economy is considered an indirect economic impact.
- **Induced Impacts** embody the change in spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the visitor’s visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Employment Impacts** include the incremental employment due to the spending associated with the ongoing activation of the highway. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens.
- **Fiscal Impacts** represent the incremental tax revenue collected by the counties due to the net new economic activity. The fiscal impact represents the government’s share of total economic benefit. Fiscal impacts provide an offset to the potential public expenditures required to support the development.

The following table shows the direct, indirect and induced spending from the development of the Mid-States Corridor.

Table 7

Direct, Indirect & Induced Spending - Constant 2020 Dollars							
	Stabilized Year	5-Yr Total	10-Yr Total	15-Yr Total	20-Yr Total	25-Yr Total	30-Yr Total
Direct	\$ 613,452	\$ 3,067,260	\$ 6,134,520	\$ 9,201,780	\$ 12,269,040	\$ 15,336,300	\$ 18,403,560
Indirect	\$ 241,746	\$ 1,208,728	\$ 2,417,457	\$ 3,626,185	\$ 4,834,914	\$ 6,043,642	\$ 7,252,371
Induced	\$ 180,277	\$ 901,384	\$ 1,802,769	\$ 2,704,153	\$ 3,605,538	\$ 4,506,922	\$ 5,408,307
Total	\$ 1,035,475	\$ 5,177,373	\$ 10,354,746	\$ 15,532,119	\$ 20,709,492	\$ 25,886,865	\$ 31,064,238

Source: Hunden Strategic Partners

The total of direct, indirect and induced spending/impact to the two counties’ economies is projected to be \$1.035 billion per year by stabilization. Given that the size of the GDP of the two counties is just over \$4 billion, the direct new spending represents a 15 percent increase and the total of direct, indirect and induced impact is a ~26 percent increase over today’s GDP.

Earnings and Employment Impact

A large portion of the new spending locally will end up in an employee’s pocket as income. Based on the type of spending by industry, the dollars flow through the economy differently.

The next table shows the number of jobs supported by the new spending from the various industries.

Table 8

Net New Full-Time Equivalent Jobs from Direct, Indirect & Induced Earnings (000s)	
Net New FTE Jobs (ongoing)	30-Yr New
From Direct	4,374
From Indirect	1,484
From Induced	1,325
Total	7,184
Average Annual Wage (2020 dollars)	\$ 45,097

Source: Hunden Strategic Partners

It will take some years for the spending to result in all of the supported earnings and jobs, but HSP projects that by Year 30, more than 7,000 jobs will be supported by the new Mid-States Corridor. The annual average wage is projected to be ~\$45,000 in 2020 dollars.

Residential Growth

HSP assessed the historical growth (or decrease) in population for the counties, as well as the immediate projection through 2025. Then, HSP assessed the impact of the Mid-States Corridor on new jobs in the counties, which in a high percentage will lead to new residents.

The following table shows the expected change in population with and without the Project.

Table 9

	Population Projection							
	2020	2025	2030	2035	2040	2045	2050	2060
Without Mid-States								
Dubois County	43,335	44,056	44,761	45,432	46,068	46,667	47,456	48,258
		1.7%	1.6%	1.5%	1.4%	1.3%	1.7%	1.7%
Spencer County	20,277	20,840	21,403	21,959	22,508	23,048	24,376	25,780
		2.8%	2.7%	2.6%	2.5%	2.4%	5.8%	5.8%
Total	63,612	64,896	66,164	67,391	68,576	69,716	71,832	74,038
% Change		2.0%	2.0%	1.9%	1.8%	1.7%	3.0%	3.1%
Number Change		1,284	1,268	1,228	1,185	1,139	2,116	2,206
With Mid-States (Assume Opens 2030)								
Dubois County	43,335	44,056	44,761	45,925	47,165	48,485	51,200	54,068
		1.7%	1.6%	2.6%	2.7%	2.8%	5.6%	5.6%
Spencer County	20,277	20,840	21,403	22,195	23,038	23,936	25,803	27,816
		2.8%	2.7%	3.7%	3.8%	3.9%	7.8%	7.8%
Total	63,612	64,896	66,164	68,119	70,203	72,422	77,004	81,884
% Change		2.0%	2.0%	3.0%	3.1%	3.2%	6.3%	6.3%
Number Change		1,284	1,268	1,956	2,083	2,219	4,582	4,880
Difference due to Mid-States								
	2020	2025	2030	2035	2040	2045	2050	2060
Dubois County	0	0	0	492	1,096	1,818	3,745	5,810
Spencer County	0	0	0	235	530	888	1,428	2,036
Total	0	0	0	728	1,626	2,706	5,172	7,846

Source: Hunden Strategic Partners, Various

As shown, without the Project, the change in two-county population over the next 40 years is expected to be just over 10,000, from ~63,600 to ~74,000, an extremely anemic growth rate. However, with the Project, the population is expected to increase at a much fast rate (nearly double) in both counties, hitting nearly 82,000 in 2060, an increase of nearly 19,000 over today.

Fiscal Impact of Ongoing Economic Benefit

For counties along the Mid-States Corridor, local tax revenue will be collected from hospitality and sales taxes at new and improved businesses. Additional fiscal impacts not measured, but that are sure to occur are the added property taxes from commercial developments of gas stations, hotels, restaurants and retail, as detailed previously in this chapter. The added population to the counties will also generate demand for real estate, lifting rents and home prices, as well as the property taxes that accompany them.

The table below shows the estimated fiscal impacts to the two counties from county income taxes (for residents and non-residents), as well as the county hotel tax. In addition, the State of Indiana collects a sales tax of seven percent. While this is not a state tax impact study, it will clearly benefit the revenue to the State of Indiana.

Table 10

Fiscal Impact - Tax Impacts from New Spending (000s) - Constant 2020 Dollars							
	Stabilized Yr	5-Yr Total	10-Yr Total	15-Yr Total	20-Yr Total	25-Yr Total	30-Yr Total
Capturable County Taxes							
Dubois Income Tax - Resident (1.0%)	\$ 1,762	\$ 13,152	\$ 26,304	\$ 39,456	\$ 52,607	\$ 65,759	\$ 78,911
Dubois Income Tax - Non-Resident (0.55%)	\$ 225	\$ 1,676	\$ 3,352	\$ 5,028	\$ 6,704	\$ 8,381	\$ 10,057
Spencer Income Tax - Resident (0.8%)	\$ 705	\$ 3,527	\$ 7,055	\$ 10,582	\$ 14,109	\$ 17,636	\$ 21,164
Spencer Income Tax - Non-Resident (0.58%)	\$ 109	\$ 543	\$ 1,087	\$ 1,630	\$ 2,173	\$ 2,716	\$ 3,260
Hotel Tax (5.0%)	\$ 214	\$ 1,066	\$ 2,132	\$ 3,198	\$ 4,264	\$ 5,330	\$ 6,396
Total	\$ 3,015	\$ 19,965	\$ 39,929	\$ 59,894	\$ 79,858	\$ 99,823	\$ 119,788

Source: Hunden Strategic Partners

HSP used current statistics for the percentage of employees who live and work in each county and the percentage that live in another county to determine the breakdown of taxes and rates. The hotel tax is charged on the gross rooms revenue from the lodging spend.

In total, annual local county taxes from income and hotel taxes are expected to exceed \$3 million per year once all the jobs are generated. As mentioned, additional taxes from increased property and other taxes would also accrue to the counties.

Construction Impact (Jobs and Fiscal)

There will be a multi-year impact on the local (and state) economies from the construction project itself, including spending on materials and labor.

The table below shows an estimate of the cost of the Mid-States Corridor, the breakdown of labor and materials, the job-years from construction (one job for one year) and the taxes generated locally.

Table 11

Construction Impacts - Mid-States Highway		
Development Cost (millions)		
Labor (60.6%)	\$	545
Materials (39.4%)	\$	355
Total	\$	900
Job-Years from Construction		7,321
Taxes Generated (millions)		
Dubois Income Tax - Resident (1.0%)		\$4.43
Dubois Income Tax - Non-Resident (0.55%)		\$0.56
Spencer Income Tax - Resident (0.8%)		\$3.60
Spencer Income Tax - Non-Resident (0.58%)		\$0.55
Hotel Tax (5.0%)		\$0.65
Total		\$9.79
Source: Hunden Strategic Partners		

The Project is expected to cost \$900 million in 2020 dollars, although much is yet to be determined, including the route. The figure is used for illustrative purposes. The spending would support more than 7,300 job-years (one job for one year) from construction. For example, if the project takes seven years to complete, it will support more than 1,000 jobs over each of those seven years.

Total Impact

The table below, as shown in the opening of this Chapter, shows the total construction and 30-year impacts (after stabilization) of the Mid-States Corridor in Dubois and Spencer Counties.

Table 12

30-Yr. Summary of Impacts	
Net New Spending	(millions)
Direct	\$19,304
Indirect	\$7,590
Induced	\$5,660
Total	\$32,554
Net New Earnings	(millions)
From Direct	\$5,968
From Indirect	\$2,850
From Induced	\$1,880
Total	\$10,697
Net New FTE Jobs (ongoing)	Actual
From Direct	4,374
From Indirect	1,484
From Induced	1,325
Total Ongoing Jobs	7,184
New Job-Years from Construction	7,321
Construction and Ongoing Jobs	14,505
New 30-Yr Taxes (incl. Construction)	(millions)
Dubois Income Tax - Resident (1.0%)	\$83.3
Dubois Income Tax - Non-Resident (0.55%)	\$10.6
Spencer Income Tax - Resident (0.8%)	\$24.8
Spencer Income Tax - Non-Resident (0.58%)	\$3.8
Hotel Tax (5.0%)	\$7.0
Total	\$129.6
Source: Hunden Strategic Partners	

The construction and 30-year stabilized operation of the Mid-States Corridor through Dubois and Spencer Counties is projected to generate \$32.5 billion in new spending in constant 2020 dollars, or more than \$1 billion per year.

Net new earnings to the two counties is projected to total \$10.7 billion, or more than \$300 million per year, supporting more than 7,000 construction jobs and more than 7,000 ongoing jobs in the two counties, for a total of ~14,500 jobs.

Total local taxes generated over the period are expected to be nearly \$130 million, or approximately \$4.33 million per year.

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MID-STATES CORRIDOR PROJECT PROFILE

Project Description

The Mid-States Corridor Project is a proposed high-speed expressway-grade connection in Southern Indiana that would provide an improved transportation link between the interchange of Interstate 64 and US 231 south of Huntingburg, Indiana, and Interstate 69 at an as-yet undetermined location south of Bloomington, Indiana. While the entire Mid-States Corridor in Indiana covers an area as far south as the William H. Natcher Bridge at the Ohio River, near Rockport, Indiana and north of Owensboro, Kentucky, it includes an already-improved four-lane expressway from the Ohio River north to I-64 in northern Spencer County.

The proposed Mid-States Corridor Project is a northbound extension of this four-lane expressway from I-64 to I-69, although the route has not been selected. It is anticipated to be, both, a bypass of the current alignment of U.S. 231 in Jasper and Huntingburg, and a through-route that would complete the Corridor's improvements and provide the missing link between the major logistical hubs of the Indianapolis and Nashville, Tennessee metropolitan areas. It is assumed that the highway would be limited access, resulting in the elimination of traffic-signalized intersections throughout, including 13 such intersections amongst the current route through Jasper, and five additional intersections in Huntingburg.

The goals of the Project, which was identified in the 2014 Governor's Blue-Ribbon Panel on Transportation Infrastructure as a Tier 2 statewide priority, are as follows:

- To improve business and personal regional activity in Dubois County and Southern Indiana;
- To improve regional safety in Southern Indiana;
- To support economic development in Southern Indiana; and
- To improve highway connections to existing major multi-modal locations from Southern Indiana.

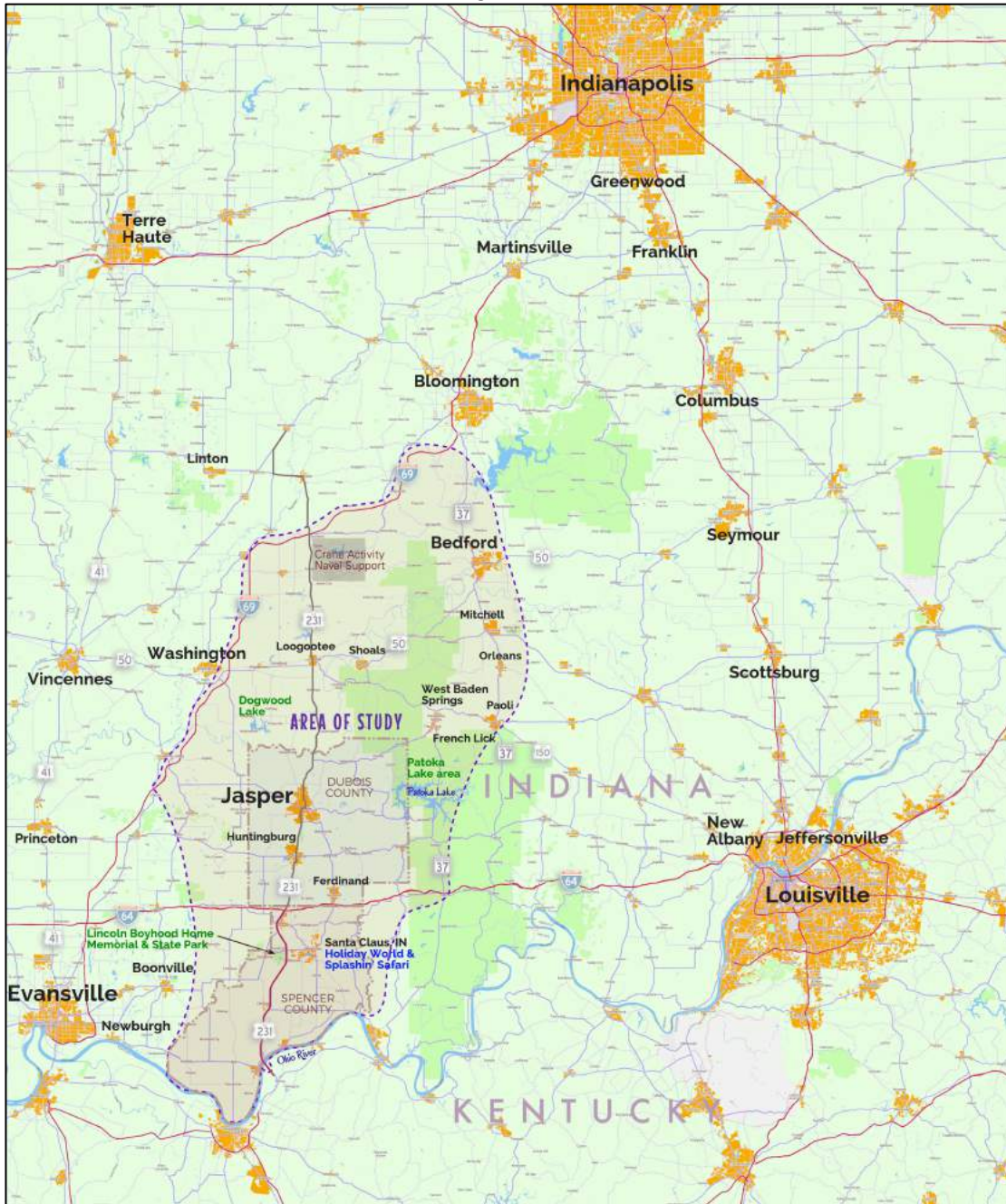
The need for a major north-south highway in the region was identified long before it was officially made a statewide priority. Regional accessibility has historically been limited, both for individuals and freight. Counties to the east of I-69 and west of I-65 lack access to the north and south. US 231, the existing north-south connection, is generally a two-lane road that is often heavily congested, especially in Dubois County.

The factors that contribute to congestion and increased travel times also contribute to unsafe conditions, namely the road's narrow shoulders and the presence of freight trucks and farm equipment. Inadequate transportation infrastructure can cause a ripple effect of negative impacts through a region as it can ultimately lead to decreases in workforce attraction, tourism and business activity.

Dubois County had 1,517 crashes in 2018 and more than half, 842, occurred in Jasper and Huntingburg, mostly along US 231 before it becomes a four-lane highway to the south. In Spencer County, where US 231 is already primarily improved, there were only 542 accidents in 2018. Given the size of the county and population, HSP projects that Spencer County would have closer to 800-900 annual accidents if it had the US 231 road conditions of Dubois County.

The following figure shows Dubois and Spencer Counties in relation to the Mid-States Corridor study area.

Figure 1-1



Anticipated benefits of the Project include increases in economic activity, reduction in congestion and delays, improved access to other modes of transit, decreased transportation costs for freight movement, and an increase in the quality of life for the region's residents. In order to confirm and quantify these benefits, an economic impact analysis was performed for the Mid-States Corridor in Dubois and Spencer counties and the findings are summarized herein.

Study Scope

This report is primarily concerned with the impact of the Mid-States Corridor on Dubois and Spencer Counties, although the Mid-States Corridor will positively impact a much larger region and the State of Indiana as a whole. The Mid-States Corridor Project generally impacts counties bounded by I-69 on the west and north, SR 37 on the east, and the Ohio River on the south. The counties that will be impacted beyond Spencer and Dubois are: Perry, Warrick, Pike, Daviess, Crawford, Orange, Martin, Lawrence, Greene and Monroe.

The following figure shows the Mid-States Corridor Study Area, of which this study covers a smaller area.

Figure 1-2



Though the entire twelve county area must be assessed to understand the impact of the Project, the focus of this analysis is on Dubois and Spencer Counties. This region will be assessed at a high-level, with the impacts to Dubois and Spencer County projected.

Dubois County is the economic center of the Mid-States Corridor Study Area and is home to approximately 42,000 residents. Dubois County is part of the Jasper Micropolitan Statistical Area and encompasses the

cities of Jasper and Huntingburg, as well as the smaller towns of Birdseye, Ferdinand and Holland. Dubois County is home to several large corporations which drive the economic activity in the region and employ thousands of people throughout Southern Indiana. Representatives from a number of these organizations were interviewed as key stakeholders and the feedback of those interviews is summarized later in this report.

The City of Jasper is the county seat and is home to more than 15,000 people and nearly 6,000 households. When residential neighborhoods that lie just outside of Jasper's city limits are added to the total, that population is about 17,000. Much of the land in Jasper is used for agriculture, but the city is also home to several large furniture manufacturing companies. Top employers include Kimball International, MasterBrand Cabinets, Jasper Engines, Memorial Hospital, Jasper Rubber Products and Jasper Group. Combined, these corporations employ an estimated 10,500 workers, many of whom commute from the surrounding counties. Jasper is also home to a satellite campus of Vincennes University.

South of Jasper along US 231 is the City of Huntingburg, home to slightly more than 6,000 residents. US 231 and SR 64 intersect in Huntingburg at a single traffic light in the downtown. Huntingburg is also home to major manufacturing employers, including OFS Brands and Farbest Foods.

The remainder of Dubois County is comprised of the towns of Birdseye, Ferdinand and Holland, as well as dozens of unincorporated places and townships. Ferdinand is home to two major employers, Best Chairs Inc. and Masterbrand Cabinets. The land use outside of these cities and towns is primarily agricultural, and farms throughout Dubois County cultivate corn, grain, soybeans, strawberries and tomatoes.

Spencer County, while only half the population of Dubois County at approximately 20,000 residents, has many industrial and tourism assets that would be positively impacted by increased accessibility and efficiency. These include the industries near Rockport and major tourism destinations like Holiday World near Santa Claus, Indiana. More on each of these counties' attributes are discussed throughout the report.

An analysis of this study area as a whole, which will be examined in further detail in Chapter 2, indicates productive local industry which requires a highly skilled labor force. Furthermore, the key industries in the region all rely on supply chains that use highway transportation to move goods across the state and country. Increased access would improve the performance of these supply chains and benefit the region by allowing the existing industry to grow and attract a broader and more diversified workforce.

Existing Conditions

In order to assess the need for and future impact of any infrastructure project, the existing conditions must be examined. The segment of US 231 that falls within the Spencer County was upgraded over a decade ago to a four-lane divided highway with limited access and two interchanges. The segment of US 231 in Dubois County is primarily two lanes and is the portion of the Mid-States Corridor that is in significant need of an upgrade from two lanes to a four-lane divided high-speed expressway, which would be built as a bypass around both Huntingburg and Jasper. Southern Indiana is known for its hilly terrain, and this combined with narrow lanes and shoulders decreases safety along the road. The lack of adequate highway shoulders and limited visibility also contribute to suboptimal conditions along the route. US 231 is directly accessible by a number of county roads and driveways into businesses and residential properties, which allow for slow-moving farm equipment and semi-tractor trailer trucks to merge with the flow of traffic, which in addition to a safety concern can cause slow-downs and congestions. Travel time predictability is important to commuters and

truckers, and some opt to avoid US 231 and use a lengthier and much less direct route combining I-64 eastward to I-65 or westward to I-69, though this comes with increased travel times and inconvenience.

The inadequacy of US 231 poses a number of threats to the region. The broader issues include:

- Existing road and visibility conditions cause higher crash rates and safety concerns, especially in high-pedestrian areas and near schools
- The overall lack of connectivity and access decreases the quality of life for residents and commuters, and eventually makes it more difficult for corporations to attract and retain a workforce
- The congestion and unpredictable traffic flow negatively impact the trucking and freight operations that move to and from the corporate headquarters, assembly plants, or distribution facilities in the area, threatening future economic growth, forcing some large companies to consider relocating to regions with better access
- A lack of access restricts the amount of tourism activity and business that is likely to occur in this region, which is home to a larger number and variety of attractions than in much of the rest of Indiana, especially as compared to neighboring parts of Indiana and Kentucky with better highway connectivity
- The two-lane segment of US 231 keeps the entire multi-state Nashville-to-Indianapolis transportation corridor from being recognized or utilized as such, including as a north-south alternative to I-65 and I-69, greatly limiting the region's overall potential visibility and visitation

Proposed Alternatives

As mentioned, the route project and facility type have not yet been determined for this Project. Alternatives for the type of facility to be built have been identified and include:

- **Freeway.** This type of highway has multiple travel lanes in each direction of travel, with medians separating the roadway in opposite directions. Access is provided only at grade-separated interchanges.
- **Expressway.** This type of highway has multiple travel lanes in each direction of travel, with medians separating the roadway in opposite directions. Access is provided by a combination of interchanges and at-grade intersections with state and local roads.
- **Super-2.** This type of highway has one travel lane in each direction, as well as a passing lane. Use of the passing lane is shared by the two directions of travel for a total of three lanes. This type of facility may provide access to private drives but has potential to be phased into a future freeway or expressway development as one direction.

Similarly, there are a number of alternatives for the route of the Project. The route has been proposed to follow the existing multi-lane US 231 north from Rockport to I-64, but several options exist north of this juncture for the direction the road will take and where it will connect to I-69. Potential intersection points along I-69 include Washington, Petersburg, Crane, and two routes connecting to the existing State Road 37 (which connects to I-69 just south of Bloomington) at Mitchell and Bedford. The potential routes and their variations have been categorized generally by these three intersection locales identified by previous studies, and are as follows:

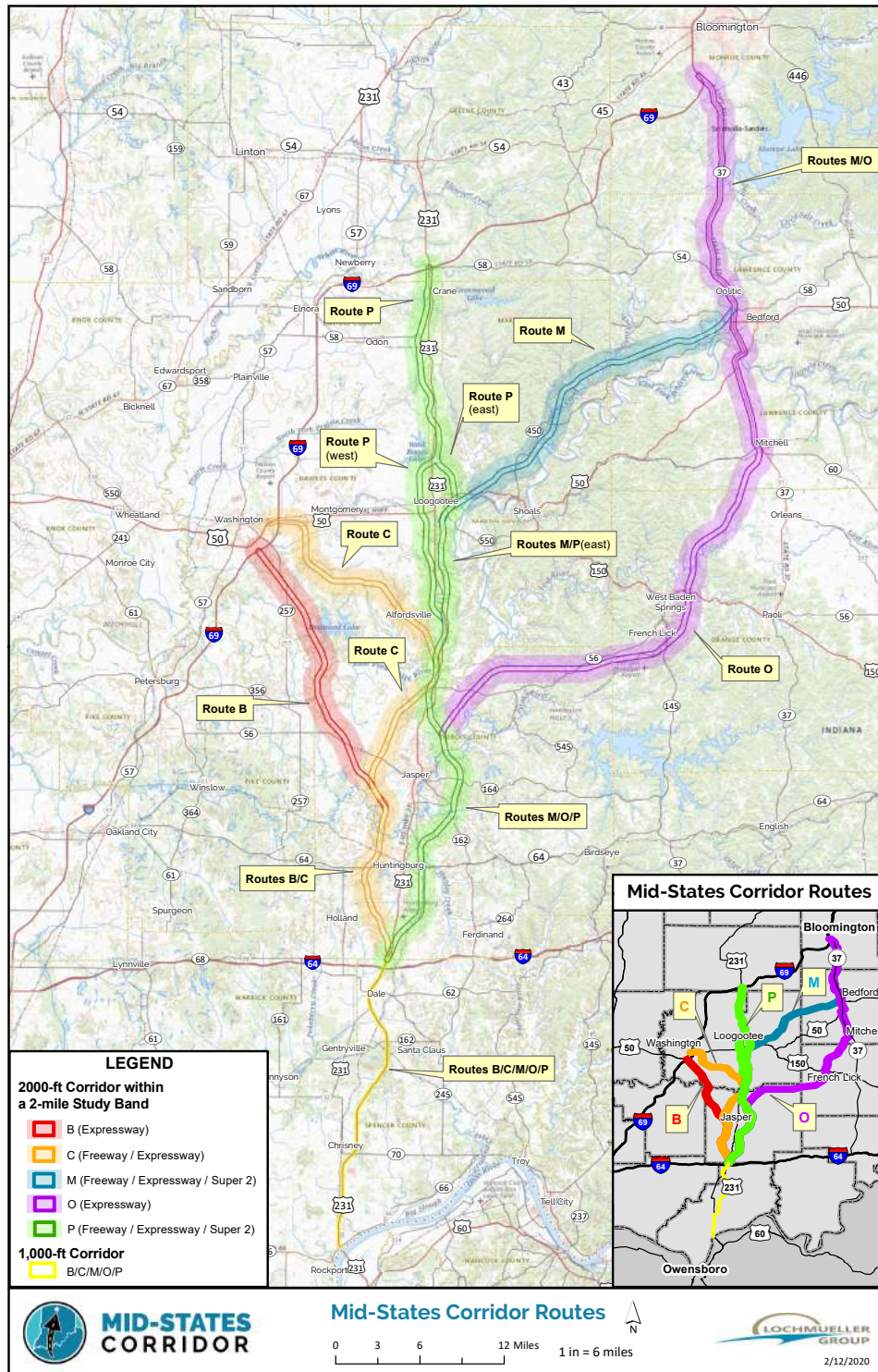
- **Northwest Family.** These alternatives include those routes and facility types that connect to I-69 at Washington, an intersection originally assumed by the 2012 Cambridge Systematics study.
- **North Central Family.** These alternatives include those routes and facility types that connect to I-69 at Crane, an intersection identified by the Southwest Regional Logistics Council of Conexus Indiana in 2015.
- **Northeast Family.** These alternatives include those routes and facility types that connect to I-69 via SR 37 just south of Bloomington, an intersection identified by the 2014 Blue Ribbon Panel report.

An internal screening of these alternatives was performed in February of 2020, which identified ten alternatives that were recommended for further study. The alternatives are organized by both route and facility type, and include:

- **Route M** – (Freeway / Expressway / Super 2) Included in the Northeast Family, this route continues directly north from Jasper before branching northeast near Loogootee. At Bedford, the route continues north to Bloomington.
- **Route O** – (Expressway) Also included in the Northeast Family, this route branches to the east after Jasper through French Lick and continues north through Mitchell to Bloomington.
- **Route P** – (Freeway / Expressway / Super 2) Included in the North Central Family, Route P stretches north from Jasper, branching to the east or west around Loogootee and intersects with I-69 near Crane.
- **Route B** – (Expressway) Included in the Northwest Family, this route bypasses Jasper on the west, then continues northwest to intersect I-69 at Washington.
- **Route C** – (Freeway / Expressway) Also included in the Northwest Family, this route bypasses Jasper on the west, then continues north to Alfordsville, where it branches northwest to intersect I-69 at Washington.

The following map identifies these routes.

Figure 1-3



While this study will not provide any recommendations regarding route or facility type, it is important to understand those alternatives that have been identified as probable, as this will dictate which parts of the study area will be impacted most.

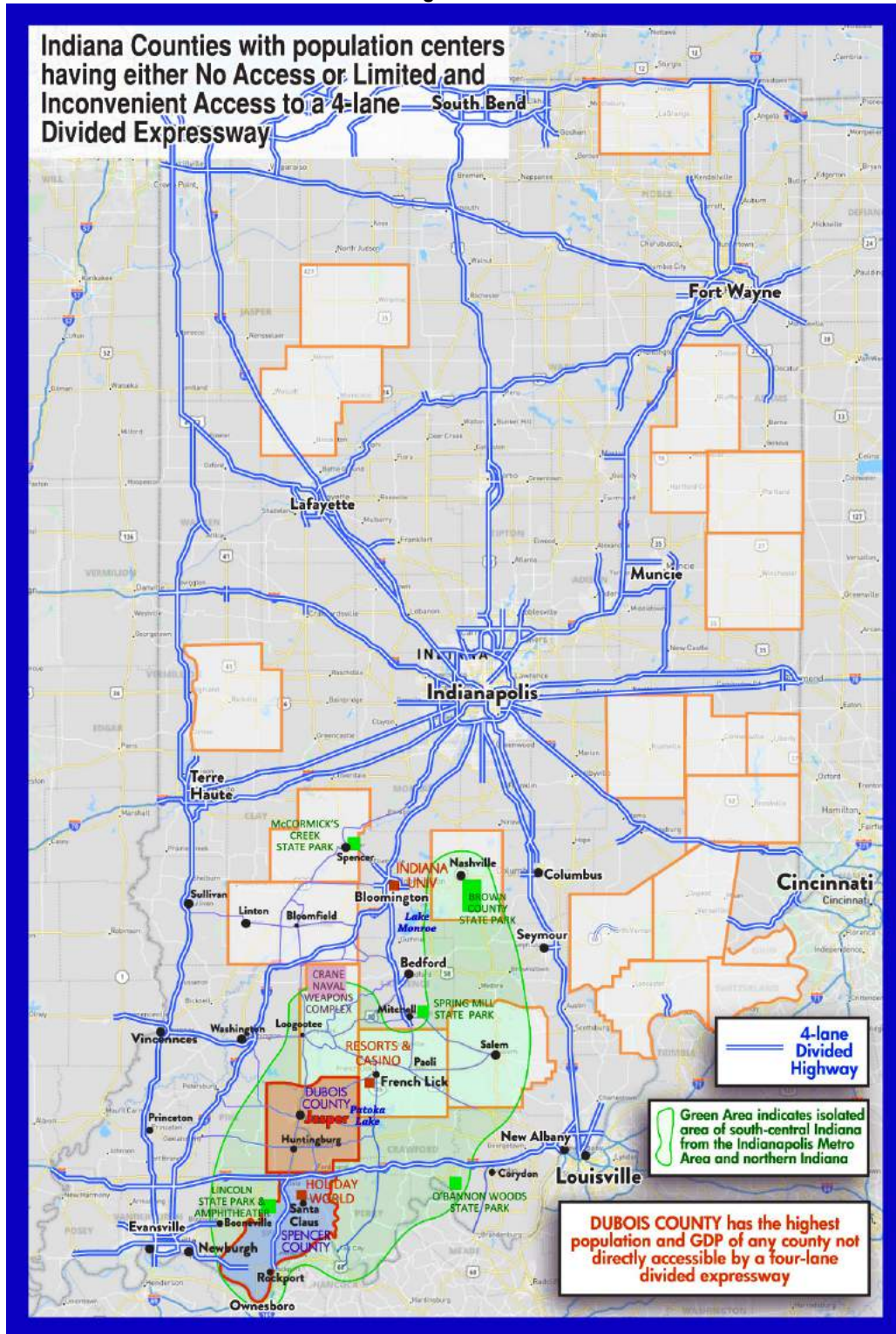
Largest Population Center without a Major Four-Lane Highway Connection

While many counties would like to have access to a four-lane, divided highway without traffic signals, the Mid-States Corridor area, especially Dubois County, has a special perspective on it. Dubois County is the most populous county and the most robust regional business center in Indiana without a four-lane highway directly connecting to the primary city and its commercial activity. Despite I-64 running just south of the county's southern boundary, interchanges with local roads that are necessary to provide connections between I-64 to Jasper's business and industrial zones are not numerous or convenient, and travel between the Interstate and these employment centers require considerable time and effort to navigate. Jasper is situated about 15 miles north of the interstate's interchanges with US 231 and SR 162. Between the interchanges and Jasper are the small cities of Ferdinand and Huntingburg, both of which act as choke points between the business centers in Jasper, and access to I-64.

Additionally, traffic aiming to get through the county, whether there is the need to stop in the county or not, also face restricted travel situations and extended periods of time on the county's narrow highways. As a county of 42,000, and the employment, retail, medical and retail center of a multiple-county region, every type of vehicle, from school buses and carpools to farm implements and semi-trucks all are constricted to using the same roads, adding considerable time to every commute within the count, especially those on US 231.

The situation is shown in the figure below.

Figure 1-4



The green highlighted area shows the isolated area of south-central Indiana that would be primarily served by the Mid-States Corridor. Dubois County has the highest population and GDP of any county not directly accessible by a four-lane divided highway or expressway. Jasper is positioned as being separated by any four-lane highway by a minimum of 14 miles and usually at least one town to traverse (such as Huntingburg or Ferdinand to the south, and Loogootee to the north), funneling both local and long-distance traffic through the narrow 150-year-old business districts.

The following chapter provides an in-depth look at the economics, demographics and tourism in the region and examines what implications these might have for the proposed Project.

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LOCAL ECONOMIC AND DEMOGRAPHIC ANALYSIS

Local market area characteristics such as population, demographics, a diversified economy, access, and attractions influence the performance of the economy. All are relevant to the development road infrastructure, as nearly all industries, employees and employers and residents rely on roads to live, work, play and visit.

This section will focus primarily on Dubois and Spencer Counties, though it will provide a high-level profile of the entire study area. This region, for the purposes of this study, will be referred to as the Mid-States Corridor study area. This chapter will provide an overview of the characteristics of the market and the area, which will help to define the strength of the market and will inform the analysis.

Further economic analysis will be explored in Chapters 3 and 4.

The following figure shows the two counties and overall study area.

Figure 2-1



Dubois and Spencer Counties are in the southern portion of the overall Mid-States Corridor study area, bisected by Interstate 64. The east-west interstate has typically been the least-traveled interstate in the state but has grown steadily to around 15,000 to 17,000 vehicles per day through this area. In previous decades, daily traffic averaged under 10,000 vehicles.

Dubois County – Overview

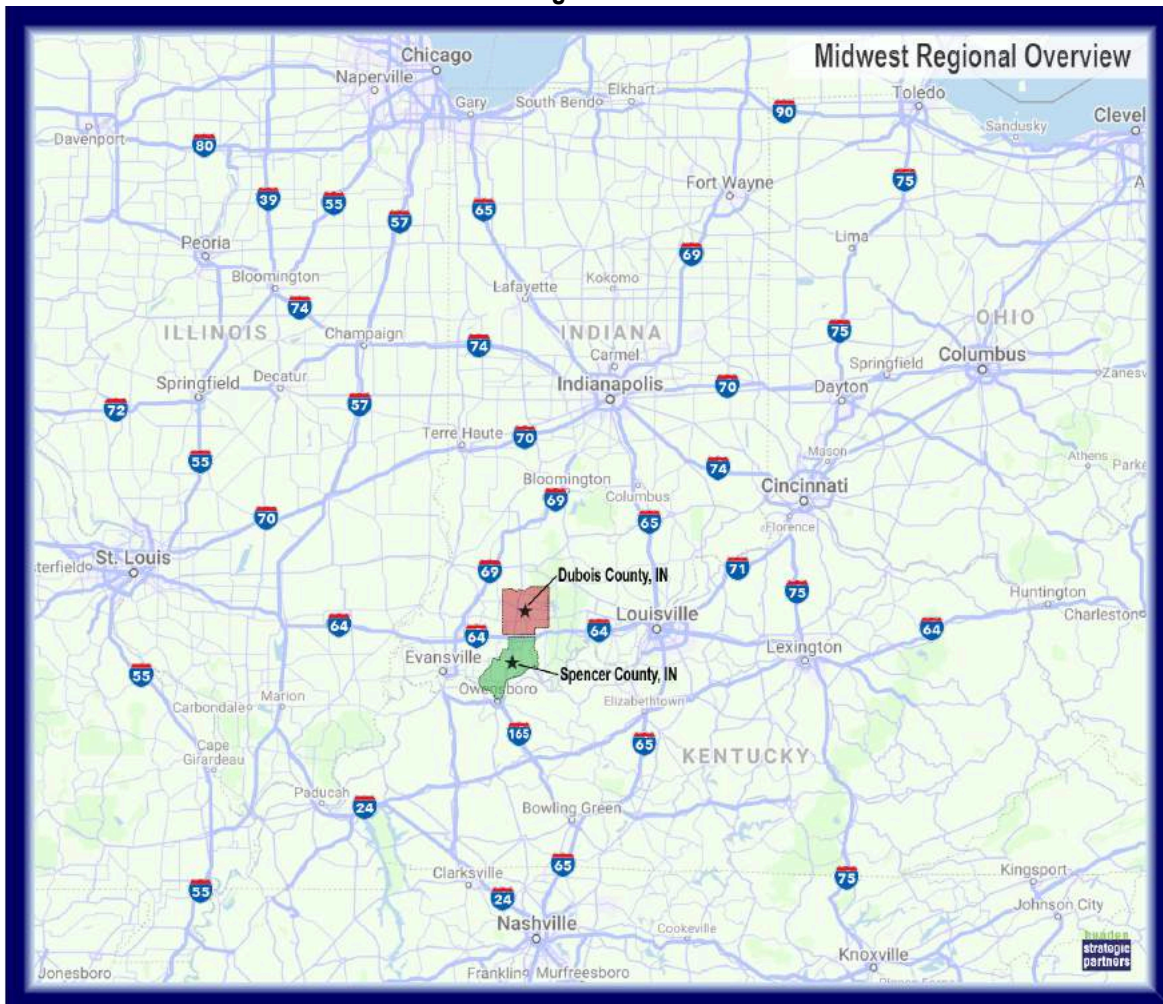
Dubois County, dubbed the “Heart of Southern Indiana”, is located in the center of the Mid-States Corridor study area, approximately 120 miles south of Indianapolis. Originally founded by German immigrants, the area fostered a thriving woodworking industry which still dominates the region today. Dubois County is comprised of the cities of Jasper and Huntingburg, and the towns of Birdseye, Ferdinand, and Holland. The remainder of the county is made up of 21 unincorporated towns and communities.

Like most of the study area, access to and from Dubois County is limited, as well as travel within its boundaries. Dubois County bisected by US 231, an outdated two-lane highway that suffers from congested traffic situations during peak business and commuting hours. Though this roadway is considered inadequate, it still provides greater access to Dubois County than what is available to counties to the east and west. Suggested routes from other places within Indiana can be complicated and inefficient.

Travelers from Indianapolis must use at least three different roadways to reach Dubois County and even more highways to access the various natural attractions and recreation areas, such as Patoka Lake. The eastern portion of the county is quite hilly with many wooded areas, while west of Jasper, the landscape becomes more level and features more farmland. The dam, backing up the Patoka River, is in Dubois County, however the lake sprawls through portions of three counties. The popular French Lick destinations are just outside of the county lines to the northeast.

The following map depicts the existing available routes to Dubois County from the nearest major metros.

Figure 2-2



As shown, there are no major north-south highways connecting these two counties to the rest of Indiana. Indianapolis, as the state capital and largest population center, with more than 2.2 million residents, is extremely remote to access to or from these two counties.

City of Jasper

The City of Jasper is located in central Dubois County along the Patoka River. It is the county seat and home to approximately 15,000 residents. Jasper is the retail and economic center for Southern Indiana and is home to many of the county's major employers, including Kimball International, Jasper Engines and Transmissions, Masterbrand Cabinets and others. In addition, Jasper is home to a satellite campus of Vincennes University and Memorial Hospital.

City of Huntingburg

The City of Huntingburg is located along US 231 just south of Jasper and is part of the Jasper Micropolitan Statistical Area. It is home to approximately 6,000 residents. As the second largest municipality in Dubois County, Huntingburg is another hub for employment. OFS Brands and Farbest Foods both have a corporate presence in Huntingburg. Huntingburg Airport is a public use airport located just south of the central business district.

Spencer County – Overview

Spencer County is located in the center of the Mid-States Corridor study area directly south of Dubois County. Originally founded in 1818, Spencer County was home to Abraham Lincoln from 1816 to 1830, between the ages of 7 and 21. Spencer County covers approximately 401 square miles, and includes the cities of Santa Claus, Rockport, Richland, Grandview, Gentryville, Dale and Chrisney.

Access to and from Spencer County is limited mostly to Interstate 64 (east to Louisville and west to Illinois and Saint Louis) and US 231 traveling to the south into Kentucky, connecting to Bowling Green. Within its boundaries, the county is more level to the west and hillier to the east, and several narrow country roads and two-lane highways cross the county. Like Dubois County, Spencer County is positioned advantageously relative to some other parts of the Mid-States Corridor study area as it is bisected by US 231. This section of the highway is a four-lane divided expressway with no stops along the main travel lanes and provides greater access to Spencer County than what is available to counties to the north, east and west. Suggested routes from other places within Indiana can be complicated and inefficient. Travelers from the Indianapolis metro area, where a third of the state's population resides must use at least three different roadways to reach Spencer County.

Though Spencer County is not a center of major employment and commerce relative to Dubois County, it is home to Lincoln City and Santa Claus, which are both significant tourist attractions that rely on highway access from the surrounding region to maintain visitation.

Town of Santa Claus

The Town of Santa Claus is located in Spencer County between Interstate 64 and the Ohio River. It is the largest community in Spencer County and is the home to numerous themed attractions including Santa's Candy Castle, Santa Claus Museum, Holiday World & Splashin' Safari, Frosty's Fun Center, Christmas Lake Golf Course, and Santa's Stables. It is also home to Santa's Lodge and Lake Rudolph Campground & RV Resort.

Lincoln City

Lincoln City is an unincorporated community in Carter Township, Spencer County located south of Interstate 64, northeast of Evansville. Lincoln City was laid out in 1872, and was named for Abraham Lincoln and his family, who lived here during his boyhood years. Lincoln City is now home to the Lincoln Boyhood National Memorial, a national park managed by the National Park Service that includes a Living Historical Farm that attempts to recreate the early nineteenth-century period during which the Lincoln family lived in the area. The living-history farm is a working pioneer-style homestead with a cabin, outbuildings, split rail fences, animals,

gardens, and field crops. The Lincoln Boyhood National Memorial is located on Highway 162 across from Lincoln State Park.

Town of Dale

Dale is a town in Spencer County that was in the path of development for the US Route 231 bypass. The Indiana Department of Transportation, as part of the Major Moves transportation program, in 2011 completed a four-lane, limited access highway bypass that carries U.S. Route 231 around the west side of Dale. The town now has access points at Indiana 62 on the town's south side, Indiana 68 on the west side, and Spencer County Road 2050 North on the north side.

County Road 2050 North provides access to two hotels, a restaurant, gas station and residences that were formerly accessed from the old interchange of U.S. 231 with Interstate 64. That diamond interchange and overpass were eliminated in favor of a partial-cloverleaf interchange located slightly to the west, necessitating the access road.

Population

The following table shows the population characteristics of the United States, the State of Indiana, Spencer County and Dubois County.

Table 2-1

Population and Growth Rates					
	Population				Percent Change 2010 - 2020
	2000	2010	2020	2025 Estimate	
United States	281,421,906	308,745,538	332,417,793	345,487,602	7.7%
Indiana	4,041,769	4,339,367	4,582,010	4,699,576	5.6%
Dubois County	39,674	41,889	43,335	44,056	3.5%
Spencer County	20,391	20,952	20,277	20,840	-3.2%

Source: U.S. Census Bureau

Dubois County experienced a 3.5 percent increase in population from 2010 to 2020. This population is growing at a slower rate than the state, and much slower than the nation. Spencer County experienced a decrease in population from 2010 to 2020 of 3.2 percent. Anecdotally, this trend of population stagnation or decline has been felt in communities across the Mid-States Corridor study area. There is a reported "brain drain" occurring in the region as professionals and skilled laborers leave for employment in major metros or more competitive markets. This trend can be reversed with strategic workforce attraction and retention measures, one of which is improved infrastructure for access and quality of life.

Airport Access

Louisville International Airport

The Louisville International Airport (SDF) is the closest major international airport to Dubois and Spencer counties, located approximately 67 miles from Jasper. As of 2019, the airport served more than 4.2 million passengers and offers non-stop flights to over 30 domestic airports. Louisville International Airport ranks third in North America and seventh in the world in the total amount of cargo handled as the home of United Parcel Service (UPS) international air-sorting hub. In October 2019, UPS announced it would invest \$750 million into the airport.

Louisville International Airport occupies approximately 1,500 acres. Passenger terminals make up more than 360,000 square feet and 24 boarding gates. There are 5,957 public parking spaces on-site.

The following table summarizes total enplanements and deplanements at SDF across a seven-year period.

Table 2-2

Louisville International Airport Passenger Traffic		
Year	Total Passengers	YOY % Change
2013	3,404,080	--
2014	3,355,811	-1.4%
2015	3,359,472	0.1%
2016	3,346,545	-0.4%
2017	3,474,340	3.8%
2018	3,866,057	11.3%
2019	4,239,064	9.6%

Source: Louisville International Airport

Over the seven-year period, passenger counts remained flat until 2017 when traffic increased by four percent. The largest percentage increase occurred between 2017 to 2018 with an increase of roughly 11 percent or 400,000 passengers. A similar but slightly smaller increase occurred again in 2019, bringing the passenger count to more than 4.2 million, the highest level during the past decade.

The following table shows the top ten final destination cities from the Louisville International Airport.

Table 2-3

Louisville Muhammad Ali International Airport - Busiest Domestic Routes (February 2019 to January 2020)		
Rank	Destination Airport	Passengers (000s)
1	Hartsfield-Jackson Atlanta International Airport	348
2	O'Hare International Airport	159
3	Charlotte Douglas International Airport	159
4	Dallas/Fort Worth International Airport	136
5	Baltimore/Washington International Thurgood Marshall Airport	109
6	Chicago Midway International Airport	106
7	Denver International Airport	96
8	Detroit Metropolitan Wayne County Airport	76
9	George Bush Intercontinental Airport	69
10	LaGuardia Airport	69

Source: Bureau of Transportation Statistics

Louisville International Airport’s top domestic destinations are all major large-city hubs. Atlanta is first in the rankings because it is the home base of Delta, the world’s largest airline. Chicago and Charlotte are tied for second place in terms of passengers. Out of the top ten airport locations, there are no airports located on the West Coast.

Indianapolis International Airport

The Indianapolis International Airport (IND) is located approximately 98 miles from the City of Jasper. IND regularly wins the national award for “best airport” in a number of areas catering to passenger comfort and ease of travel. The number of passengers served by the airport continues to grow each year. In 2019, the airport served a record 9.5 million passengers. IND is also known as a hub for air cargo, as it is home to the second largest FedEx Express hub in the world and also has a major USPS sorting hub. In 2020, IND ranked sixth for busiest airports in the United States in terms of air cargo throughput at more than 1 million metric tons.

The table below summarizes total enplanements and deplanements at IND across a seven-year period.

Table 2-4

Indianapolis International Airport Passenger Traffic		
Year	Total Passengers	YOY % Change
2013	7,217,051	--
2014	7,363,632	2.0%
2015	7,998,086	8.6%
2016	8,511,959	6.4%
2017	8,800,828	3.4%
2018	9,413,962	7.0%
2019	9,537,377	1.3%

Source: Indianapolis International Airport

Over the seven-year period, passenger counts steadily increased. The largest percentage increase occurred between 2014 and 2015 with an increase of 8.6 percent or 634,454 passengers. A similar but slightly smaller increase occurred again in 2018, bringing the passenger count to over 9.4 million. The combination of growing seat capacities and increasing number of routes over the past seven years have allowed IND to continuously grow its passenger base. Demand from a growing Indianapolis economy supported these capacity increases.

The following table shows the top ten final destination cities from the Indianapolis International Airport.

Table 2-5

Indianapolis International Airport - Busiest Domestic Routes (July 2019 to June 2020)		
Rank	Destination City	Passengers (000s)
1	Atlanta, Georgia	391
2	Denver, Colorado	229
3	Chicago O'Hare, Illinois	213
4	Orlando, Florida	207
5	Dallas/Ft. Worth, Texas	175
6	Charlotte, North Carolina	158
7	Las Vegas, Nevada	156
8	Phoenix-Sky Harbor, Arizona	124
9	Minneapolis/St. Paul, Minnesota	116
10	Detroit, Michigan	106

Source: Bureau of Transportation Statistics

Indianapolis International Airport's top domestic destinations are all major large-city hubs. The top three destinations are all major hubs. The locations of the top cities are generally evenly spread throughout the United States.

Evansville Regional Airport

Evansville Regional Airport is located in Evansville, Indiana, approximately 41 miles from Jasper. Its traffic in 2019 was its highest since 2000. Boarding increased 5.5 percent from 2018, reaching nearly 250,000

Evansville Regional Airport is served by four carriers:

- Allegiant Air – Orlando/Sanford
- American Eagle – Charlotte, Chicago – O’Hare, Dallas/Fort Worth
- Delta Connection – Atlanta, Detroit
- United Express – Chicago – O’Hare

In addition, the airport ships cargo via FedEx Feeder to Memphis, Tennessee.

The following table shows the top five destinations from the Evansville Regional Airport.

Table 2-6

Evansville Regional Airport - Busiest Routes			
Rank	Destination Airport	Passengers, Aug 2019 to July 2020	Carriers
1	Atlanta, Georgia	37,000	Delta
2	Chicago, Illinois - O'Hare	35,000	American, United
3	Dallas/Fort Worth, Texas	32,000	American
4	Detroit, Michigan	23,000	Delta
5	Charlotte, North Carolina	21,000	American

Source: Bureau of Transportation Statistics

Owensboro Daviess County Airport

Owensboro-Daviess County Regional Airport is a public use airport located southwest of Owensboro, Kentucky, approximately 47 miles from Jasper. The airport is owned by both the city and the county. It is mostly used for general aviation and is served by two commercial airlines. Federal Aviation Administration records show the airport had 30,795 enplanements in calendar year 2012. The National Plan of Integrated Airport Systems for 2013-2017 categorized it as a primary commercial service airport. Owensboro-Daviess Airport is served by Allegiant Air, which provides service to Sanford/Orlando, and Cape Air, which provides service to St. Louis.

Huntingburg Regional Airport

The Dubois County Airport Authority owns and operates the Huntingburg Regional Airport (KHNB), a facility three miles south of the City of Huntingburg in Southern Indiana along US 231. US 231 and Interstate 64 intersect three miles south of the Huntingburg Airport, while I-69 is 22 miles to the west.

In 2010, the airport reported 11,170 aircraft operations, an average of 30 per day. These operations were 95 percent general aviation, 4 percent air taxi, and one percent military.

Economy Diversity

A healthy and diversified economy provides not only employment and disposable income for a market's residents. It also helps provide resilience from economic downturns. Markets that have historically relied on one sector have often had difficulty adapting and recovering when the market shifts from that sector. This can lead to an overall loss of local income and employment. In turn, a declining local economy, prompted by a single market sector, will often lead to declining population trends, as has been the case in many industrial or rural areas. Markets with diversified employment can often withstand economic downturns better than those reliant on one industry.

The following table shows the diversification of the Dubois County employment totals in terms of employment by industry, as provided by the Bureau of Economic Analysis.

Table 2-7

Dubois County Employment by Industry - 2018		
Description	Employees	Percentage of Total
Total employment (number of jobs)	35,848	100%
By industry		
Nonfarm employment	34,908	97.4%
Farm employment	940	2.6%
Private nonfarm employment	32,546	90.8%
Manufacturing	11,848	33.1%
Health care and social assistance	3,963	11.1%
Retail trade	3,504	9.8%
Accommodation and food services	1,761	4.9%
Other services (except government and government enterprises)	1,551	4.3%
Wholesale trade	1,497	4.2%
Construction	1,363	3.8%
Transportation and warehousing	1,304	3.6%
Real estate and rental and leasing	1,268	3.5%
Professional, scientific, and technical services	969	2.7%
Finance and insurance	947	2.6%
Administrative and support and waste management and remediation services	719	2.0%
Management of companies and enterprises	579	1.6%
Arts, entertainment, and recreation	271	0.8%
Information	259	0.7%
Educational services	194	0.5%
Utilities	58	0.2%
Forestry, fishing, and related activities	(D)	-
Mining, quarrying, and oil and gas extraction	(D)	-
Government and government enterprises	2,362	6.6%
State and local	2,134	6.0%
Local government	1,924	5.4%
State government	210	0.6%
Federal civilian	103	0.3%
Military	125	0.3%
*Estimate counts of remaining jobs in mining/forestry, fishing, and related activities		
Source: Bureau of Economic Analysis		

The leading industries in the county are manufacturing, with a significant 33 percent of private employment, healthcare and social assistance (11 percent), and retail trade (9.8 percent). The top three industries employ approximately 54 percent of Dubois County's workforce, or 19,315 people. The percentage of manufacturing jobs within the county is higher than other counties and reflect the reality of Dubois County as a regional hub for the entire state.

The next table shows the employment breakdown in Spencer County.

Table 2-8

Spencer County Employment by Industry - 2018		
Description	Employees	Percentage of Total
Total employment (number of jobs)	9,852	100%
By industry		
Nonfarm employment	1,981	20.1%
Farm employment	940	9.5%
Private nonfarm employment	8,171	82.9%
Manufacturing	1,363	13.8%
Retail trade	675	6.9%
Other services (except government and government enterprises)	694	7.0%
Wholesale trade	396	4.0%
Construction	764	7.8%
Transportation and warehousing	421	4.3%
Real estate and rental and leasing	343	3.5%
Professional, scientific, and technical services	273	2.8%
Finance and insurance	342	3.5%
Information	100	1.0%
Utilities	287	2.9%
Forestry, fishing, and related activities	n/a	--
Mining, quarrying, and oil and gas extraction	n/a	--
Government and government enterprises	1,068	10.8%
State and local	942	9.6%
Local government	852	8.6%
State government	90	0.9%
Federal civilian	67	0.7%
Military	59	0.6%

*Estimate counts of remaining jobs in mining/forestry, fishing, and related activities
Source: Bureau of Economic Analysis

For many categories, there is not enough information to show or it is private and confidential, so those categories have been removed. This can be typical for sparsely populated counties. The largest industry is manufacturing at nearly one in seven jobs. Retail and “Other Services” are the next largest private categories. Government and related make up nearly 11 percent of jobs, while farming makes up nearly ten percent.

Corporate Presence

The Spencer and Dubois County region is the economic engine for the Mid-States Corridor study area and is home to many major corporations and employers. In general, corporations provide stability to a market and generally consistent employment.

The following table profiles those major companies that employ workers within Dubois and Spencer Counties.

Table 2-9

Dubois and Spencer County Major Employers		
Company Name	Industry	Number of Employees
Jasper Engines & Transmissions	Automotive	2,600
MasterBrand Cabinets	Furniture Manufacturing	2,500
Holiday World	Amusement Park	2,000*
Memorial Hospital Healthcare Center	Healthcare	1,500
Kimball International	Furniture Manufacturing	1,400
OFS	Furniture Manufacturing	1,300
Jasper Group	Furniture Manufacturing	1,200
Farbest Foods	Agriculture	1,100
German American Bank	Finance	900
Best Home Furnishings	Furniture Manufacturing	800
Jasper Rubber Products	Manufacturing	800
Meyer Distributing	Distribution	800
Kimball Electronics	Electronic Manufacturing	525
Indiana Furniture	Furniture Manufacturing	300
Wabash Family Produce	Agriculture	300
Superior Ag	Agriculture	100

**represents seasonal employment*
 Source: Dubois Strong, Dubois Chamber of Commerce

Of these top employers, the majority are located in Jasper, with the exception of OFS (Huntingburg); MasterBrand and Best Home Furnishings (Ferdinand). In total, there are approximately 1,275 businesses in Jasper. Employees travel from all over the region to work in Jasper, an influx that doubles the daily population during the workweek.

In addition to an employment hub, Jasper is the primary shopping destination for the surrounding region, serving over 150,000 area residents. Major national department stores along with a mix of other retail stores comprise five shopping areas: Germantown, Jasper Manor, Northridge and Southgate Shopping Centers, and downtown Jasper.

Spencer County seasonally employs large numbers of employees at Holiday World in Santa Claus, Indiana. Throughout the year, employment at the company fluctuates between 200 and 2,000 employees. Additionally, Wabash Family Produce and Superior Ag combined employ approximately 400 agricultural workers.

Income and Spending

The following table provides data on home ownership, income and retail sales for both Dubois and Spencer counties based on the latest data from the US Census Bureau.

Table 2-10

Income, Spending and Other Demographic Data				
Category	United States	Indiana	Spencer County	Dubois County
Homeownership rate, 2014-2018	63.8%	68.9%	81.0%	78.1%
Median value of owner-occupied housing units, 2014-2018	\$204,900	\$135,400	\$121,000	\$149,500
Persons per household, 2014-2018	2.63	2.53	2.5	2.5
Median household income, 2014-2018	\$60,293	\$54,325	\$56,998	\$58,994
Persons below poverty level, percent, 2014-2018	10.5%	11.9%	9.2%	7.6%
Total employment, 2018	130,881,471	2,816,081	5,205	29,009
Total employment percentage change, 2017-2018	1.8%	1.3%	3.8%	1.4%
Retail sales per capita, 2012	\$13,443	\$13,133	\$6,234	\$21,849

Source: US Census Bureau

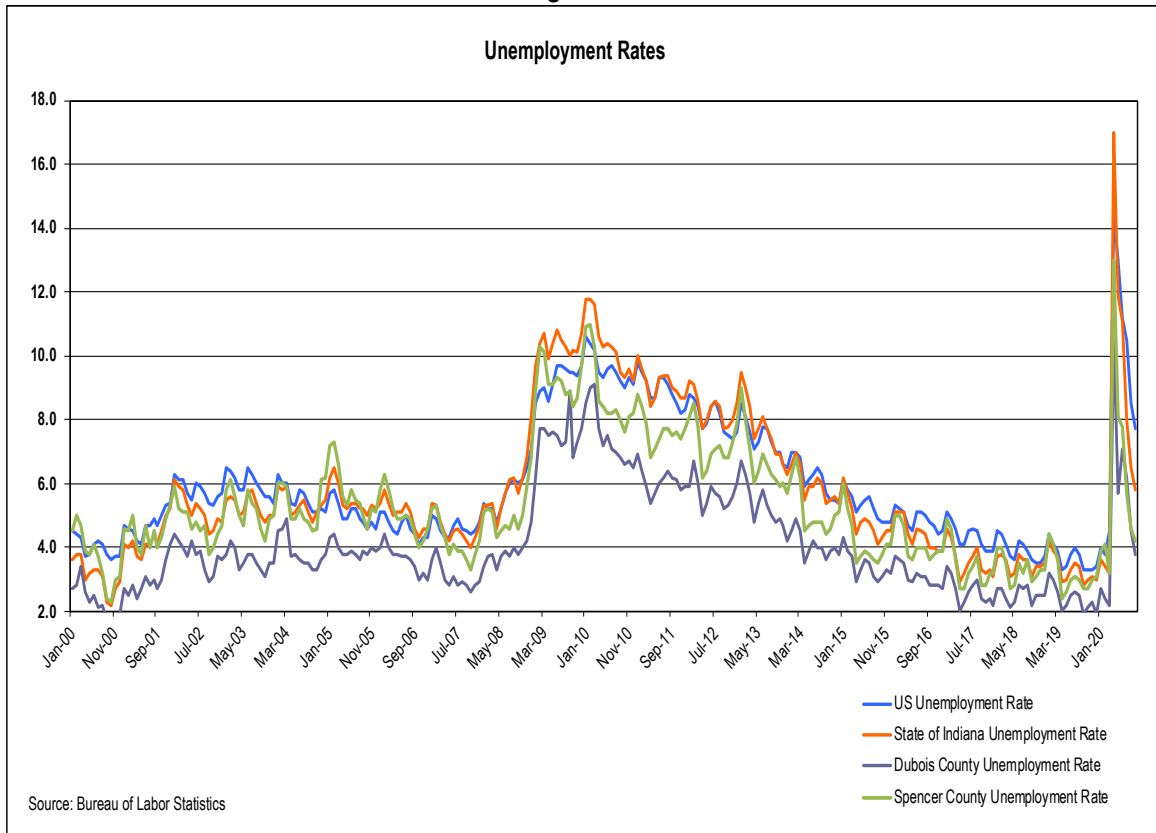
Dubois County has a strong economic base and historically has performed well, even through times of economic downturn. The unemployment rate is lower than the state and national averages, and the homeownership is higher. Both indicate not only strong economic characteristics, but a high quality of life for residents. The retail sales per capita are nearly double the state and national averages, which reflects Dubois's position as a commerce center in the region.

Spencer County has a smaller economic base when compared to Dubois County, with a higher rate of poverty than Dubois (but both are lower than the state or national averages) and a slightly lower median household income. However, Spencer County made employment gains from 2017 to 2018 that were more than double that of the county, state and nation. This growth may be partially attributable to the \$3.5 million renovation of Holiday World, which employed both temporary laborers and created new opportunities for staffing.

Unemployment

The following figure shows the unemployment rate in the United States (blue line), Indiana (orange line), Spencer County (green line) and Dubois County (purple line) from January 2000 through September 2020.

Figure 2-3



As of September 2020, the unemployment rate in Indiana and Dubois County were 5.8 and 3.8 percent, respectively. Spencer County had a slightly higher rate of unemployment than Dubois County at 4.2 percent. April 2020 was the peak month for unemployment rates across the country, with the national average reaching 14.4 percent due to the COVID-19 pandemic. As shown, the rate in Indiana spiked as high as 17 percent, but has rapidly dropped back to below the national average. Dubois and Spencer counties also experienced spikes of 10 and 13 percent during this time, respectively. However, the graph illustrates that Dubois County consistently trends a few points below the state and national averages due to its strong economic base.

Higher Education

The following table shows colleges and universities within a 100-mile radius from the Mid-States Corridor study area, using Jasper as a center point.

Table 2-11

Mid-States Area Colleges & Universities			
Institution	Location	Distance from Jasper	Enrollment
Indiana University-Bloomington	Bloomington, IN	58	43,260
Vincennes University	Vincennes, IN	36.9	17,239
Indiana State University	Terre Haute, IN	78.6	12,144
University of Southern Indiana	Evansville, IN	47.5	10,705
University of Indianapolis	Indianapolis, IN	98.5	5,801
Indiana University-Southeast	New Albany, IN	60.2	4,882
University of Evansville	Evansville, IN	43.7	2,371
Rose-Hulman Institute of Technology	Terre Haute, IN	77.4	2,038
DePauw University	Greencastle, IN	86.4	1,972
Oakland City University	Oakland City, IN	23.1	1,435
Saint Mary-of-the-Woods College	St Mary of the Woods, IN	82.5	1,094
Hanover College	Hanover, IN	82.1	1,070
Franklin College	Franklin, IN	89	956
Saint Meinrad School of Theology	Meinrad, IN	15.1	177
Mid-America College of Funeral Service	Jeffersonville, IN	65.4	116
Total Enrollment			105,260

Source: National Center for Education Statistics

Using Jasper as a center point, there are 15 colleges or universities within a 100-mile radius with a total of 105,260 total students. The largest total enrollment is at Indiana University-Bloomington, which is located 58 miles northeast of Jasper. The second largest is Vincennes University, which serves more than 17,000 students.

Educational Attainment

The level of education in a community is generally linked to income potential and hence, disposable income and long-term growth. Highly educated people have more choices in their employment and where to locate themselves and their families. The higher the education level, the stronger the labor market and the more disposable income that is available to spend on recreational activities, such as dining out, attending events and sports activities.

The following table shows the education attainment levels in the area.

Table 2-12

2018 Highest Education Level Attained (Population Age 25+)				
Population Age 25+	Spencer County	Dubois County	Indiana	United States
Did Not Complete High School	9.9%	10.0%	10.4%	12.6%
Completed High School	44.9%	39.2%	33.9%	27.3%
Some College	19.5%	15.2%	19.9%	20.8%
Completed Associate Degree	10.9%	13.4%	8.8%	8.3%
Completed Bachelors Degree	9.9%	16.3%	17.3%	19.1%
Completed Graduate Degree	5.0%	5.9%	9.7%	11.8%

Source: US Census Bureau

The overall college-level education attainment in Spencer and Dubois counties is lower than that of the state and national average. Spencer County, especially, has a very lower college education rate of only 14.9 percent, which is about half of the national average. However, these percentages reflect the presence of skilled labor, but not necessarily college-educated labor throughout the two counties. The top employers by industry, including the presence of agriculture throughout the region, do not require traditional degrees to the extent that business and professional services do. The proposed Mid-States Corridor would connect both counties to a broader talent pool for both manufacturing and professional services positions.

Implications

Dubois County has a strong economic base due to the presence of several large corporations in the area, including many associated with wood products and manufacturing. These major employers, including OFS Brands, Jasper Group, and Kimball International, among others, were interviewed as key stakeholders for this project. Their feedback is profiled in Chapter 5 of this report. Spencer County has a strong tourism trade due to the presence of Santa Claus and Lincoln City, both of which attract visitation for leisure travelers to historic sites and theme parks. Chapter 3 of this report explores visitation for tourism and retail trade in greater detail.

Key takeaways from the economic and demographic realities are:

- **Employment in the area has historically stayed strong**, even in times of national economic downturn. The rate of unemployment is lower than the state and national averages, and there are more jobs than people available to work.
- **Attracting a workforce is a major concern for local businesses**, and commuter access to the area is currently limited by the conditions on US 231.
- **Also a concern, is the movement of freight.** Many of the major corporations in the study area require the movement of goods and supplies to and from the area, and the inadequate access to the north and south has caused logistical challenges and increases in cost. US 231 is unreliable and unsafe, and access to I-64 is limited.

- **Accessibility and reliable transportation infrastructure are some of the most important indicators for business growth and attraction, and in the case of the Mid-States Corridor study area, improvements are necessary even to maintain the current level of business.**
- **Population in the area is decreasing, which is one of the most concerning statistics, as it is an important indicator for the economic vitality of an area.** Stakeholders have anecdotally cited “brain drain”, a movement of young professionals and skilled labor to other markets.
- **Competition from nearby metro areas for talent, coupled with poor access and a lack of housing have contributed to declining trends for population and net migration to the area.** These trends can be reversed if the region could attract both new business and workforce, both which rely on good infrastructure.
- **The demographic characteristics of the area indicate that local businesses and residents would benefit from a north-south connector like the proposed Mid-States Corridor Project.** Local industry will be impacted by cost savings on moving goods and supplies, and local businesses will be able to attract a larger pool of qualified candidates to jobs in the area.
- **The proposed Mid-States Corridor could reverse the declining trends in population and migration, which could prove detrimental to the area if left unchecked.**

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TOURISM MARKET ANALYSIS

The Southern Indiana region offers residents and visitors a wide range of cultural, historic, and natural scenic tourist attractions and unique experiences. If destinations are compelling, they encourage extended visits and overnight stays for visitors. In addition, communities with many attractions are often able to lure conventions, meetings, and larger events.

This chapter provides an overview of the tourism market and the key demand generators for the region. As the proposed Mid-States Corridor would increase access to attractions along its route, it is vital that the entire study area be reviewed. Improved access to the attractions, quality lodging options, and quality food and beverage options that the Southern Indiana area can provide out-of-state visitors, will increase the impact of tourism spending for the entire state.

For this particular analysis, access to destinations will include tourist and leisure attractions, retail destinations, and hotels in Dubois and Spencer Counties, and throughout the Mid-States Corridor Study Area.

Southern Indiana Tourism Analysis

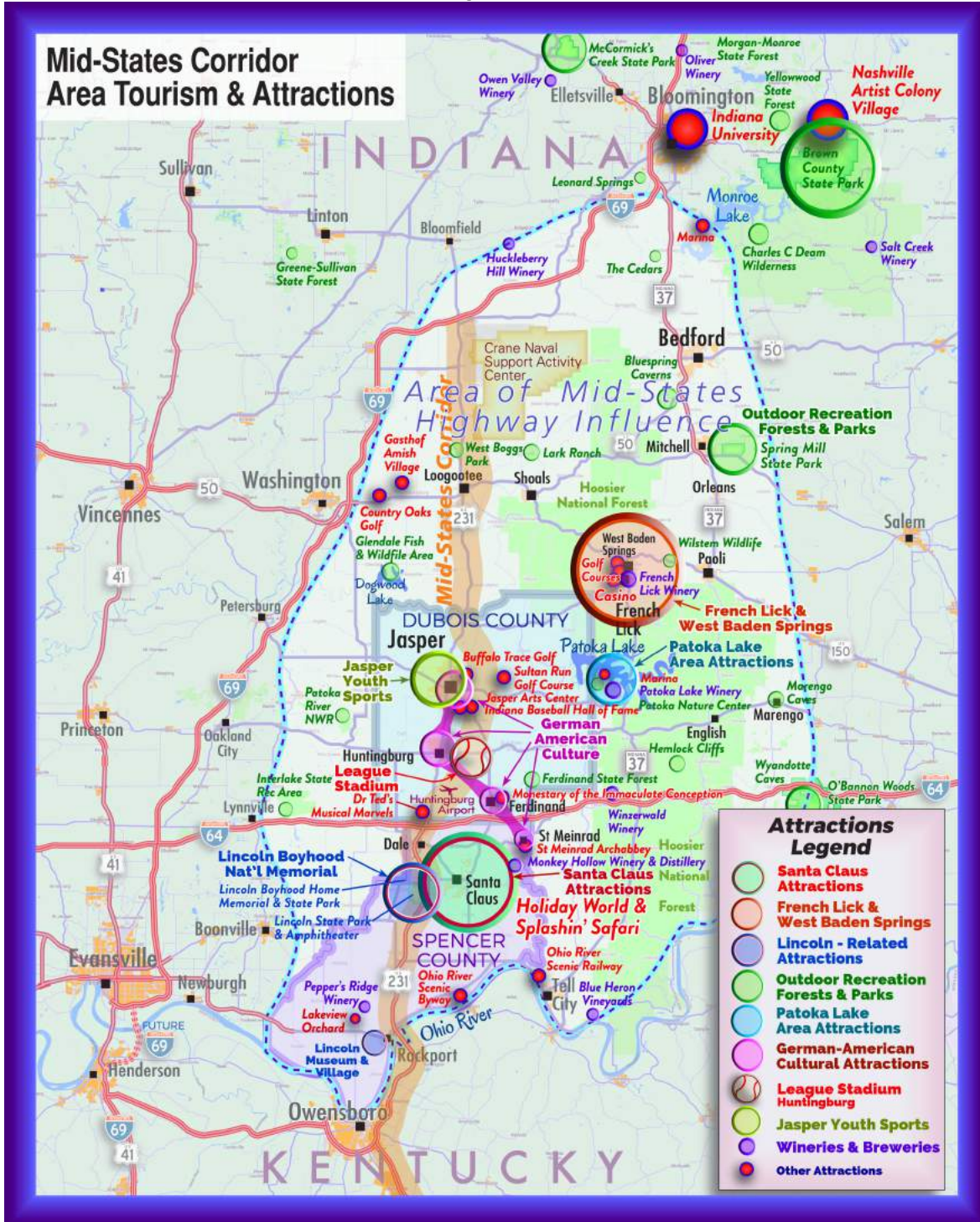
Tourist attractions provide visitors with activities while in town and if those activities are compelling enough, induce visitation and overnight stays in the area. A variety of attractions, along with access to these destinations, can induce events and hotel stays to the area. The following section provides an overview of the main attractions that would be impacted by the proposed Mid-States Corridor.

Southern Indiana's destination offerings range from casinos and theme parks, to the state's second largest man-made lake and several unique cave systems. Those big attractions are intertwined with a wealth of historic German American architecture, festivals, cultural events and tours, in addition to a cluster of Abraham Lincoln-related attractions that attract visitors from all over the United States. Southern Indiana is the state's richest collection of natural surroundings, with activities such as hunting, fishing, camping, wildlife and bird watching, or just communing with nature. The largest and most significant attractions are often surrounded by smaller, lesser-known attractions, as the area is rich with folklore and local history that often surprises first-time visitors, inviting subsequent visits. The analysis revealed a pattern of the southern-most attractions being unknown or underutilized by Hoosiers from locations north of Bloomington, which would be improved with a north-south connector.

Not only are the highways that connect these attractions lacking in safety features such as road width and visibility around sharp curves, but within towns and cities, traffic signals, stop signs, driveway entrances, heavy truck traffic, and at-grade crossroad traffic patterns hinder both speed of travel and the degree to which potential visitors desire to maneuver these outdated narrow highways, often keeping them away from this area and its attractions.

The following map shows the clusters and locations of tourist attractions in the study area.

Figure 3-1





As shown, there are a variety of attractions which have been broadly categorized into nine types. The rugged hilly areas to the east are home to the most natural parks and recreations areas, which are popular highlights within the state, but are utilized to a lesser degree than their potential because of the lack of a direct, high-speed expressway. Patoka Lake, the state's second largest reservoir, is a sprawling and attractive lake that has many marinas, natural forest preserves with hiking trails, camping, fishing, boating, a nature interpretive center, and other associated attractions. Marengo Caves, Bluespring Caverns and other caves are common tourist sites as well. The Hoosier National Forest preserves offer numerous sites for outdoor activity, including the popular Hemlock Cliffs hiking area. Several wildlife refuges and state forests dot the landscape in all directions. Many of the tourist-origin maps found later in this chapter will highlight the separation where tourists do, and do not travel from to make the visit to a point of interest.

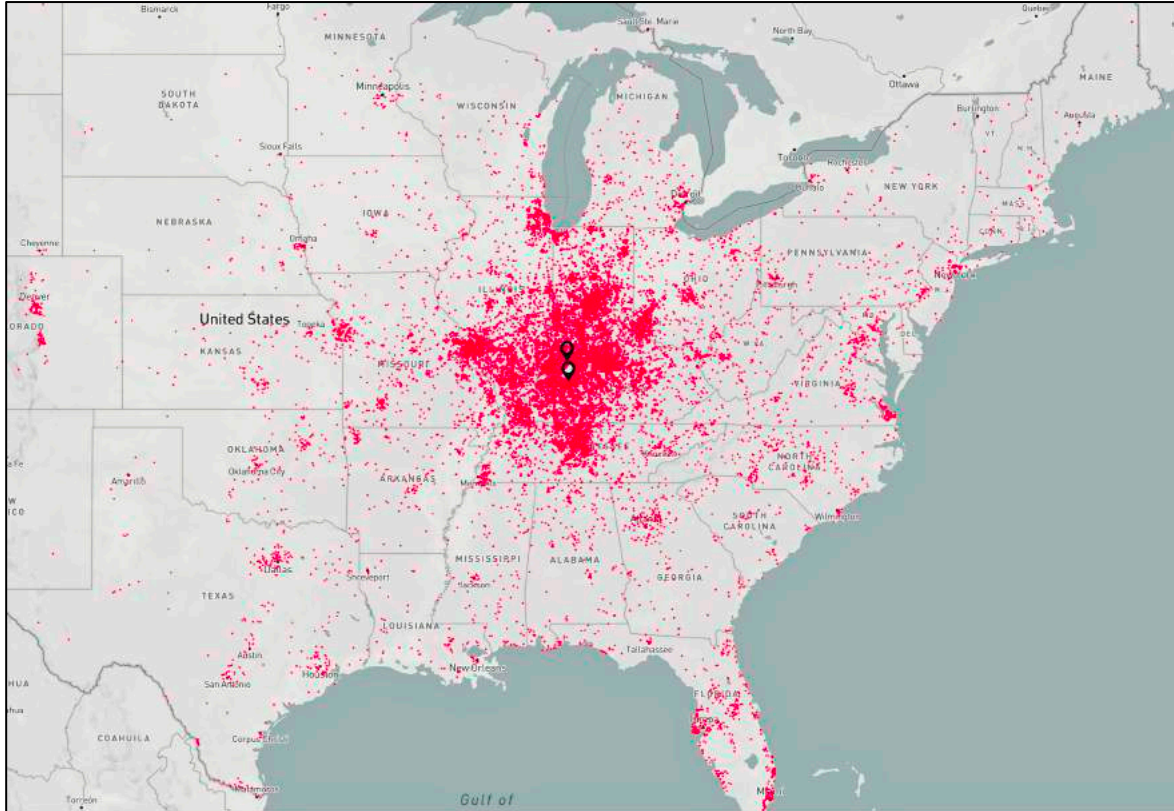
Other tourism highlights are Holiday World and Splashin' Safari, French Lick resorts and a major casino, Lincoln Boyhood Home-related sites, parks and memorials, Youth sports tournaments in Jasper, Historic baseball and basketball stadiums in Huntingburg, and the strong German-heritage historic architecture throughout the county. Ancillary attractions include a small Amish settlement, autumn-harvest festivals and farm-based attractions, wineries and microbreweries, two passenger train rides through the scenic hills, and a collection of Christmas-themed boutiques, sites, museums in Santa Claus. Together, these make up the backbone of an unusually strong tourism region in Indiana.

Spencer County Overview

Spencer County is home to one of Southern Indiana's most popular tourist destinations, Holiday World and Splashin' Safari, a holiday-themed amusement park and adjacent waterpark. In total, Spencer County sees 6.6 million visitors annually. In addition to Holiday World, these visitors come to Spencer County for local wineries, historic Lincoln sites, and specialty seasonal shopping experiences, with summer, autumn, and the weekends running up to Christmas being the most popular times to visit.

The following map shows the origin of all visitors to Spencer County during 2019.

Figure 3-2

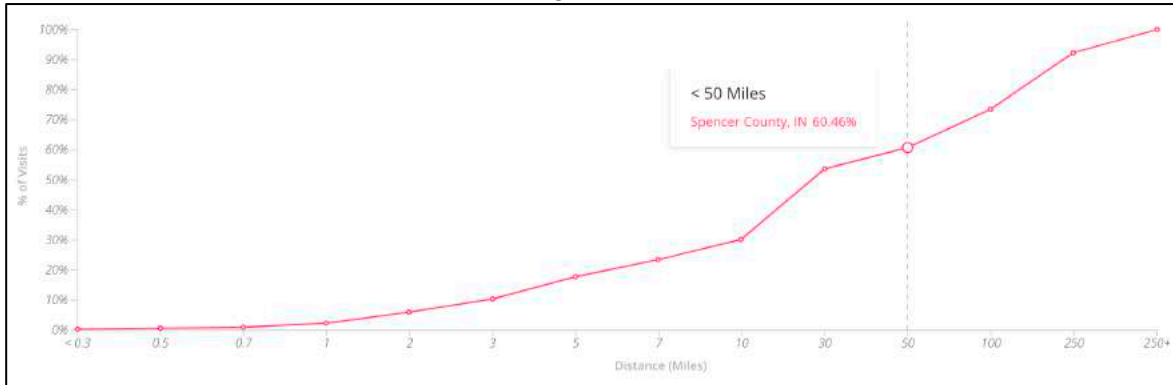


As shown, Spencer County attracts visitors from all over the Midwest and Mid-South, with a large concentration of people coming from central and southern Indiana, central and western Kentucky, southern Illinois and Middle Tennessee. The larger metro areas of St. Louis, Nashville, Louisville, Cincinnati, Indianapolis, and Chicago provide the highest number of visitors, while Kansas City, Memphis, Dayton, Columbus, Ohio, and northern Indiana cities are also clearly represented on this map. Smaller clusters of visitors throughout the eastern half of the country can be seen from Minneapolis, Omaha, Colorado's Front Range, Texas's major cities, both coasts of Florida, Atlanta, the Carolinas, Norfolk and Richmond, Virginia, northeast through the Washington-to-New York corridor, and the "Rust Belt" cities in Pennsylvania, Ohio, Michigan and Wisconsin.

Because of the growing and wide appeal of Holiday World's legendary roller coasters and its reputation as a clean, family-friendly and affordable theme park, this map shows a stronger array of visitor origins than Dubois County's map, shown later in this chapter. The farther the distance traveled, the more likely that those visitors will round out their visit by researching and seeing other local attractions. Holiday World and Splashin' Safari, averaging over a million visitors annually since 2006, is the largest family attraction in the southern half of Indiana, with only some casinos attracting more annual visitors. The Lincoln Boyhood Home attractions, museums, and memorials are the next most-visited type of attraction.

The following image shows the distance that visitors traveled to Spencer County in 2019.

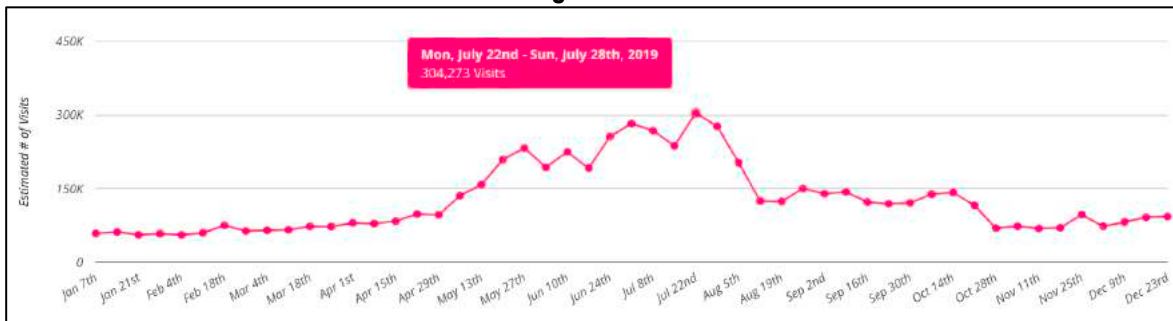
Figure 3-3



Although the majority of visits come from within fifty miles of Spencer County’s borders, mostly due to season-pass holders at Holiday World visiting repeatedly each summer and autumn from Evansville, Owensboro, metro Louisville, and Southern Indiana’s communities. Regardless, the fact that nearly 40 percent of the county’s total visitors travel over fifty miles is an impressive achievement for any county in the nation.

The following graphic breaks down visitation to Spencer County in 2019 by week.

Figure 3-4



Visitation to Spencer County is highest during the summer months of May to August and remains steady throughout the fall when the scenery and foliage attracts “leaf peepers” to the region. Both Holiday World and nearby towns in both Spencer and Dubois Counties offer Christmas-themed boutiques and tree-lighting events, keeping visitor rates higher through the week of December 23rd.

Dubois County Overview

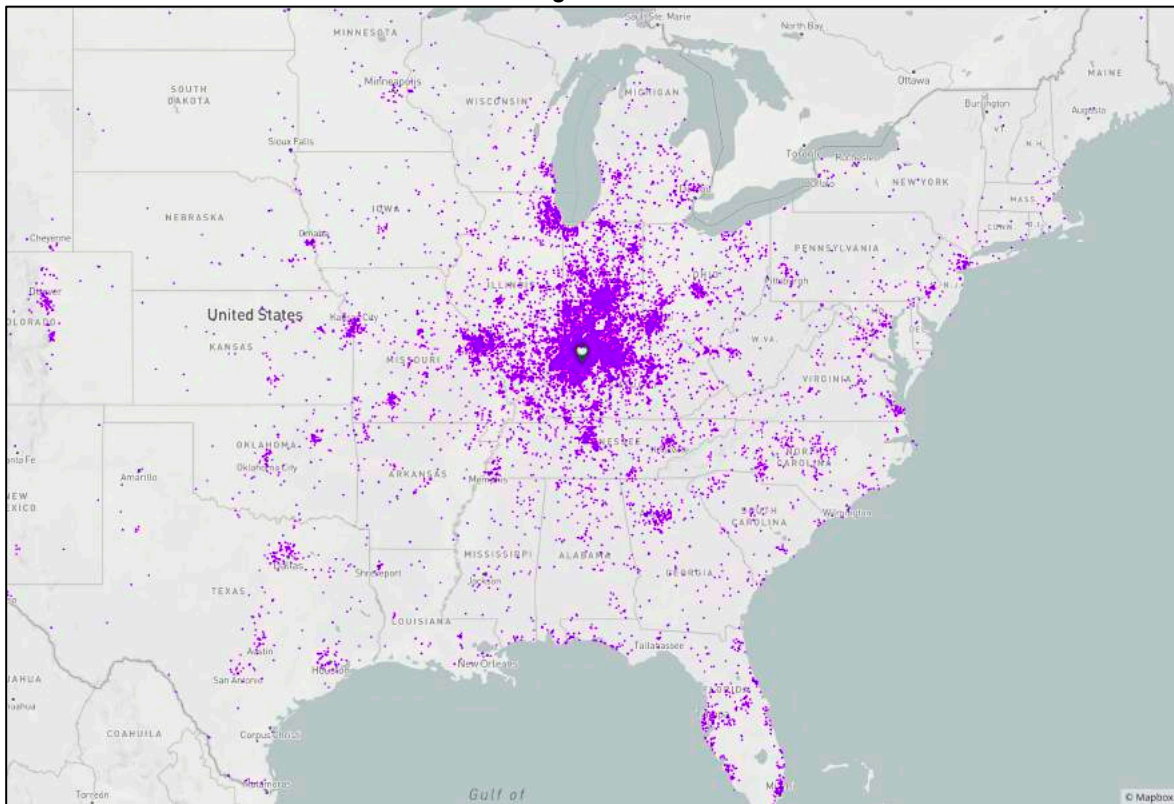
Dubois County sees 6.9 million visitors per year to various attractions and retail destinations. In general, people visiting the Dubois County are from a closer area than those who visit Spencer County, despite having nearly the same visitation in total numbers. Though Dubois County doesn’t have huge attractions like Holiday World, they are able to maintain similar visitation numbers by being the dominant household retail and business center of a thirty-plus mile radius, a reputable hospital and medical cluster for the region, hosting some youth sports

tournaments, and offering a variety of natural wildlife and scenic attractions such as the western portion of Patoka Lake.

In terms of attractions, Dubois County is home to over thirty churches and spiritual sites of historic or architectural significance, and visitors can tour the sites via guiding walking tours or by car. Jasper, Huntingburg and Ferdinand all have historic downtown cores that offer historic architecture, shopping and dining. During the holiday season, visitors and residents alike enjoy several events and festivities throughout the area, particularly in Huntingburg. These attractions provide leisure activities for visitors from the region; however, Dubois County is lacking any single major demand generator that pulls visitors from long distances, despite being in a rather populated region that includes the Midwest and Mid-South.

The following image shows the origin of all visitors to Dubois County during 2019.

Figure 3-5



HSP utilized geofencing data to understand the visitation to some of Dubois County’s most popular attractions. The implications, as well as context for these attractions, is summarized below.

Top Area Attractions

HSP inventoried all of the various attractions in Dubois and Spencer counties, as well as attractions in the greater Mid-States Corridor Economic Area to determine which are currently the most compelling. Multiple attractions and destinations were organized into broader categories by type and ranked by their relative impact on tourism in the area.

The following table ranks the area attractions by type in broad categories. The top two categories of Santa Claus attractions and French Lick/West Baden Springs consistently occupy the top two positions despite shifts in seasonality. Outdoor Natural Attractions may rank higher than shown here depending on the specific attractions and activities being considered.

Table 3-1

Mid-States Corridor Top Attractions by Type		
Attraction	City	County
Holiday World / Santa Claus	Santa Claus	Spencer
French Lick / West Baden Springs	West Baden Springs	Orange
Lincoln- Related Attractions	Lincoln City	Warrick
German Heritage Attractions	Multiple	Dubois
Jasper Youth Sports Complex / Sports-Related	Jasper	Dubois
Outdoor Natural Attractions	Multiple	Multiple
Downtown Jasper Attractions	Jasper	Dubois
Breweries & Wineries	Multiple	Dubois
Retail Attractions	Multiple	Dubois

Source: Various Sources, Placer.ai

Many of the attractions listed are actually clusters of multiple assets, and these individual attractions will be detailed further in the following section.

Holiday World / Town of Santa Claus

The Town of Santa Claus is located in Spencer County and is the most compelling destination within the Mid-States Corridor study area in terms of annual visitation. Located between Interstate 64 and the Ohio River, Santa Claus was established in 1854. Due to its name, the town receives thousands of letters to Santa from all over the world each year. Santa Claus is home to numerous attractions that induce visitation, including:

- Holiday Shopping and Boutiques,
- Santa Claus Post Office,



- Frosty's Fun Center,
- Christmas Lake Golf Course & Events Center, and
- Santa Claus Museum & Village.

The critical mass of themed attractions has turned Santa Claus into a destination, which attracts tourists and residents each year for a number of activities. However, the most compelling and popular attraction that Santa Claus has to offer is Holiday World & Splashin' Safari.

Holiday World & Splashin' Safari

Holiday World & Splashin' Safari is a globally renowned combination of a theme and water park with approximately 60 rides located in Santa Claus, Indiana. The park has received many awards for its customer service, cleanliness, and value for the ticket price, including free parking and free soft drinks, both of which are rarely found within the industry. In 2019, it ranked as the 10th best non-Disney theme park by www.thetravel.com, and the only family-owned park on the list. As stated earlier, the combination of the theme and water park has attracted an average of over one million guests annually, which is also an extremely rare feat for such a relatively isolated theme park, most of which are located in metropolitan areas.

More than any other single attraction, this amusement center and a small nearby cluster of Santa Claus-related attractions has brought attention to the need for more direct access and a much faster route to this area from the majority of its home state of residency, especially from central and northern Indiana, where over 80-percent of the state's population resides. As the most nationally famous attraction in the Mid-States Corridor study area, more description of the park and explanation of its rise to national prominence will be discussed than the other attractions in this study. The park has added a major attraction in either the "dry" holiday-themed ride park or the safari-themed water park nearly every year, most of these further strengthening the appeal of the park, overcoming the necessary long travel-time that so many patrons must endure in order to experience this unique theme park experience.

Founded in 1945 and opened in 1946 as Santa Claus Land, it became the oldest continually operating "theme park" in the U.S., older than Disneyland in California by nine years. Holiday World" opened with its current name in 1984 and is divided into four distinct holiday-themed areas and is the only theme park to use major holidays as themes. These areas include:

- Fourth of July – Opened in 1984, the Fourth of July section has 11 rides, the most of any section of the Park. The Freedom Train finds its home in this section and encircles the children's play area, Holidog's Fun Town.
- Thanksgiving – Opened in 2006, the 60th anniversary of the Park's opening, the Thanksgiving section has four rides, including the theme park's signature rollercoaster and the nation's 2012 number-one ranked wooden coaster, The Voyage, a water ride, and a Thanksgiving-themed restaurant.
- Halloween – Opened in 1984, the Halloween section holds five rides including two nationally ranked rollercoasters: The Raven and The Legend. Halloween serves as the entrance to Splashin' Safari.

- Christmas – The Christmas section is the original section and was the only section until 1984. This section has restaurants and attractions, such as a Santa Claus statue and a nativity scene, but it does not have any major rides. The novelty of this section is a museum showcasing historic toys, Christmas decorations, and the native Abraham Lincoln, who was raised nearby as an adolescent. Santa Claus often greets guests in this section of the park.

In 1993, Splashin’ Safari opened and currently consists of 22 water attractions, many with multiple slides, in addition to a lazy river and two wave pools. It is home to the four of the longest and most innovative water coasters in the world, including the Wildebeest, (2010), the Mammoth, (2012), Hyena Falls (2013), and, new in 2020, the world’s first “launched” water coaster called Cheetah Chase, and runs on intertwined dual racing alignments, able to thrill twice as many guests per hour. The waterpark section also features three zero-entry-depth wave pools, children’s activity pools and slides, and a lazy river. Splashin’ Safari is consistently ranked among the largest and top-rated water parks in the United States.

The following figure shows most of the growing acreage of Holiday World’s Splashin’ Safari water park section. The Voyage and Thunderbird may be seen in the top right distance. The photo is taken from the top of “the Legend” roller coaster, which partially surrounds the water park section.

Figure 3-6



The “dry” side of Holiday World, with mechanical rides, entertainment, restaurants and attractions, is included at no additional charge, and surrounds about three-fourths of the water park.

Figure 3-7



The park was first made known to a large national audience with the opening of its first major roller coaster, The Raven, when after being featured on several cable television shows, became ranked as the #2 best wooden coaster in the world in 1995, then becoming #1 and holding that title through 2003.. In total, Holiday World has five major roller coasters ranked in the top tiers of their coaster categories and this is the single most significant reason for propelling Holiday World from an unknown children's park in the 1980s and early 1990s, to a top-ten theme park in only 25 years.

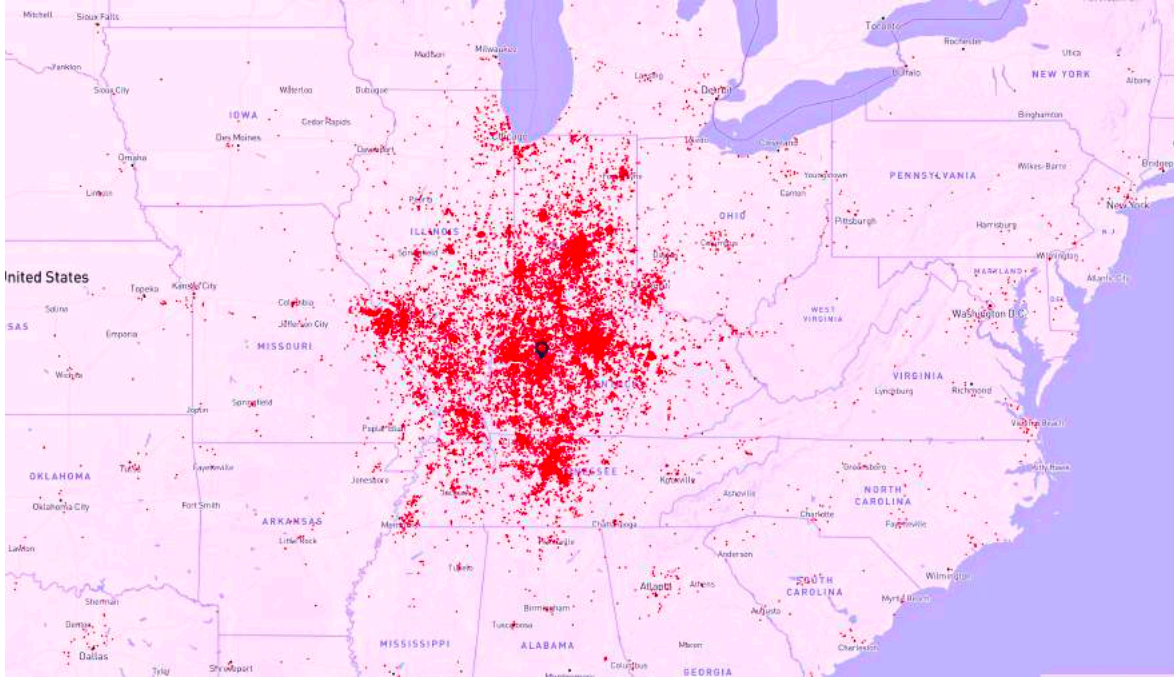
Figure 3-8



Halloweekends adds more people through autumn, as the larger mechanical rides are still operational during cooler weather and has recently added improved Christmas theming in the grand entrance plaza, including a five-restaurant Christmas-decorated dining emporium.

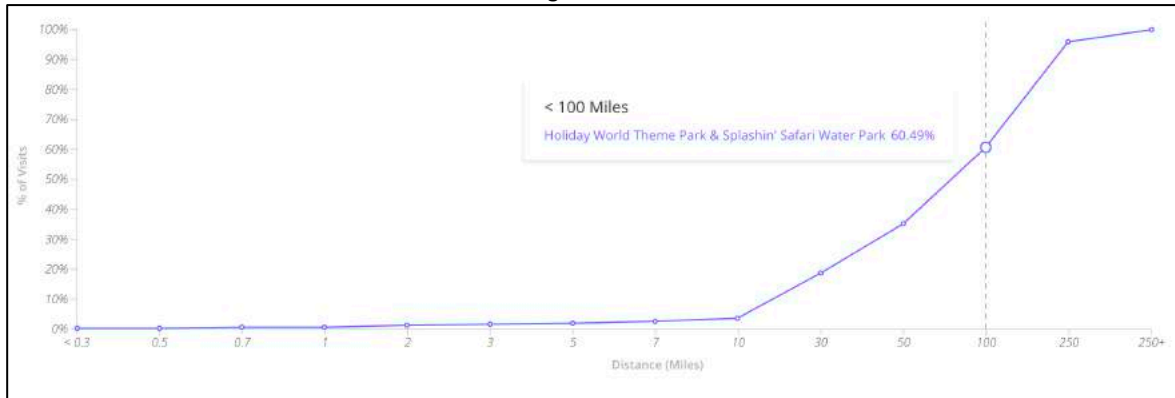
HSP analyzed geofencing data to better understand the visitation analytics of Splashin' Safari.

Figure 3-9



From a three-year period; 2017 to 2019, Holiday World and Splashin' Safari attracted around one million guests per year, and the dot represent around 50 people each.

Figure 3-10



In 2017, 2018, and 2019, nearly 40 percent of Holiday World & Splashin' Safari attendees came from outside of a 100-mile radius. As is expected, frequency of visitation decreases as the drive-time radius increases. The average Louisville-area visitor visits Kentucky Kingdom and Hurricane Bay about twice per year.

In 2011, the Park management reported that the average length of stay at the park is four and half hours, and customer journey data indicates that 70 percent of visitors return to their home after their visit. The data suggests that the vast majority of the visitation to Holiday World & Splashin' Safari are daytrips, as less than 2 percent of the visitors travelled to local lodging facilities.

As of 2019, an interview with management indicated that as the popularity of the park has improved, and their list of attractions has grown steadily, more families are beginning to view the park as a two-day visit for a family, with one day spent at the water park, and the other at the theme park. It was at this time that Santa Claus was discovering that while still a majority of guests were traveling home after a visit, an increasing number of visitors are desiring hotel accommodations nearby, and a guest room shortage has become an issue of lack in the immediate area.

The following table shows the visitor origin markets as reported by Holiday World management in 2011.

Table 3-2

Holiday World - Visitor Origins	
Visitor Origin	Average
Indiana	
Indianapolis	20.3%
Evansville, IN	19.7%
Terre Haute, IN	14.2%
Ft. Wayne	1.3%
South Bend	1.2%
Merrillville	1.2%
<i>Total Indiana</i>	<i>57.9%</i>
Outside Indiana	
Louisville, KY	20.2%
Nashville, TN	9.9%
St. Louis, MO	3.2%
Lexington, KY	3.1%
Cincinnati, OH	2.0%
Chicago, IL	1.1%
<i>Total Outside Indiana</i>	<i>39.5%</i>
Known Origin	97.4%
Unknown Origin	2.6%

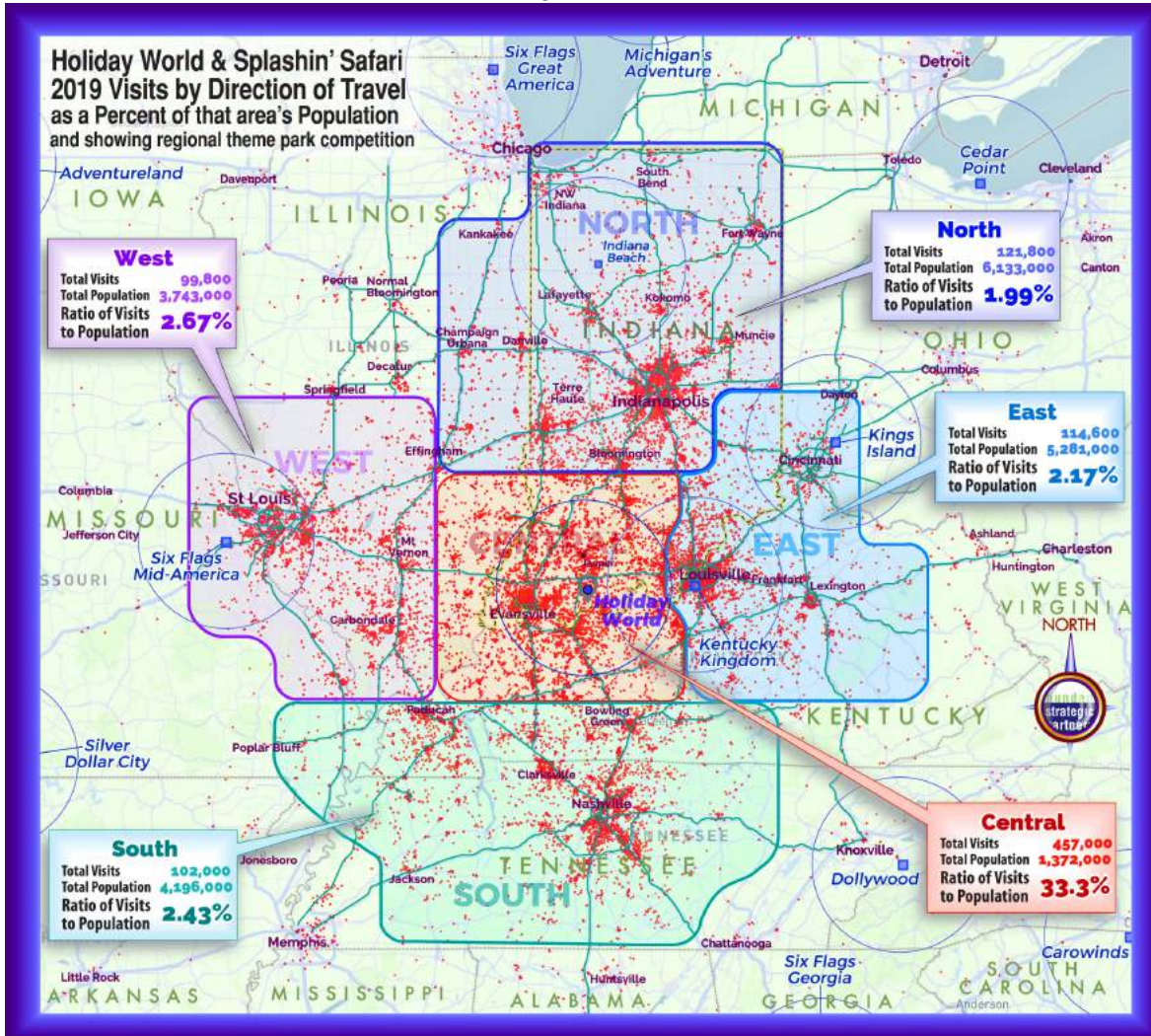
Source: Holiday World and Splashin' Safari

As shown, nearly 60 percent of the visitors come from Indiana and 20 percent come from Louisville, which is approximately 75 miles away. The Evansville market strongly supports the park as well, with nearly 20 percent of Holiday World's visitors coming from this market area. Holiday World was able to count ten percent of its guests traveling from Nashville, Tennessee.

The figures above were derived from a 2011 study and were obtained directly from Holiday World management. Below are updated figures, derived by HSP using geofencing data.

The following map illustrates the breakdown of visitation to Holiday World in 2019.

Figure 3-11



A more intense breakout study of the 2019 visit origins of Holiday World's guests highlights some interesting patterns of visitation. To set up this study, the region was divided into nearly identical grid squares of about 50 miles-by-50 miles square. Any grid square in which a minimum threshold percent of the population visiting Holiday World in 2019 was included in the market region, while those areas with less than that threshold was left out. For example, Memphis sends some of its residents to Holiday World, however, not enough to reach the minimum threshold in relation to its population, and is, therefore, left out of the area of significant visitation.

The "North" area (in blue) covers most of Indiana north of Bloomington and includes a few east-central Illinois areas. This entire area's population has very poor access to Holiday World. The options include out-of-the-way interstate highway travel, which adds time, or slow, two-lane outdated roadways through towns, cities, and



rugged terrain, which cause slower speeds and unsafe visibility distances. The added travel time (over a more direct limited-access highway from the Indianapolis metro area to Spencer County) is typically 30 to 45 minutes, depending on the specific route chosen. That is a significantly longer travel time that is enough to keep a large percentage of visitors away, deciding to spend their time elsewhere to which it is easier and quicker to travel, given the limited amount of time in a day. Indiana residents have a strong tendency to visit tourist attractions within their own state before choosing to venture to attractions across state lines, even if those attractions are closer by mileage. By this measure, Hoosiers *should* be unquestionably the most dominant group of repeat visitors to Holiday World. Instead, the area shown on the map as “North”, with the largest population of any of the four directions, is actually visiting Holiday World the least as a ratio of visits to its population. This ratio is 121,800 visits for every 6,133,000 people, or a ratio of approximately 2/100.

Distinctly different from the North district, the “East” (light blue) district is smaller, is home to two large metro areas, and is also the home of two major theme parks similar to or larger than Holiday World. Louisville has Kentucky Kingdome in its back yard, while Cincinnati is home to the legendary Kings Island theme park (to which residents of Indiana visit in higher numbers and rates than Holiday World). But because of the ease and direct access that is provided by Interstate 64 from Louisville and Interstate 71 from Cincinnati and Northern Kentucky, to Holiday World, this area has a higher visitation rate per capita than the home state of Indiana, of 2.17 out of every 100 residents.

The Mid-South, including Nashville, Tennessee, Bowling Green, and Paducah, Kentucky, visit at a rate of 2.43 visits per every 100 people. Nashville lost its theme park, called Opryland, two decades ago, when it was replaced by an outlet mall, and today, there are no sizable amusement parks that serve Nashville and Middle Tennessee. Holiday World has, in many regards, become that area’s “home” park.

The West section, including Saint Louis and parts of two states; Illinois and Missouri, afford the highest overall rate of visitation to Holiday World, despite having their own quality theme park, Six Flags Mid-America, in their own metropolitan area. The rate of visitation from the West is 2.67 visits for every 100 people in this region of 3,743,000 people.

As shown in both the map, and in the explanation in the previous text, Holiday World’s visitation from within the “Central” region including Santa Claus and Evansville (defined as south of Bloomington, west of the Louisville core metro area, and north of the approximate area of the Western Kentucky Parkway) is quite dominant, as expected. Although the “Central” district does not have large metropolitan areas or populations, Evansville, Owensboro, and other area mid-sized cities and towns in mostly-rural areas have provided nearly 50 percent of the total visitation to Holiday World, primarily on the strength of multiple annual visits (averaging 5 to 6 per year) from resident from within this localized region of 1,372,000 people, which is not many more residents than Holiday World’s total annual attendance.

This map illustrates that though a high visitation rate from in-state is expected, attractions in the south are frequented less by Indiana residents, as compared to northern attractions. This is because the attractions in the study area are less accessible to travelers coming from Indianapolis and the north of the state.

French Lick / West Baden Springs

West Baden Springs and French Lick are towns in French Lick Township, Orange County, which has become a destination due to its historic pair of hotels and resorts, combined with the first land-based casino in Indiana, and the only casino in this part of Indiana. Like Santa Claus, the area has cultivated a number of compelling and interrelated tourism assets that work in tandem to create a sense of place and a “destination” feel. The historic resort area has many leisure and entertainment offerings, including:

- French Lick Scenic Railway – A scenic railroad that runs through the hills of Orange County.
- French Lick West Baden Museum – A museum dedicated to the area, focusing on local history and local celebrity NBA star Larry Bird.
- Wilstem – A wildlife park with animal encounters and tours.
- Elk Ridge Ranch – A 120-acre working ranch serving as a luxury lodge, banquet hall, and event venue with hayrides and vineyards.
- Crazyhorse Retreat Ranch – Lodging facility on a rural ranch with steakhouse and riding club.
- Three popular and scenic golf courses nestled within the deep and narrow valleys of the rugged terrain in the area.

Though all of these assets add to the overall appeal of West Baden Springs and the French Lick area, the most compelling and popular attraction is the cluster of the West Baden Springs Hotel and French Lick Springs Hotel and Casino.

French Lick Resort & Casino

French Lick Resort Casino is a resort complex in located French Lick, Indiana. It is the largest attraction in terms of total visitors in this area of Indiana. The French Lick Resort Casino features a National Historic Landmark 200-foot wide self-supporting dome, which was the world's largest free-spanning dome from its completion in 1902 until 1955. It is a national Historic Civil Engineering Landmark as well as one of the hotels in the National Trust for Historic Preservation's Historic Hotels of America program. It has been a National Historic Landmark since 1987 but was not renovated and reopened to the public until entrepreneur and philanthropist Bill Cook partnered with HLF (Historic Landmark Foundation Indiana) to renovate and reopen the hotel along with the historic French Lick Springs Hotel, and 1,300-slot casino. A grand re-opening was celebrated in 2007, 75 years after last being used as a hotel catering to wealthy and famous businessmen and celebrities for the previous 30 years.

West Baden Springs Hotel and the adjacent historic French Lick Springs Hotel operate as part of a \$382 million casino and resort complex. The hotel reduced the number of hotel rooms from 508 to 243 to allow for more spacious accommodations. The French Lick Hotel, which never closed, but fell into considerable disrepair, was extensively renovated and began new life in 2006, with 443 rooms, includes the hotel, a casino, restaurants, boutique shops, a spa, and a conference center. Its recreational facilities offer guests swimming pools, three golf courses, a bowling alley, fitness center, stables for horses, and more than thirty miles of hiking trails. The pair of hotels have considerable history within the lives of famous entertainers, businessmen, the Democratic National Committee, Phi Kappa Tau, and the Negro League of Baseball.

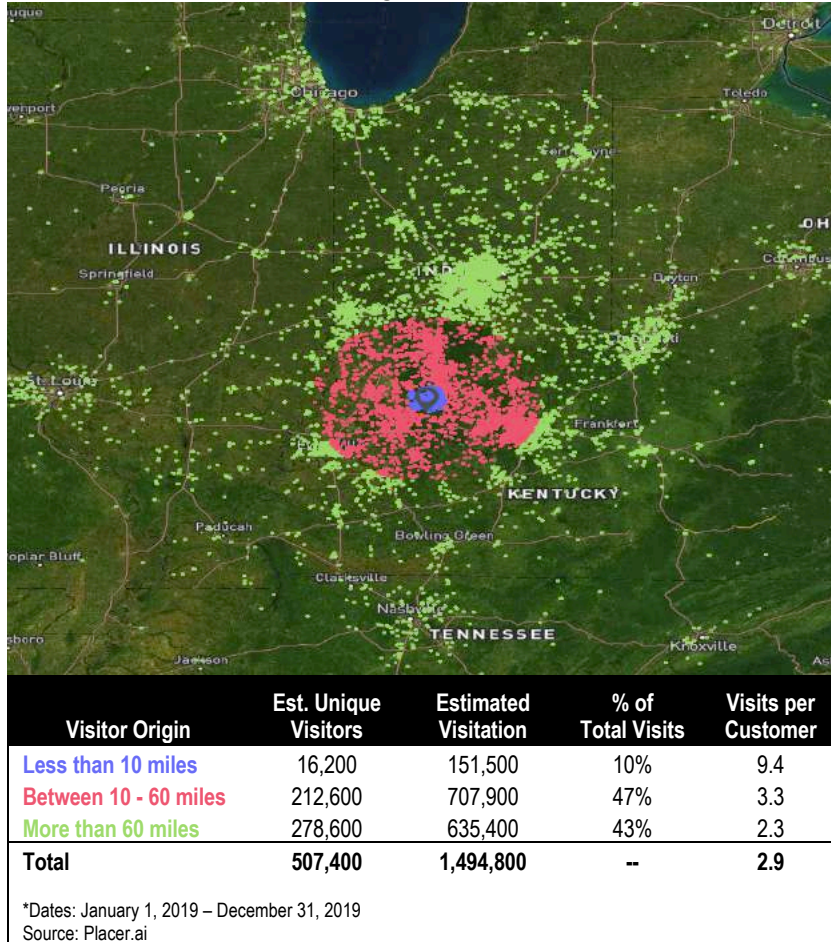
The following figure shows the atrium at the West Baden Springs Hotel at French Lick Resort.

Figure 3-12



HSP analyzed geofencing data to better understand the visitation analytics of French Lick Resort & Casino.

Figure 3-13



French Lick Resort & Casino is one of the most popular destinations in Southern Indiana. It has a resort-like feel that provides an all-inclusive experience for their guests. The gaming resort offers a nearly 50,000-square foot gaming area, with 855 electronic gaming devices and 270 table gaming positions. The 3,000-acre complex includes two historic resort spa hotels, stables, a casino, and three golf courses. The casino opened in 2006.

Recent developments at the French Lick Resort & Casino include the construction of a six-floor, 71-room hotel tower costing \$18.6 million and an adjoining \$1.8 million sports bar. An existing structure on the French Lick property was also converted into a 32,000 square foot exhibition hall at an expense of \$1.2M. Blue Chip began construction on an \$11 million, 11,000 square foot addition to its meeting space, plus 3,800 in additional pre-meeting space.

French Lick Resort Casino, as well as the other destination assets in town, experience challenges attracting visitors from the region due to limited access. An improved north-south connector is necessary to sustain and grow tourism visitation and spending in the area.

Abraham Lincoln-Related Attractions

As discussed throughout this chapter, there are multiple historically significant sites in and around the Mid-States Corridor region. One of these categories of attraction are related to the fact that Abraham Lincoln spent part of his boyhood, from ages 7 to 21, in the Spencer County area. Lincoln City is named in his honor, and the entire area is home to many themed attractions and venues including:

- Lincoln State Park – 2,026-acre park with camping and cabins, beach, boating/fishing on small lake, nature center, and Lincoln Amphitheatre.
- Lincoln Boyhood National Museum and Living History Farm – National monument adjacent to the Lincoln State Park, featuring the site of the original Lincoln cabin.
- Colonel Jones Home – State historic site featuring tours of the home of Abraham Lincoln's merchant employer.
- Lincoln Pioneer Village and Museum
- Lincoln Heritage Public Library

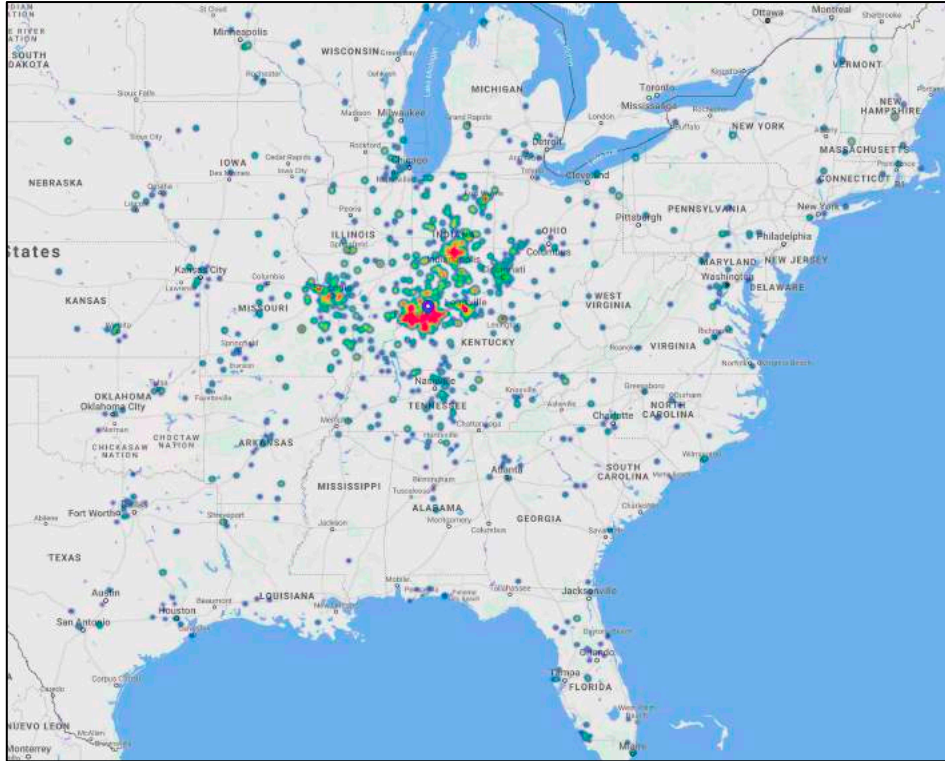
Lincoln Memorial & Boyhood Farm Museum

As mentioned above, Lincoln City in Spencer County was home to Abraham Lincoln from the ages of 7 to 21, and the region has a number of memorials and historical sites dedicated to the former President. The Lincoln Boyhood National Memorial is a United States Presidential Memorial and a National Historic Landmark District. It preserves the farm site where Abraham Lincoln lived with his family from 1816 to 1830.

Included in the park is the Lincoln Living Historical Farm. Management reported in 2005 the site was visited by 147,443 people. HSP used geofencing data to update and confirm this visitation figure. Typically, Presidential museums attract visitors from longer distances.

The following heat map shows the distribution of visitors to the Lincoln Memorial from 2017 to 2019.

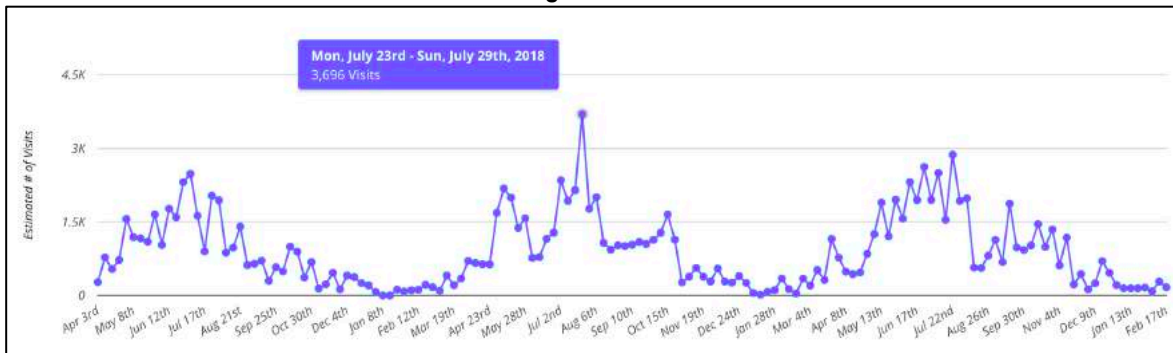
Figure 3-14



As shown, the pattern of Presidential landmark visitation having a wider appeal holds true for the Lincoln Memorial and surrounding attractions. Origin of visitation is most heavily concentrated in Indiana and the nearby Midwestern states of Illinois, Ohio, and Missouri. Over 44 percent of visitors to this destination originate from more than 100 miles away.

The following graph shows visitation by week during the same period.

Figure 3-15



As shown, visitation is strongest in the summer months when families take vacations, and visitation peaked in July of 2018 within 3,606 visits in a single week.

Lincoln Amphitheatre

The Lincoln Amphitheatre is located within the Lincoln State Park, Lincoln City, in Spencer County, just across the border from Spencer County near U.S 231. The 1,500-seat outdoor venue is one of the largest covered amphitheaters in the country. Lincoln City and the surrounding area was home to a young Abraham Lincoln and the Lincoln Amphitheatre is one of several tourist attractions in the two counties of Spencer and Warrick dedicated to Lincoln's history.

The venue is under the management of the Indiana Office of Tourism Development and offers a natural wooded surrounding which adds to the ambiance for attendees. Programming includes national and regional touring acts, tribute bands and seasonal festivals.

The following image shows an aerial view of Lincoln Amphitheatre.

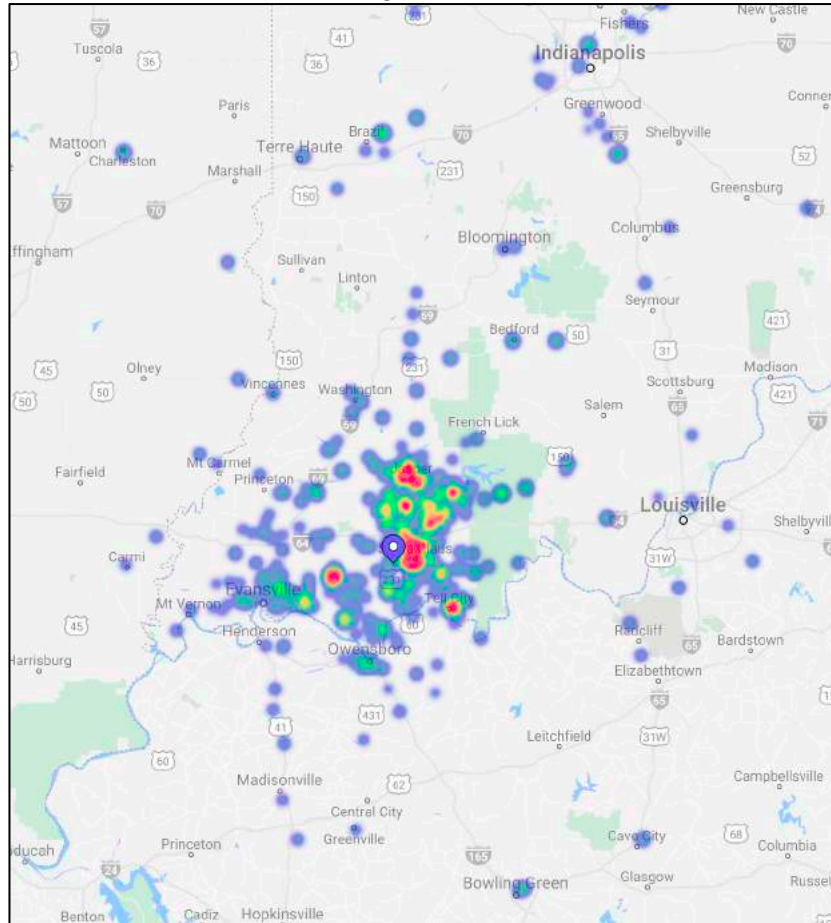
Figure 3-16



In 2019, the venue reported that it sold out all nine of its music performances, with tickets being sold to residents in 24 states and over 139 Indiana municipalities. Over 50 percent of attendees to Lincoln Amphitheatre come from between 10 and 30 miles. Only 13 percent come from farther away than 30 miles, and 33 percent come from within 10 miles.

The following heat map shows the geographic distribution of attendees to the Lincoln Amphitheatre from 2017 to 2019.

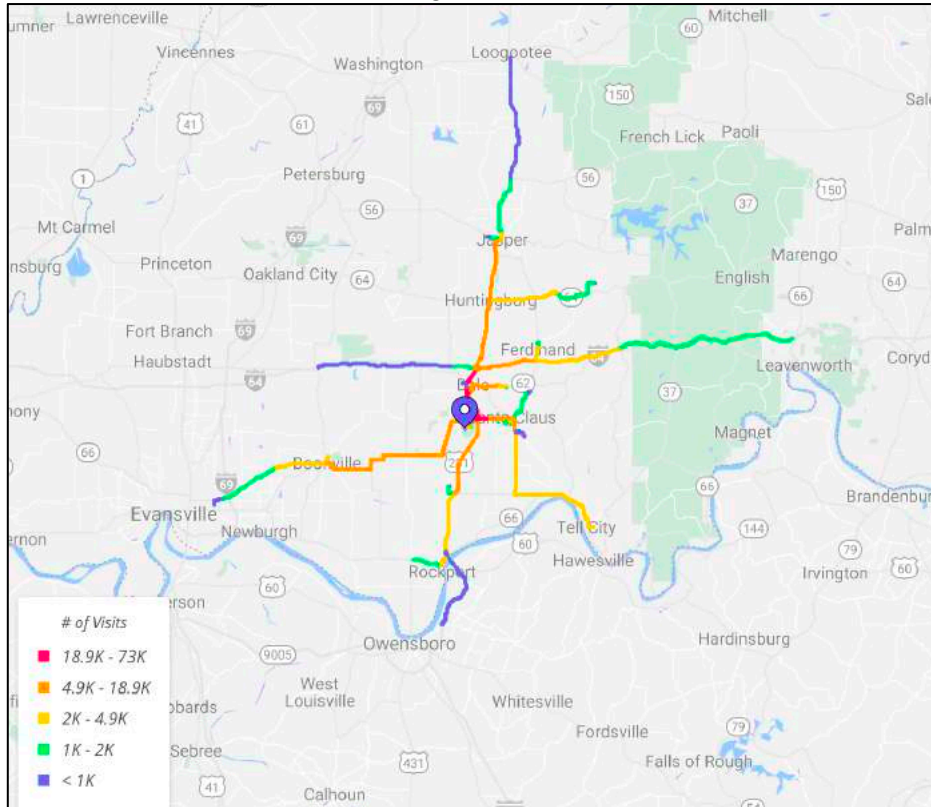
Figure 3-17



As shown, visitation is heavily concentrated from the Southern Indiana region, with some visitation from northern Kentucky. Visitation will increase with improved access, from both in and out of state visitors, and could especially increase in-state visitation from northern Indiana.

The following map shows the routes that attendees used to access the Lincoln Amphitheatre during the same three-year period.

Figure 3-18



As shown, attendees travel routinely from Evansville, Logoootee, Tell City, with a smaller percentage of visitors coming from as far as Corydon and Marengo.

German Heritage Attractions

Dubois County, as well as the surrounding area, is rich with German heritage. Originally settled by German immigrants, the county still has native speakers that use a variety of dialects, and tourists interested in ancestry or historical tourism frequent the area for its architecture and culture. Highlights of local attractions include:

- Dr. Ted's Musical Marvels – Museum of restored mechanical musical instruments from around the world.
- Downtown Ferdinand Historical Walking Tour – Self-guided tour of architecturally impressive and historic structures, including the imposing and beautiful Monastery of the Immaculate Conception within eyesight of downtown Ferdinand.
- St. Benedicts Brew Works – Microbrewery and restaurant.
- Monastery of the Immaculate Conception – A Roman Catholic monastery locally known as the "Castle on the Hill" that was first constructed in 1883. It features hand-carved pews by German artists, as well as 47 stained-glass windows and 89 angels in statues and carvings.

- Historic 4th Street in Huntingburg and Huntingburg Museum – Museum of life and artifacts of early times in the Huntingburg area amid several blocks of quaint multistory 19th century buildings housing numerous boutiques and eateries.
- Schnitzelbank Restaurant – A local restaurant in Jasper dedicated to traditional German fare in an environment decorated with many German wood-carved decorations and clocks.
- Dubois County Museum – One of the largest and most robust of its kind in Indiana, featuring the area's rich German heritage and history.
- Historic Architecture and Church Tour – Tour that includes the Shiloh Meeting House, St Joseph Church, Schaeffer Barn, Dubois Courthouse & 22 churches, among others. A small Amish community, with many hand-made quilts, foods, and wood-crafted furnishings about twenty miles northwest of Jasper in Davies County is an extension of this heritage.
- Saint Meinrad Archabbey – Opened in 1854 to serve the growing German and Catholic population of the area, it is a historic and majestic Roman Catholic monastery; one of only two Archabbeyes in the U.S. and 11 in the world. Tours, retreats and masses, with a gift shop are available to the public. Until recently, it was the home to the famous Abbey Press publishing house.

In addition to the above attractions, Dubois County holds many events throughout the year including Christmas lighting celebrations and the annual Jasper Strassenfest.

Strassenfest

Strassenfest is a German-inspired street family-oriented festival that has been held annually in Jasper since 1979. The multi-day event features a parade and several family friendly events including a youth golf tournament, contests, games and dances. The official Strassenfest Opening Ceremony includes lessons for traditional German dances, Das Schokospiel-a traditional German game where you can win chocolate, and a log-sawing contest.

Strassenfest is held on the first weekend August, and on that weekend the Courthouse Square attracts 10 times the normal downtown visitation during the same 4-day period – Thursday thru Sunday. Geofencing data estimates that Jasper typically sees 40,000 to 44,000 visitors during the Strassenfest festivities.

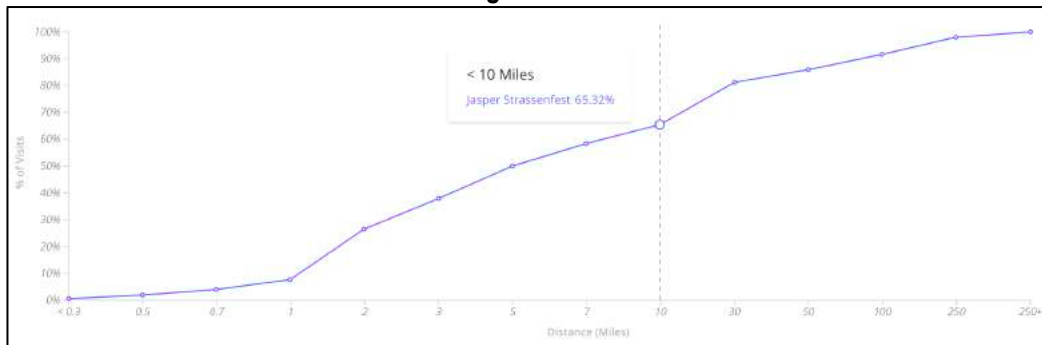
The following image shows Courthouse Square during Strassenfest.

Figure 3-19



The following graph shows the distance traveled by attendees to Strassenfest.

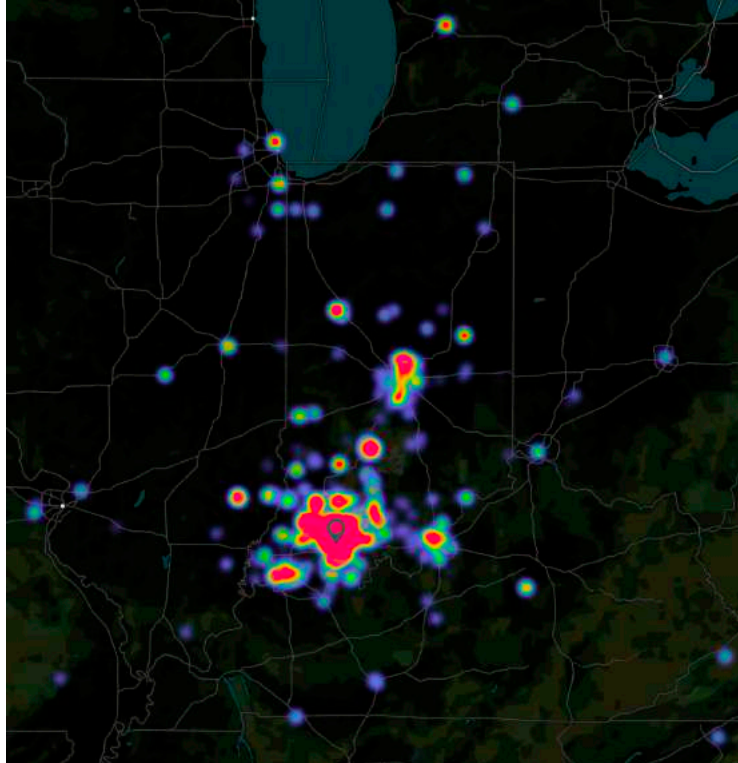
Figure 3-20



As shown, approximately 34 percent of Strassenfest attendees live outside of 10 miles of downtown Jasper.

The following heat map shows the distribution of these attendees geographically.

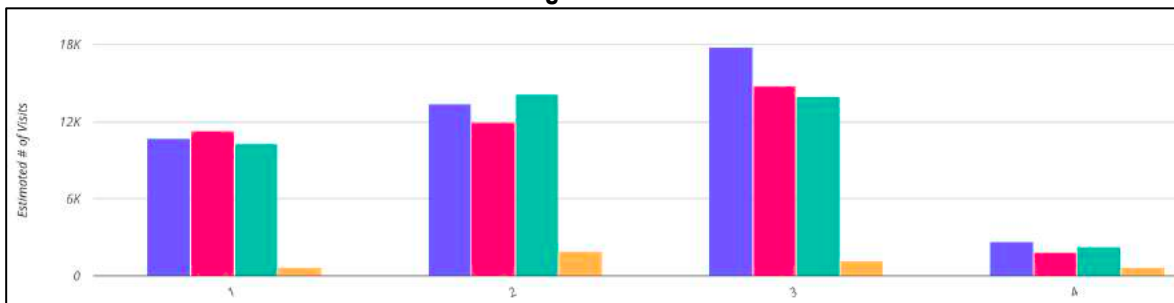
Figure 3-21



As shown, though the highest concentration of attendees come from the immediate 10-mile radius, there is a concentrated cluster that originates from the Indianapolis market as well as Bloomington. Nevertheless, the rest of the more distant attendees arrive from a more east-west trajectory.

The following graphic illustrates the daily attendance across the four days of the festival by year for 2016, 2017, 2018 and 2019. The blue bar stands for 2017 daily attendance, red is 2018, green is 2019, and the yellow bar shows a typical non-festival four-day weekend in August. This illustrates the power of a popular street fair celebrating local heritage that is appealing to a broader local population.

Figure 3-22



Jasper Youth Sports Complex / Sports-Related Attractions

Sports related attractions, and more recently youth sports tournaments, have become a huge driver for tourism across the country. The City of Jasper, and Dubois County in general, has kept up with this trend and has developed some impactful sports-related assets including:

- Jasper Youth Sports Complex – Baseball complex hosting local and regional tournaments.
- Ed Yarbrough Tennis Center – 12-court, outdoor tennis center.
- Jammin Jasper Basketball Tournament – A regional tournament hosted at the Jasper High School Gym and the Historic Cabby O’Neill Gym.
- Indiana Baseball Hall of Fame – State hall of fame facility opened in 1979 in Jasper.
- League Stadium – Huntingburg ballpark built in 1894 that was used for various film settings. Home of collegiate Dubois County Bombers summer baseball team.
- Huntingburg Memorial Fieldhouse

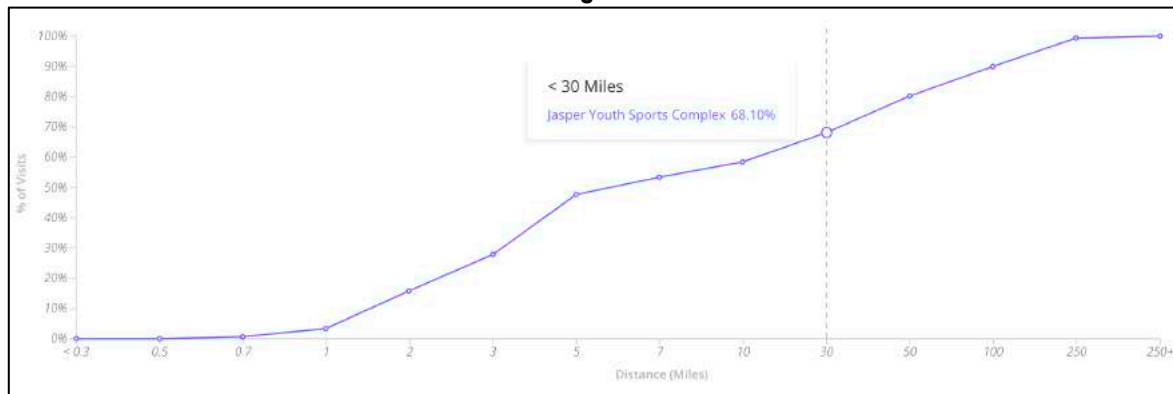
Jasper Youth Sports Complex

In addition to attractions and leisure offerings, sports assets can be a valuable demand generator for visitation. The Jasper Youth Sports Complex, which opened in 2006, has proven to be an asset to Dubois County in this way. The baseball and softball complex played host to a national softball championship in its first season. The complex includes four Little League fields, two Babe Ruth fields, five softball fields, ten lighted batting cages, restroom facilities, three lighted parking lots, a concession stand, and bleacher seating. All of the fields are fully lit and suitable for night play.

Geofencing data estimates that 488,200 people visited the complex between 2017 and 2019, making it one of Dubois County’s most popular attractions.

The following graph shows the distance that visitors traveled to the Jasper Sports Complex in 2019.

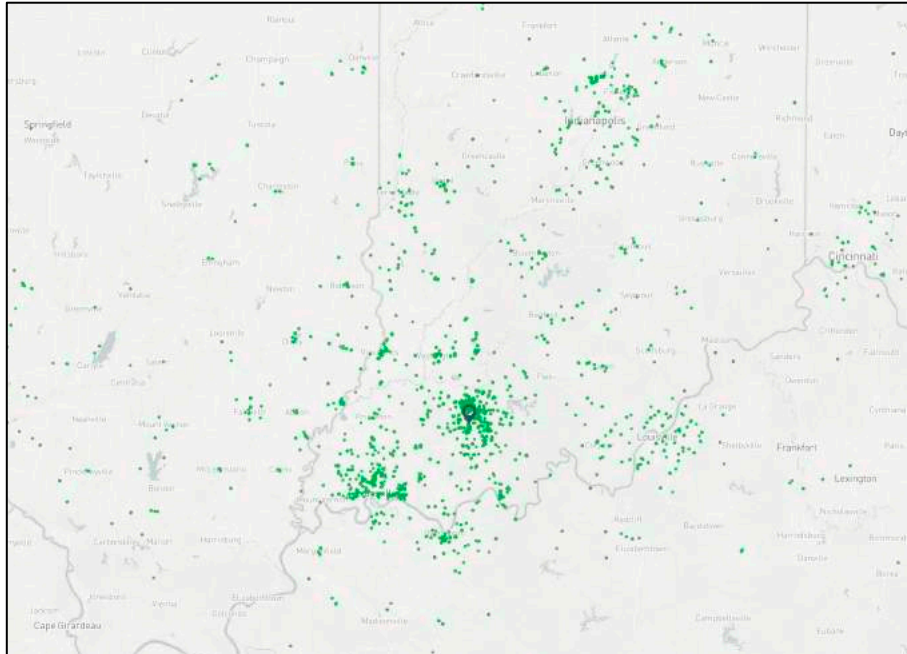
Figure 3-23



Nearly 70 percent of visitors to the Jasper Sports Complex live within a 30-mile radius.

The following map shows the origin of visitors to the Jasper Sports Complex in 2019.

Figure 3-24



As shown, most of the visitation to the Jasper Sports Complex is concentrated in Southern Indiana, though there is a cluster of visitation from Indianapolis.

Outdoor Natural Attractions

Southern Indiana features some of the most beautiful natural surroundings in the country, and the state sees a good amount of annual tourism from outdoor enthusiasts coming to view the fall foliage or visit one of its many parks. Some of the most popular natural attractions include:

- Hoosier National Forest – A 202,814-acre forest managed by the US Forest Service in the hills from near Bloomington, south to the Ohio River. There are many areas open to the public for outdoor recreation, hunting, hiking, mountain biking trails, small lake fishing and boating, numerous caves, and historic sights. The 12,472-acre Charles Deam Wilderness has 39 miles of hiking and horse-riding trails and the Hickory Ridge Fire Tower is the only one of eight left standing, for a view of the wilderness from above. The forest covers parts of nine counties. Mountain Biking has become a popular recreational activity in recent years. In all portions, there are 266 miles of trails. The Hemlock Cliffs area is among the most popular and scenic in the entire state. The John Rickenbaugh House (1874) was the area post office until 1961 and is open for self-guided tours.
- Marengo Caves & Cave Country Canoes – Natural caves offering tours and canoeing.



- Rising of the Lost River – The underground Lost River emerges from a cave in the center of a small village.
- Ohio River Scenic Byway – A driving tour along State Road 66 featuring scenic vistas.
- Patoka Lake Reservoir, Recreation Areas & Nature Center – A 8,800-acre lake and nature area featuring recreation activities and the Patoka Lake Boat Cruise.

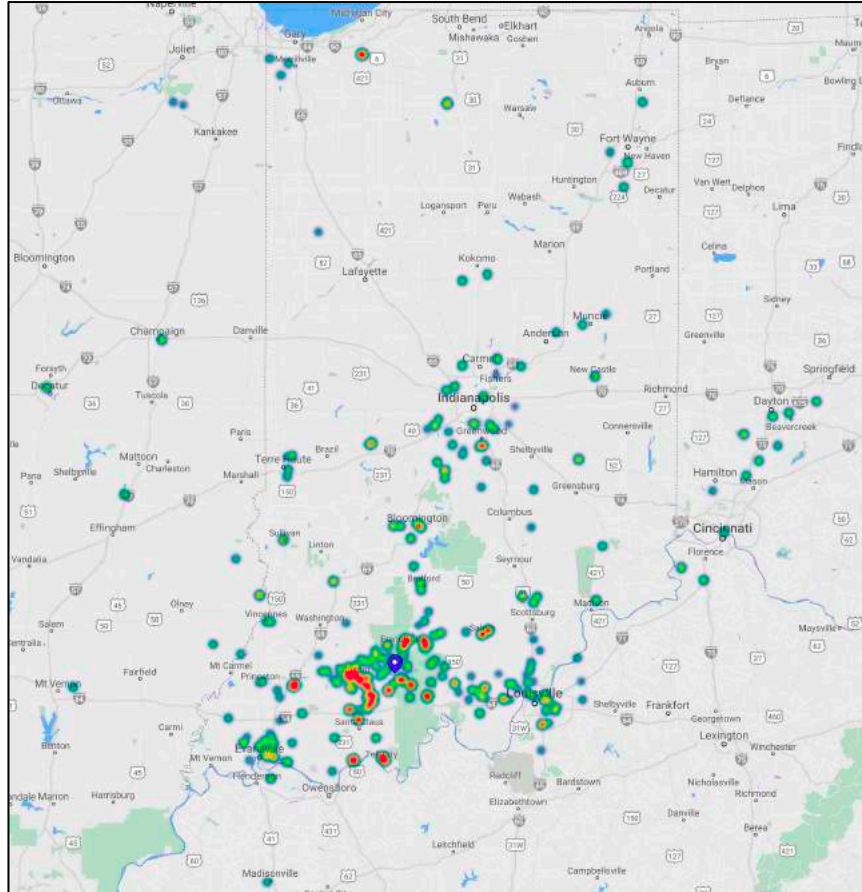
Patoka Lake Recreation Area

Patoka Lake is Southern Indiana's most popular recreation area. The 8,800-acre lake is set on 26,000 acres and offers boating, swimming, water-skiing, fishing, hunting, biking, hiking, canoeing, and camping. Marinas and other privately-owned businesses around the lake provide boat rentals, lodging, houseboat and cabin rentals, and other nearby attractions.

The Patoka Lake DNR Recreation Area has one of the largest campgrounds in the state, ten launching ramps, and state park facilities including shelter houses, playgrounds, a large beach, and ten miles of paved biking and hiking trails winding throughout the park. In addition to providing flood control and being a source of water for the local area, Patoka Lake has come to be a place of recreation for tourists and residents, accommodating more than 700,000 visitors a year.

The following heat map shows the origin of visitors to Patoka Lake in 2019.

Figure 3-25

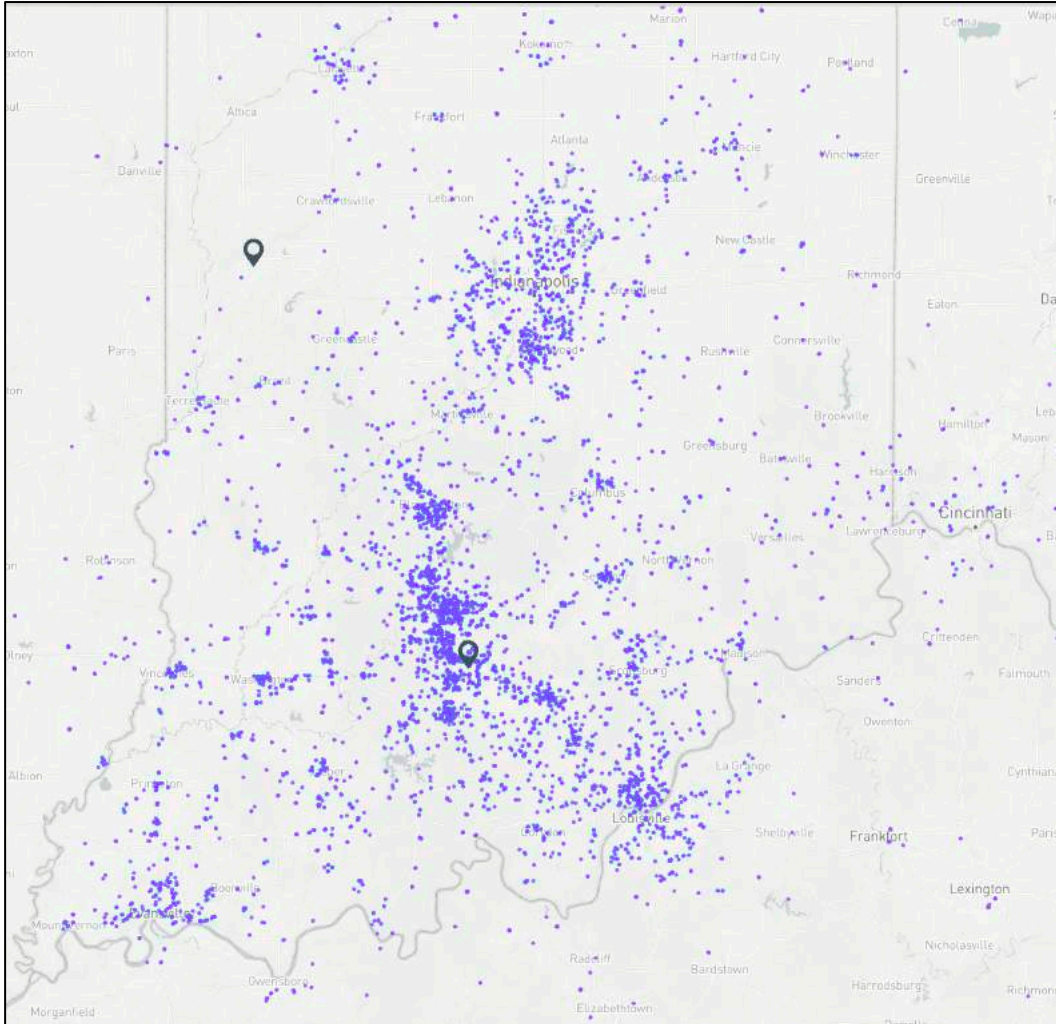


As shown, approximately 60 percent of visitors to the Patoka Lake Nature Center live within a fifty-mile radius of the attraction. However, a small number of visitors come from as far as Gary, Fort Wayne and Cincinnati. This is one of many maps that depict attendee origins stop shortly north of the site, due to the fact that it is difficult for residents of central Indiana to willingly choose to travel to Patoka Lake along the labyrinth of narrow and winding two-lane roads that must be traversed in order to enjoy the attractive lands and shorelines surrounding Patoka Lake and the area’s many amenities.

Spring Mill State Park

Spring Mill State Park near Mitchell is one of Indiana’s most popular and oldest state parks. The following map shows the origin of visitors from 2017 through 2019.

Figure 3-26



As shown, Spring Mill State Park’s visitation differs from other nearby attractions. This park is just east of State Road 37, a four-lane highway running south from Indianapolis to this park. As such, visitation from Indianapolis is strong. There is actually a dense line of visitors from Indianapolis to Martinsville, Bloomington, and Bedford, showing that highway access plays a critical role in the success of attracting visitors. Conversely, the visitors from Jasper and southwest Indiana are less dense than areas to the north and east, once again, showing that the hills between the current State Road 37 and I-69 south of Crane, are quite an impediment to travel. Despite being relatively close to Spring Mill, the actual travel time and effort is not as quick or simple, and it results in a somewhat noticeable lack of visitors from west of Spring Mill State Park.

Downtown Jasper Attractions

Downtown Jasper not only is a center for commerce and employment but is home to a number of attractions that attract tourists for leisure. Highlights of the offerings include:

- The Astra – Historic theater showcasing concerts, shows and movies.
- Thyen-Clark Cultural Center – Construction is on track to open December 28, 2020. The venue will be a combination of the Jasper Community Arts and the Jasper Public Library.
- Best Home Furnishings – Factory tour and shopping.
- Spirit of Jasper Dinner Train and Depot – New train depot that opened in 2004, with scenic train rides to French Lick casino, and a popular dinner train traveling through the hills to the east. It has been recently ranked #3 in the Top Ten Best New Places to Eat, Play & Stay by Midwest Living Magazine.
- Jasper Riverwalk and Dave Buehler Plaza, both part of an illuminated paved two-mile pathway following the river near downtown Jasper and the other downtown amenities such as the new Fairfield inn and River Centre mixed-use development, including a rooftop bar with a view over the City of Jasper.
- Jasper City Mill – Replica of a working mill powered by the Patoka River with a gift shop.

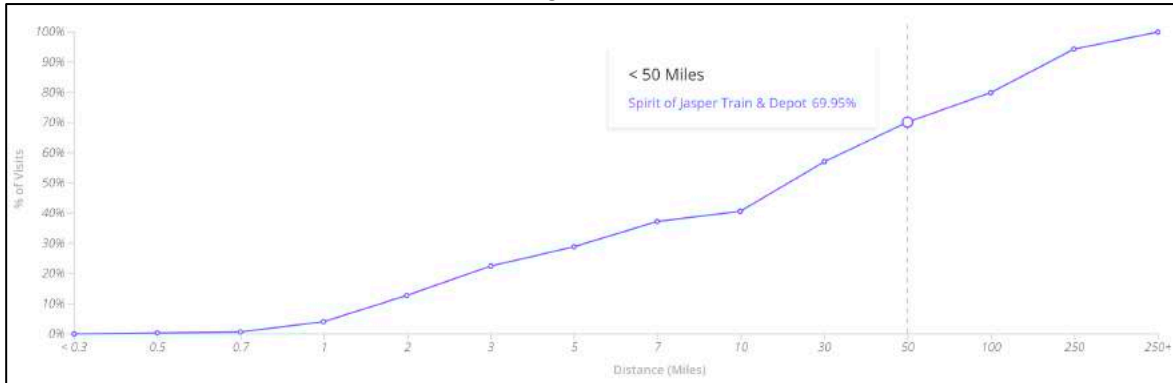
Spirit of Jasper Dinner Train & Depot – Jasper

One of the newest attractions in Dubois County, the Spirit of Jasper Dinner Train has proven incredibly popular and frequently sells out all available tickets. Recently, the Spirit of Jasper was awarded third place on the “Top Ten Best New Places to Eat, Play and Stay” in Midwest Living magazine.

The Spirit of Jasper features three climate-controlled lounge cars and offers a scenic excursion from the Jasper Train Depot to French Lick Resort Casino and historic West Baden. The “Ride & Dine” ticket features a full meal on a dinner car, while the train winds through the countryside of Southern Indiana.

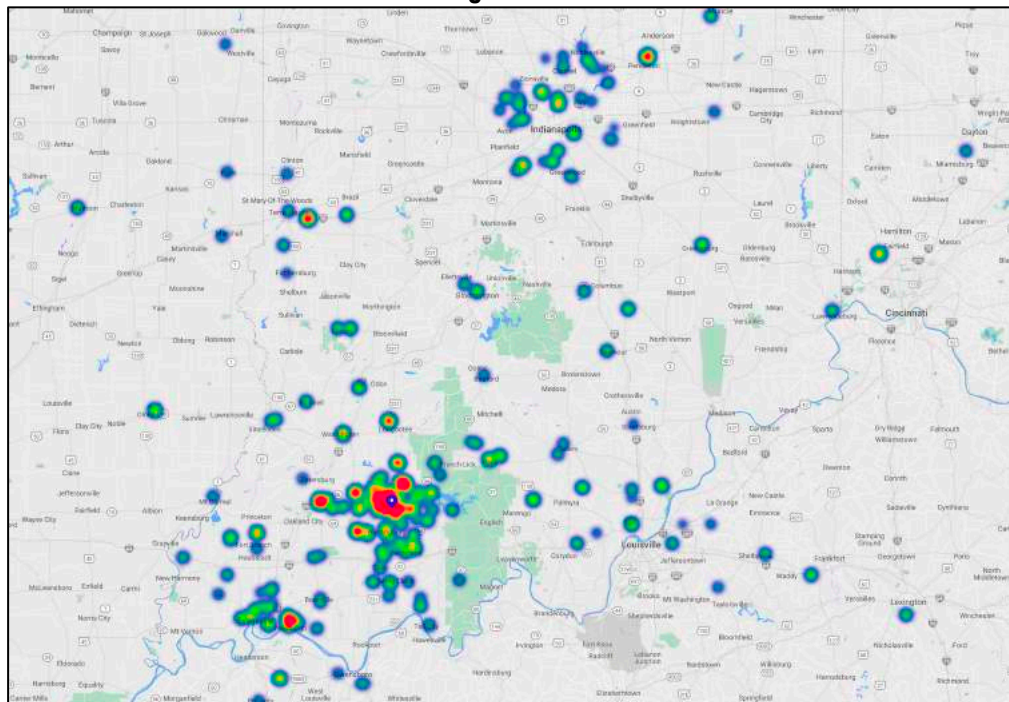
The following graph shows the distance that visitors traveled to ride the Spirit of Jasper in 2019.

Figure 3-27



Thirty percent of ticket-buyers for train rides and dinner train excursions are attracted here from over 50 miles distant. The train experience and traditional rail depot were built to attract tourism to downtown Jasper. The following map shows the origin of visitors to the Spirit of Jasper in 2019.

Figure 3-28



As shown in the graph and heat map above, 60 percent of visitors originate from a 50-mile radius of the Jasper Train Depot. Outside of the immediate area, the heat map shows that there is a lack of visitors north of Jasper, Several originate from an east-west trajectory, but not very many from north of Dubois County. The cluster of visits from Indianapolis may look sufficient, however, given the two-million people in the area, it represents more of an anomaly after receiving some press in a local magazine.

Adult beverage experiences and tourism is gaining popularity throughout the country. Southern Indiana benefits indirectly from tourism to the Bourbon Trail, and also has created a number of compelling spaces in the beer and wine markets. Some notable breweries and wineries include:

- Blueberry Hill Estate
- Owen Valley Winery
- Winzerwald Winery
- Blue Heron Vineyards & Winery
- Pour Haus & Tell City Brewing Company
- Pepper Ridge Winery
- Monkey Hollow Winery & Distillery
- Patoka Lake Winery

Patoka Lake Winery

Patoka Lake Winery is located in Birdseye, Dubois County, just outside the main entrance to Patoka Lake Recreation Area. The tasting room opened in 2016, and the venue has been expanding in the years since. The winery features twenty signature wines, a gift shop, production room, two event spaces, and five unique lodging suites in converted silos.

The following image shows the interior of a silo suite.

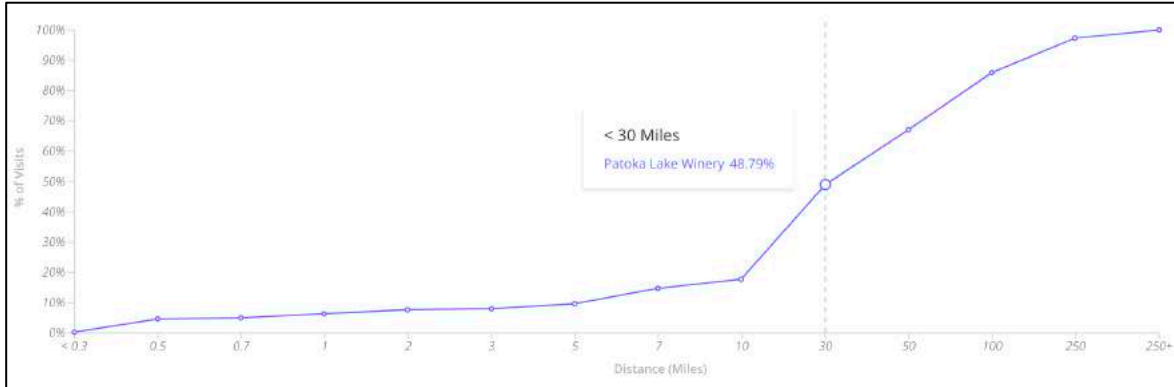
Figure 3-29



Geofencing data suggests that Patoka Lake Winery hosts 329,400 visitors annually, making it one of Dubois County's most appealing destinations.

The following graph shows the distance that visitors traveled to Patoka Lake Winery in 2019.

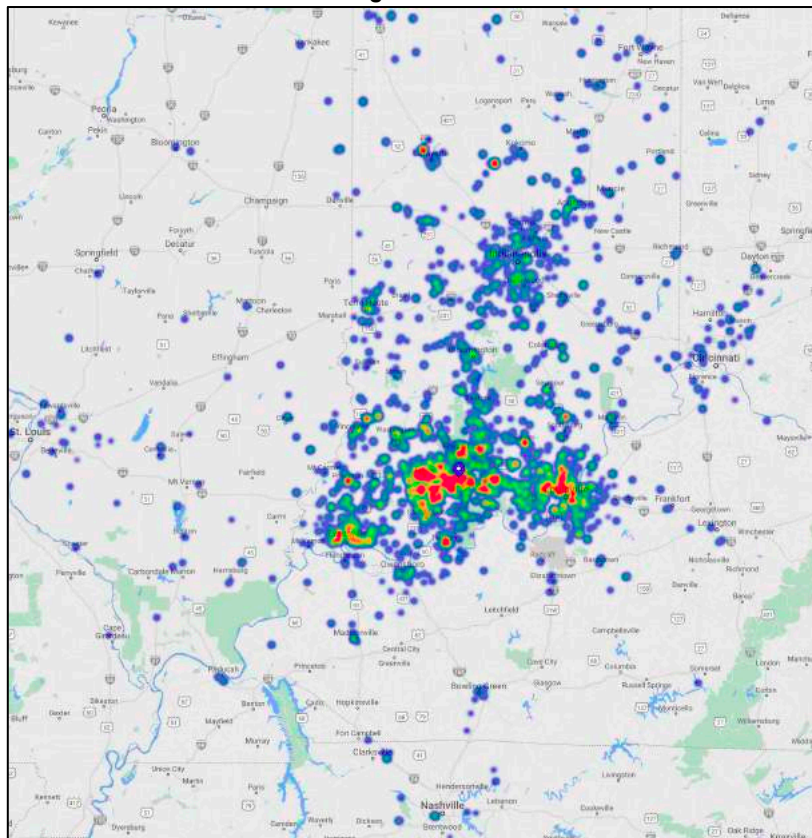
Figure 3-30



As shown, nearly 50 percent of visitors to Patoka Lake Winery live within 30 miles of the destination.

The following map shows the origin of visitors to Patoka Lake Winery in 2019.

Figure 3-31





In addition to the 50 percent of visitors who live within 30 miles, 30 percent of visitors come from over 50 miles to visits Patoka Lake Winery. This map is an illustrative example of how the east/west I-64 more easily carries tourists from Louisville and Evansville, as well as areas not very far north or south of the wineries. If a direct high-speed highway were in place to directly access the Patoka Lake region from Central Indiana’s wealth of tourists, there may not be such a strong dividing line north of about U.S. 150, which runs across southern Indiana through French Lick and Paoli. The hills of south-central Indiana have long acted as a barrier to north-south travel from the rest of the state of Indiana.

Retail Trade Visitation

Dubois County, and specifically Jasper, is the primary shopping destination for the Mid-States Corridor region. Major national department stores along with a mix of other retail stores comprise five shopping areas: Germantown, Jasper Manor, Northridge and Southgate Shopping Centers, and Downtown Jasper. The following section profiles the visitation to these retail nodes using geofencing data.

Germantown Center

Germantown Center is a major shopping node in Jasper, Indiana, located at 3605 N. Newton Street. The development consists of 19 retailers including Dollar Tree, Joann Fabrics, and T.J. Maxx. Located off of US 231, Germantown is accessed by daily visitors from throughout the Mid-States Corridor region.

HSP analyzed data, from Placer.ai, to better understand the visitation analytics of the Germantown Center.

Figure 3-32

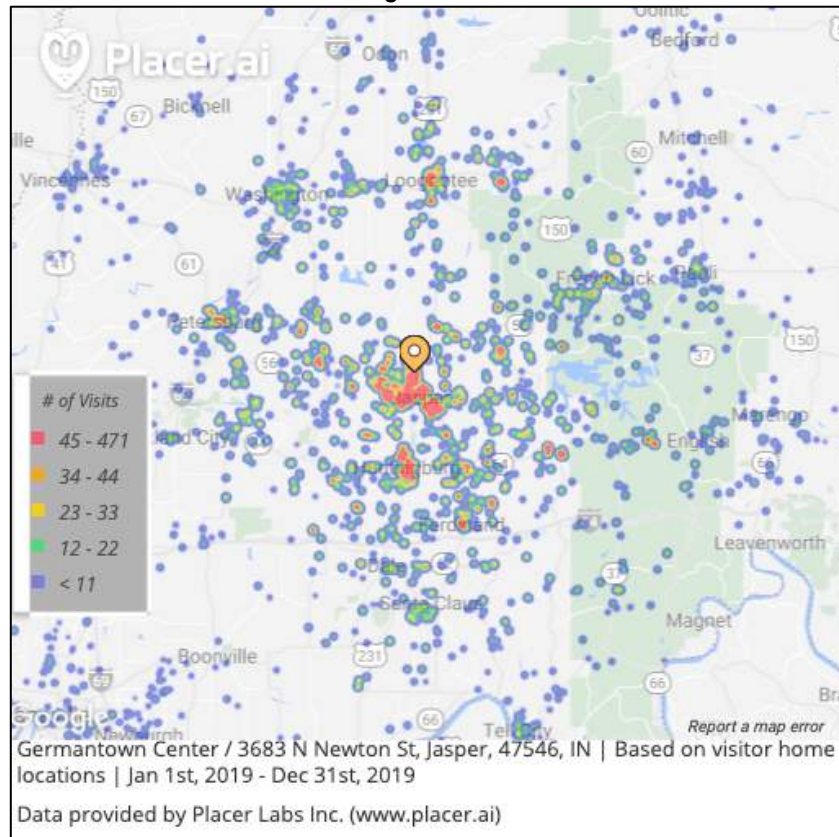
Germantown Center - Jasper					
January 1, 2019 - December 31, 2019 (365 Days)					
Visitor Origins by Distance from Site Colors correspond to charts & maps	Total Visits		Total Unique Customers		Avg. Visits per Customer
	Est. Number of Visits	Percent of Total Visits	Est. Number of Customers	Percent of Total Customers	
Locals - Within 25 miles	641,400	86.3%	105,400	66.6%	6.09
Regional & Long Distance - 25-75 miles	68,900	9.3%	34,600	21.9%	1.99
Long Distance only - Over 75 miles	33,100	4.5%	18,200	11.5%	1.82
Total Visits	743,400	100.0%	158,200	100.0%	4.70

Source: Placer.ai

Germantown Center’s 2019 estimated total visitation was more than 740,000 visits by approximately 158,000 unique customers. The average Germantown Center customer visits the complex 4.7 times annually. To understand access in the area, HSP broke down this visitation by origin. Approximately 66.6 percent of customers originate within a 25-mile radius, 22 percent come from 25 to 75 miles away, and 11.5 percent travel from more than 75 miles to shop at this retail node. Jasper is serving as the closest major retail destination for a large catchment area, and this visitation and spending will only increase with greater access.

The following figure shows a heat map for the Germantown Center trade area.

Figure 3-33



As shown, the highest concentration of visits originates locally from Jasper, Ireland, and Huntingburg, as well as from the nearby town centers including Birdseye, Dubois, Celestine, and Taswell.

Jasper Manor

Jasper Manor is a major shopping node in Jasper, Indiana, located at 723 3rd Ave. The development consists of 11 retailers and a grocery anchor.

HSP analyzed data, from Placer.ai, to better understand the visitation analytics of the Jasper Manor.

Table 3-3

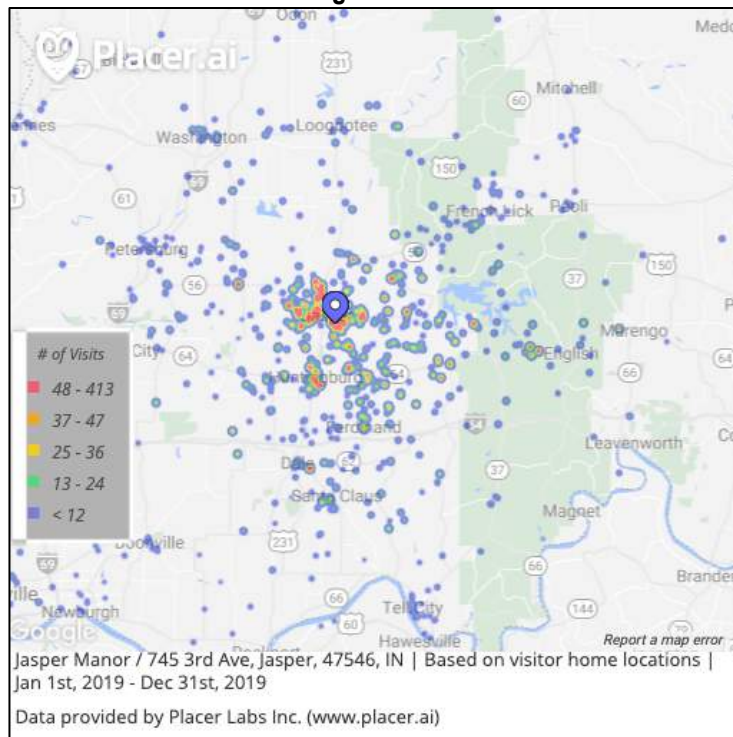
Jasper Manor - Jasper					
January 1, 2019 - December 31, 2019 (365 Days)					
Visitor Origins by Distance from Site Colors correspond to charts & maps	Total Visits		Total Unique Customers		Avg. Visits per Customer
	Est. Number of Visits	Percent of Total Visits	Est. Number of Customers	Percent of Total Customers	
Locals - Within 25 miles	281,900	91.7%	45,900	78.2%	6.14
Regional & Long Distance - 25-75 miles	13,100	4.3%	7,800	13.3%	1.68
Long Distance only - Over 75 miles	12,500	4.1%	5,000	8.5%	2.50
Total Visits	307,500	100.0%	58,700	100.0%	5.24

Source: Placer.ai

Jasper Manor’s 2019 estimated total visitation was 307,500 visits by 58,000 unique customers. The average Jasper Manor customer visits the complex 5.24 times annually. To understand access in the area, HSP broke down this visitation by origin. 78.2 percent of customers originate within a 25-mile radius, 13.3 percent come from 25 to 75 miles away, and 8.5 percent travel from more than 75 miles to shop at this retail node.

The following figure shows a heat map for the Jasper Manor trade area.

Figure 2-34





As shown, the highest concentration of visits originates locally from Jasper and Huntingburg, as well as from the nearby town centers including Birdseye, Dale, Celestine, and Taswell.

Walmart

In addition to small retailers, Jasper is home to big box retailers that attract regional visitors, including a Walmart Supercenter. Despite Jasper’s strong retail presence, it is typically underserved by major retailers. The performance data on the Walmart Supercenter and other big box stores shows Jasper’s strength as a regional commerce hub.

The following table ranks Jasper’s performance against other Walmart Supercenters in the region for 2019.

Table 3-4

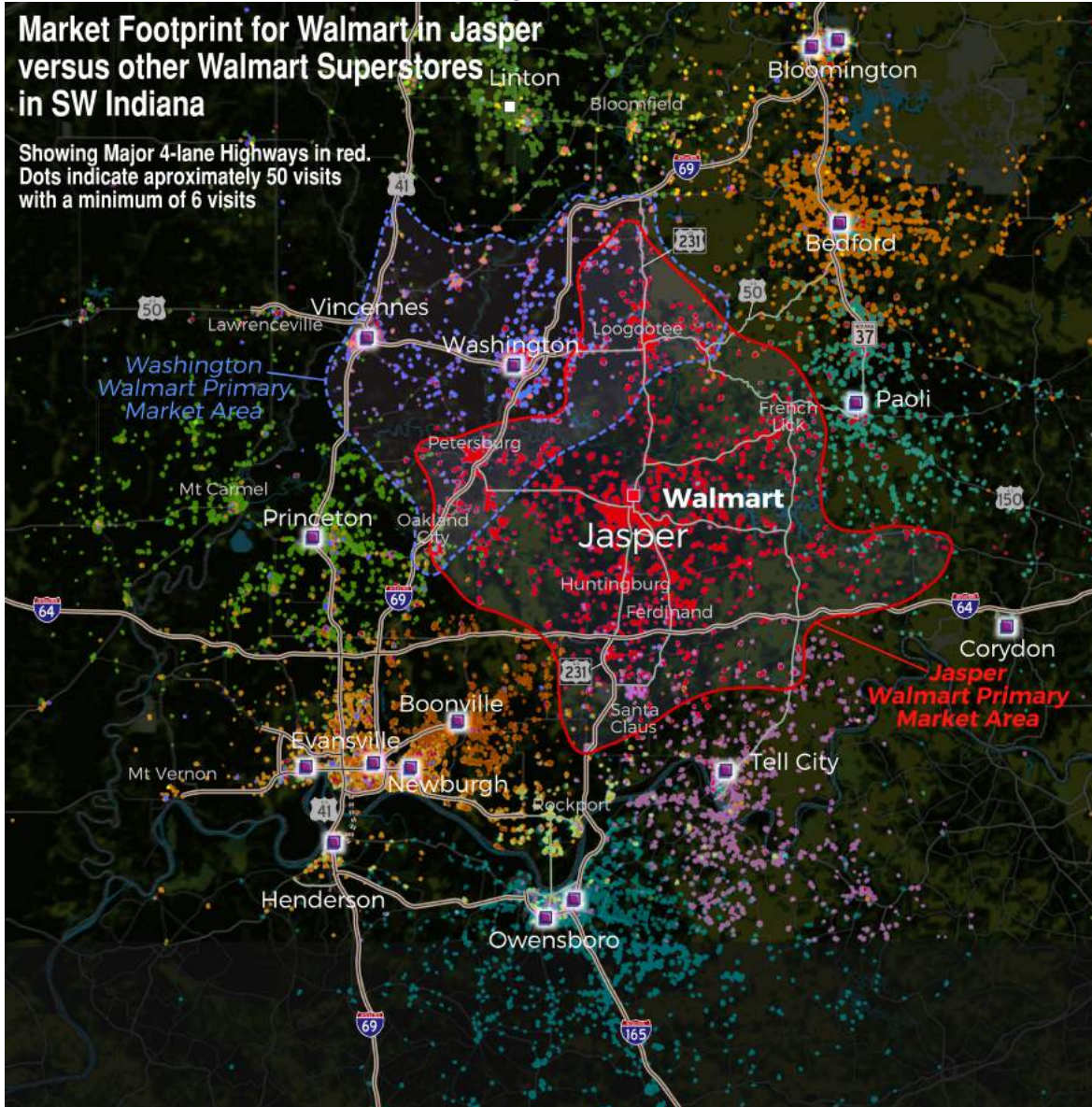
Walmart Supercenter of Jasper and Surrounding Submarkets - 2019 Visitation					
Store/Address	City	Total Foot Traffic Rank	# of Customers	Foot Traffic (millions)	Estimated Visits Per Store
Walmart / John Williams Blvd	Bedford, IN	1	198,500	4.77	24.03
Walmart / N Newton St	Jasper, IN	2	220,000	4.19	19.03
Walmart / Leitchfield Rd	Owensboro, KY	3	280,000	3.96	14.13
Walmart / High Pointe Dr	Newburgh, IN	4	278,000	3.79	13.62
Walmart / S State Road 57	Washington, IN	5	171,400	3.32	19.37
Walmart / W Broadway St	Princeton, IN	5	171,400	3.35	19.53
Walmart / E State Highway 54	Linton, IN	6	118,400	2.92	24.65
Walmart / US Highway 66 E	Tell City, IN	7	115,000	2.88	25.04
Walmart / American Way	Boonville, IN	8	127,700	2.43	19.03
Walmart / N Gospel St	Paoli, IN	9	114,900	2.06	17.92

Source: Placer.ai

As shown, Jasper ranks second in terms of total foot traffic as compared to other Walmart Supercenters in the region. There are two Walmart Supercenters in Evansville that are busier, simply because they have a larger and denser population from which to draw traffic. Though it was bested by the Bedford location for foot traffic, geofencing data suggests that Jasper sees approximately 22,000 more unique customers annually, which also ranks second on this list, after only the Owensboro location.

The following map shows the distribution of customers to the Jasper Walmart Supercenter during 2019.

Figure 3-35



The colored dots represent visitation to the different Supercenter locations, as detailed in the table above.

The highlighted light-blue area of dots indicate that Jasper is utilized by a larger geographical footprint as a regional center of retail. This is shown both by area and by the total number of customers, both second largest in the region. This is significant because it shows that Jasper is truly shown to be the largest and busiest regional retail center aside from the much larger cities of Evansville, Owensboro, and Bloomington. That alone indicates that the area has been left behind other similar concentrations of commerce and population than in the rest of the region and the state.



This also points out that, despite not having any fast or efficient modern highways to or from Jasper, people will endure travel on these roads, some traveling well over 20 miles in every direction, to shop in Jasper.

The map also points out a pattern that shows that people will shop wherever the nearest single most direct highway near them will take them. Paoli, north east of Jasper, has the same Walmart Superstore, however, more people would rather travel farther to Jasper, likely because of other retail and restaurant options in the area. The Paoli store's market footprint does not reach very far south because state highway 37 is a slow travel route due to many curves and limited sightlines. Residents closer to State Highway 64 and Interstate 64 (running parallel to each other), which are both faster and stronger travel options, are east-west highways that can carry people much, much faster to their shopping destination.

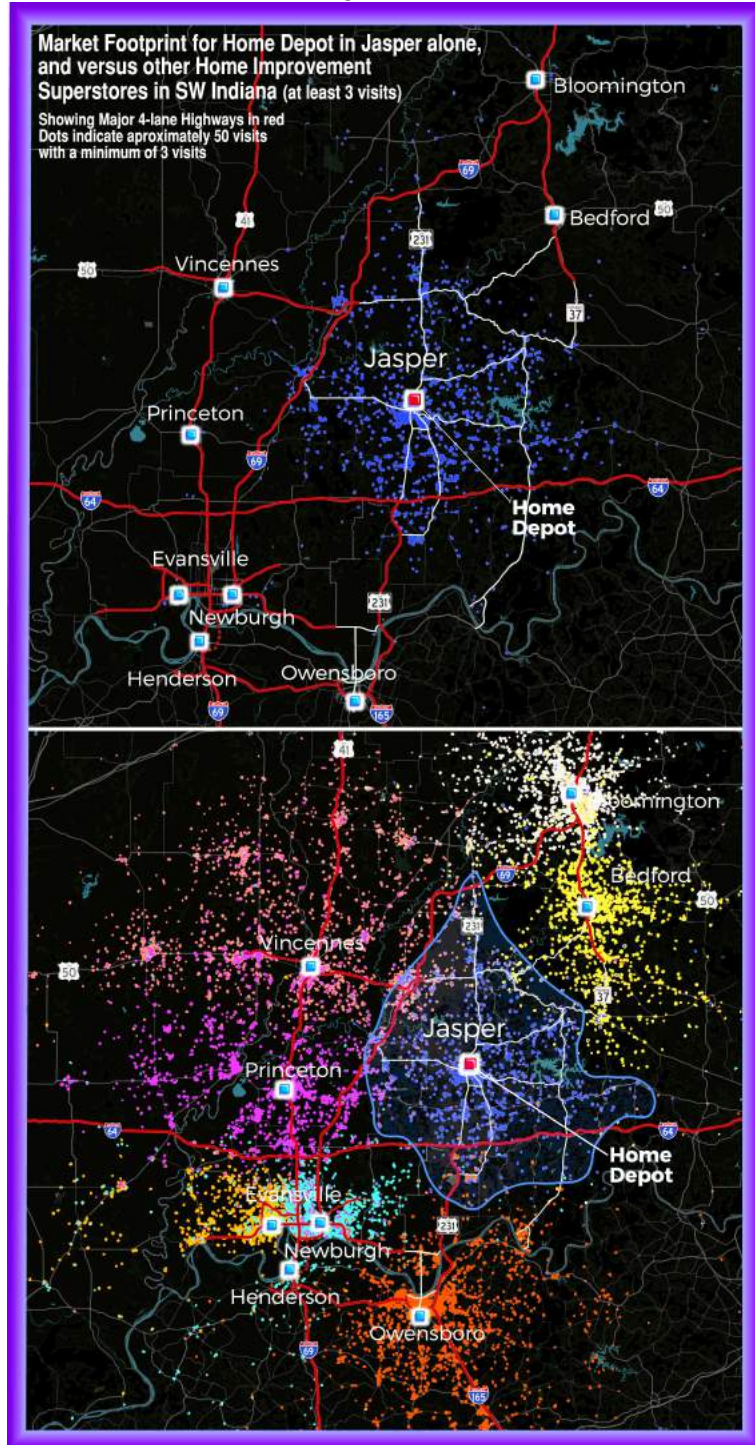
The map shows a pattern of travel in which the closer that rural citizens live to a major four-lane highway, the more they are likely to utilize a retail area that is along a major highway. This can also be seen by the Washington, Indiana, Walmart at the intersection of I-69 and U.S. 50, featuring fast, four-lane highways to the north, south, and west. Because of those safe, easy-to-navigate, and fast travel speeds, the Washington store's market footprint stretches all the way to Vincennes to the west, Oakland City to the South, and the Crane area at U.S. 231 and I-69, a *distance of over 50 miles*. Washington has a smaller marketplace. However, by being served by three major expressways, that regional market footprint has been expanded by many miles, especially along I-69.

Home Improvement Retailers – Jasper

In addition to the Walmart Supercenter, Jasper is home to a cluster of home improvement big box retailers, including Home Depot.

The following map shows the market footprint for the Home Depot in Jasper, as well as a comparison to the footprint of other Home Improvement superstores in the region.

Figure 3-36





The set of two maps showing the origins of shoppers to large home improvement stores in the region shows a similar pattern to the Walmart Superstore traffic origin map. In this illustration, the Jasper Home Depot, a relatively new type of store for Jasper and this region, is shown first as an isolated dot-map to show the geographic influence that this store commands across southwest Indiana. It covers what is mostly the same as the entire study area of this very Midstate's Corridor study.

The lower map illustrates the division of the population according to their chosen home-improvement stores, so that the area of dominant market influence is clear in relation to the other surrounding markets. There is a clear division between the Bedford and Jasper market, where there is not one direct, safe, or fast highway that traverses this rugged terrain. While the Bedford and Bloomington stores both have customers that share some middle geographic areas along State Road 37, the lack of any highways between Jasper and any other city keeps the overlap of customers that could visit two or more locations very limited.

If a Mid-States Corridor were in place, the north-south shape of the area of dominant influence would stretch further north and south, or wherever the highway is eventually placed. As can be seen in the map, Jasper's Home Depot market thins quickly to the south at around the Santa Claus area. People have a tendency to stay within their own state to shop, and that can be seen in this map. If the current U.S. 231 extended north, then the Jasper store would very likely attract more of the population in Spencer County, which now shop in Owensboro to the south.

Another difference is that there are fewer stores of this type. Generally, these large retail outlets need an untapped population of at least 50,000 people. By claiming all of Dubois County and several large tracts of nearby counties, this threshold is achieved, and a Home Depot store is thriving at this new Jasper location. Jasper and Dubois County tend to be overlooked by national and regional retailers because of the lack of a direct and efficient highway to logistically deal with the needed truck access that serve the store. Every single other location on this map is along a major four lane highway, if not two. The advantages of being located on a through highway are tremendously strong interims of access and logistics and can be the single largest predictor of growth or stagnation of a mid-sized commercial center such as Jasper and Huntingburg.

Attractions North of Study Area

Bloomington, Indiana – Monroe County

The City of Bloomington is one of Indiana's fastest growing metropolitan areas, and its access would be directly impacted by the development of the Mid-States Corridor, regardless of route. The city is part of the Bloomington Metropolitan Statistical Area (MSA) and is located in Monroe County. As of 2018, Bloomington had a population of 84,981, and the metropolitan area, including Monroe, Owen, and Greene counties, total over 175,000 people. Located 55 miles south-southwest from Indianapolis along the still-being-constructed Interstate 69 (scheduled to be completed in 2024) along the State Highway 37 route, primary activity in Bloomington is generated by Indiana University, located in its downtown core. The business, health care, and education communities in Jasper feel that they have strong ties with Bloomington, however, without easy and efficient highway access, visitation from Bloomington is not reciprocal.



Regional access to Bloomington is improving but is still challenged depending on the origin market. Now that Section 5 of the Interstate 69 development is complete, which extends from Bloomington to Martinsville to the north, motorists from southwestern Indiana have improved access to Bloomington. However, access to and from Dubois and Spencer Counties remains limited due to inefficient conditions on US 231.

Currently, the travel time to downtown Bloomington from Jasper is 80 minutes yet is only a 70-mile travel distance along U.S. 231 and I-69. A new, fast expressway or limited-access highway would cut about twenty minutes off of each trip between the two cities, allowing Jasper traffic to reach Bloomington in just one hour, and vice-versa. Large events, including Big Ten basketball and football games, and the thousands of young adults going to college at Indiana University in Bloomington, would be far more accessible to Dubois and Spencer Counties in terms of both speed and in the psychology of travel options available to the individual travelers. This increased traffic to and through Bloomington will create positive impact for the City of Bloomington, and can contribute to even more growth for the region.

The following section highlights some of the major attractions in Bloomington and Monroe County.

Indiana University

Indiana University (IU) was established in 1820 and is known for its participation in the Big Ten Athletic Conference. It is frequently cited for the beauty of its campus and surrounding area, and its business and music schools are considered some of the most prestigious programs in the country. The presence of IU ensures that Bloomington attracts a steady level of visitation throughout the year for athletic events, homecoming weekends, and other cultural festivities.

Lake Monroe Reservoir

Lake Monroe is a reservoir located about 10 miles southeast of Bloomington in Monroe County. The lake is the largest entirely situated in Indiana with 10,750 acres of water surface area spread over the counties of Monroe and Brown. It is home to 13,202 acres of protected forest and three recreational areas. Indiana's only federally protected U.S. Wilderness Area, the 13,000-acre Charles C. Deam Wilderness Area, is located on the south shore.

The largest marina situated on the lake is the Fourwinds Resort and Marina with over 800 boats. The reservoir provides abundant fishing throughout the year, and recreational opportunities such as boating and water skiing attract visitors from throughout Indiana and the Midwest.

Oliver Winery

Oliver Winery is one of the largest wineries in the country, and it attracts a number of tourists to the Bloomington area. Travel + Leisure rated Oliver among the top 25 wineries to visit in the U.S., and TripAdvisor named it among the top 7 wineries not in California. The tasting room is located off of I-69 and offers a weekend production tour, shopping for gourmet food items and unique gifts, and surrounding gardens open to the public. Oliver Winery also offers event spaces available for personal or corporate celebrations, from rehearsal dinners to holiday receptions.

Nashville, Indiana – Brown County

Nashville is another popular tourist destination outside of the study area, located in Brown County. The town is best known as the center of the Brown County Art Colony and the Brown County State Park, which is the state's most popular and most-visited state park, attracting around 1.3 million visitors annually. Nicknamed the "Little Smokies" because of the area's resemblance to the Great Smoky Mountains, Brown County State Park encompasses nearly 16,000-acres of rugged hills, ridges, and fog-shrouded ravines. The Brown County State Park is a traditional fall color hot spot, with nearly 20-miles of tree-lined roads and many scenic vistas overlooking miles of uninterrupted forestland. Mountain Biking has also become a popular activity in recent years, attracting enthusiasts from all over the state.

In the little village of Nashville, population 800, the two-to-three million annual visitors can shop at over 300 boutiques and artisan-owned shops for handmade crafts, gourmet foods and seasonal décor. Independent country-inspired restaurants and eateries accompany the shops. The Brown County Playhouse offers year-round programming of performing arts events and movies for tourists and locals to enjoy. Nashville and Brown County are one of Indiana's most-visited annual attractions, both attracting outdoor enthusiasts and art gallery shopping and as a weekend getaway to a town that offers a virtually timeless relaxing experience that is unique to Brown County. At this time, the population of Dubois and Spencer County have a lengthy drive along two-lane highways with numerous stops and slow sections between them and Brown County, adding significant travel time, and often keeping travel between the two locations from happening at all.

Implications

- **The Mid-States Corridor region has a wealth of tourist attractions and retail businesses** that are robust, drawing strongly from their own region and from places to the east and west, much more so than from the north and south, in which the area is rather isolated from the surrounding markets and cities.
- The busiest and largest attractions in the area, such as the resorts in French Lick and Holiday World and Splashin' Safari in Santa Claus, **are shown to draw less from their own state north of the local area, than from the populations to the east, west and south, in which modern, speedy expressways can easily carry tourists to and from these locations.** French Lick's resorts and casino, in particular, is quite isolated, which is part of its appeal, however, it is also a hinderance to attracting more visitors from nearly any direction, especially the centers of populations in central Indiana and north.
- **A highway connecting both French Lick and Holiday World to northern populations center such as Indianapolis and the mid-sized metropolitan areas in the northern half of the state would cause a significant uptick in visitation from these areas and overall.**
- The area has hundreds of outdoor leisure attractions, cultural and historic attractions, and specialty retail attractions and events. **The rugged hilly and forested terrain has kept this area scenic and beautiful but has also kept it under-visited and isolated, despite being within only 100 miles of Indianapolis and other large population centers.**
- **Road width and visibility around sharp curves, traffic signals, stop signs, driveway entrances, heavy truck traffic sharing the same narrow roads, and at-grade crossroad**



traffic patterns result in fewer people visiting this area and its attractions, or even knowing about the offerings of this region.

- **Attractions depend on efficient highway access from all directions to thrive**, especially from within Indiana, and in the current state of the transportation network, the potential market area is not being utilized effectively. Too often, when given the option of traveling to visit attractions in south central Indiana, people in central and northern Indiana are either ignorant of their existence or decide the necessary travel time and route planning is too lengthy and laborious, and decide, instead to travel elsewhere or stay home.
- **A new Mid-States Corridor would cut the one-way travel time by as much as 35 minutes depending on their place of origin, and could significantly impact tourism, businesses that support travelers, and the overall economy of these counties.**
- **The growth potential of tourism and retail sectors in Dubois and Spencer Counties is severely limited and cut-off from an available market of millions of people in several cities**, especially those lying in central and northern Indiana, without a major four-lane expressway than can serve and connect this area, especially to the north and south, where Interstates 69 and 64 are already in place to complete the local network of highways.

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INDUSTRY CLUSTER ANALYSIS

Overview

An industry cluster analysis identifies industries that are geographically concentrated or of a similar nature, and that make use of related buyers, suppliers, infrastructure and workforce. This chapter identifies several industry clusters that have a strong presence in the region and that have potential for future development should the Mid-States Corridor be developed.

This chapter, building on the findings of the Economic, Demographic and Tourism analysis for Dubois and Spencer Counties in the previous chapters, offers an overview of the broader economic area that would be impacted by the Mid-States Corridor Project. This chapter will look at the region's economy and a comparative analysis of its industries and overall performance. Clusters that may have a competitive advantage will be identified by analyzing employment concentration and growth, wages, and economic performance.

COVID-19 Impacts

The COVID-19 pandemic has had widespread impacts on industry and the economy over the course of 2020. The need for the efficient distribution of goods has increased as more people are staying home and relying on internet commerce. To provide the delivery timeframe customers are expecting, manufacturers will seek to decentralize their warehouse locations. Access to the customer decreases transportation costs and reduces the risk of supply chain disruption.

The pandemic is responsible for the recent surge in demand for e-commerce. According to Forbes, COVID accelerated e-commerce growth 4 to 6 years. Total online spending in May 2020 was up 77 percent year over year. In order to meet this demand, distribution centers are increasingly becoming an important business for communities along interstate highways. Retail distribution centers create hundreds of jobs for communities, and these jobs can also provide competitive pay.

Distribution centers require efficient access to major metros, but most of them are located in areas that have a population density of less than 200 people per square mile. The Mid-States Corridor, if developed, would likely attract the development of distribution centers to the region, which could have a significant impact.

Industry Clusters

For the purposes of this analysis, clusters and data were analyzed to determine focused impacts of the potential Project. In order to assess performance in the U.S. economy on a regional level, the area's performance and drivers must be examined. In this chapter, HSP will explore data related to the following questions:

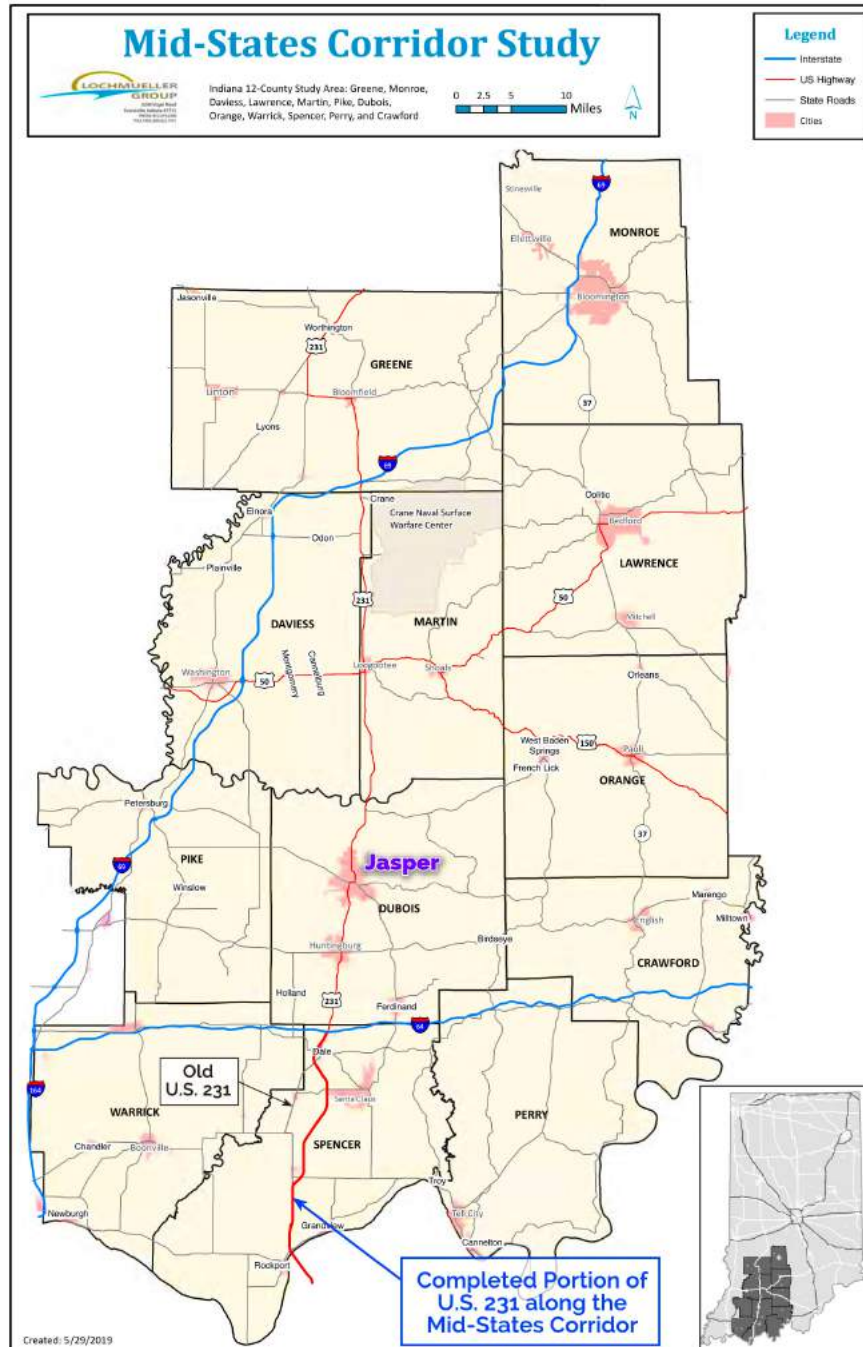
- **Performance:** What are the dynamics of economic activity in this location?
- **Business Environment:** What is the quality of this location as a place to do business?
- **Demographics and Geography:** What are the characteristics of this location?

The U.S. Census Bureau provides data at the state and county level, but also by economic area. The boundaries of economic areas are established by industry cluster and similar demographic and economic characteristics. The established 12-county region that will be referred to herein as the Mid-States Corridor study area. The region is comprised of the counties that would be directly impacted by the Project, and includes:

- Dubois County
- Spencer County
- Pike County
- Perry County
- Greene County
- Monroe County
- Martin County
- Lawrence County
- Warrick County
- Daviess County
- Orange County
- Crawford County

The following map illustrates the study area.

Figure 4-1



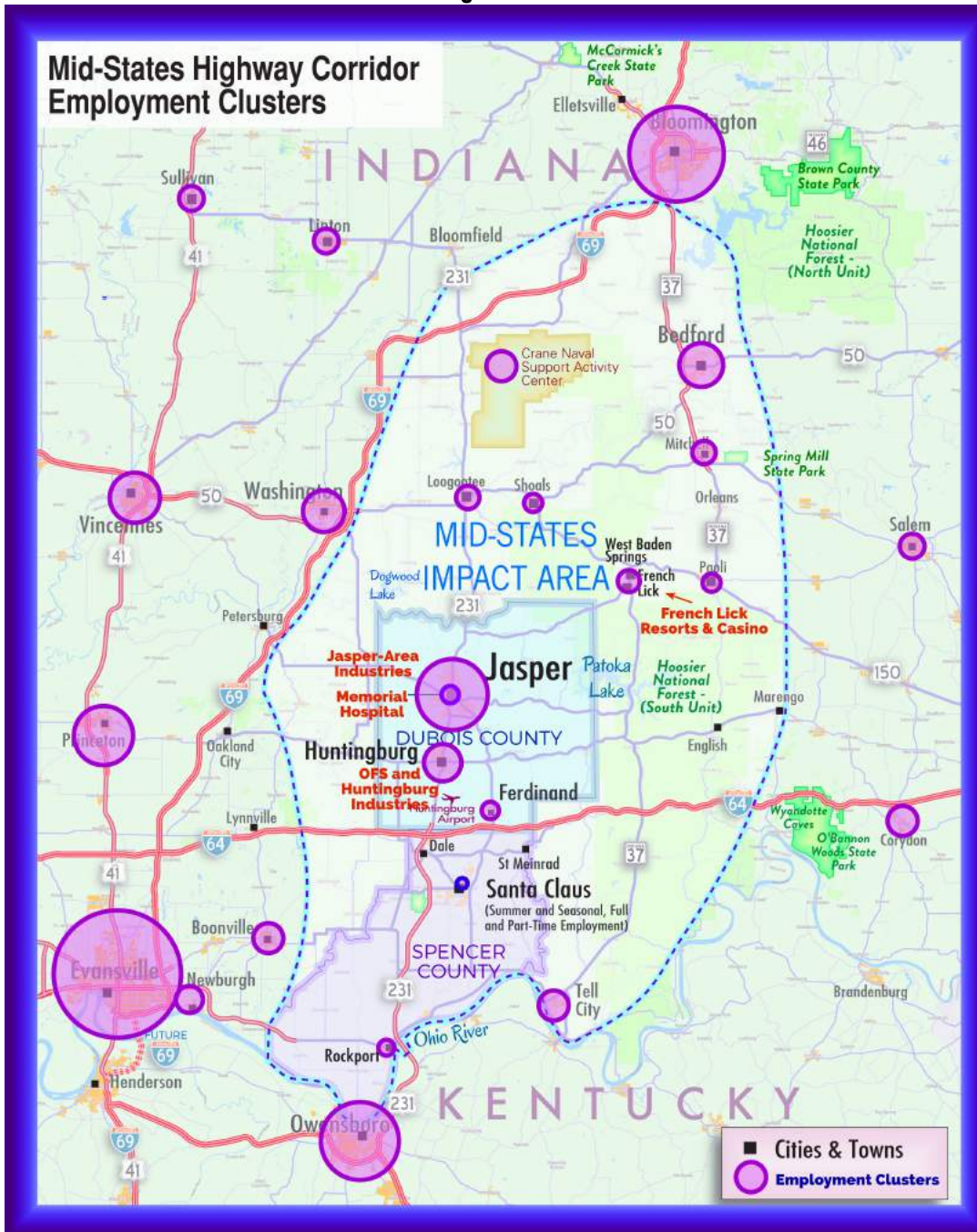
Performance and Drivers

The performance of the Mid-States Corridor study area can be measured by indicators directly related to the standard of living in a region, as well as intermediate indicators of economic activity that may or may not

translate into a region's standard of living. The six primary outcomes for measuring performance include prosperity, annual wage, labor mobilization, employment, unemployment and poverty rate.

The following figure shows the study-area's employment clusters.

Figure 4-2



Prosperity

In order to measure prosperity, the GDP per capita in the area of focus must be assessed. Per capita gross domestic product is a metric that breaks down the region's economic output per person. The GDP per capita for the Mid-States Corridor study area was \$35,057 in 2018, up from \$22,341 in 2001. This change in prosperity over the 17-year period was \$12,716, for a growth rate of 2.86 percent. As of 2018, the Mid-States Corridor study area ranked in the 73rd percentile nationwide for prosperity.

The following table breaks down the GDP per capita by each county within the Mid-States Corridor study area.

Table 4-1

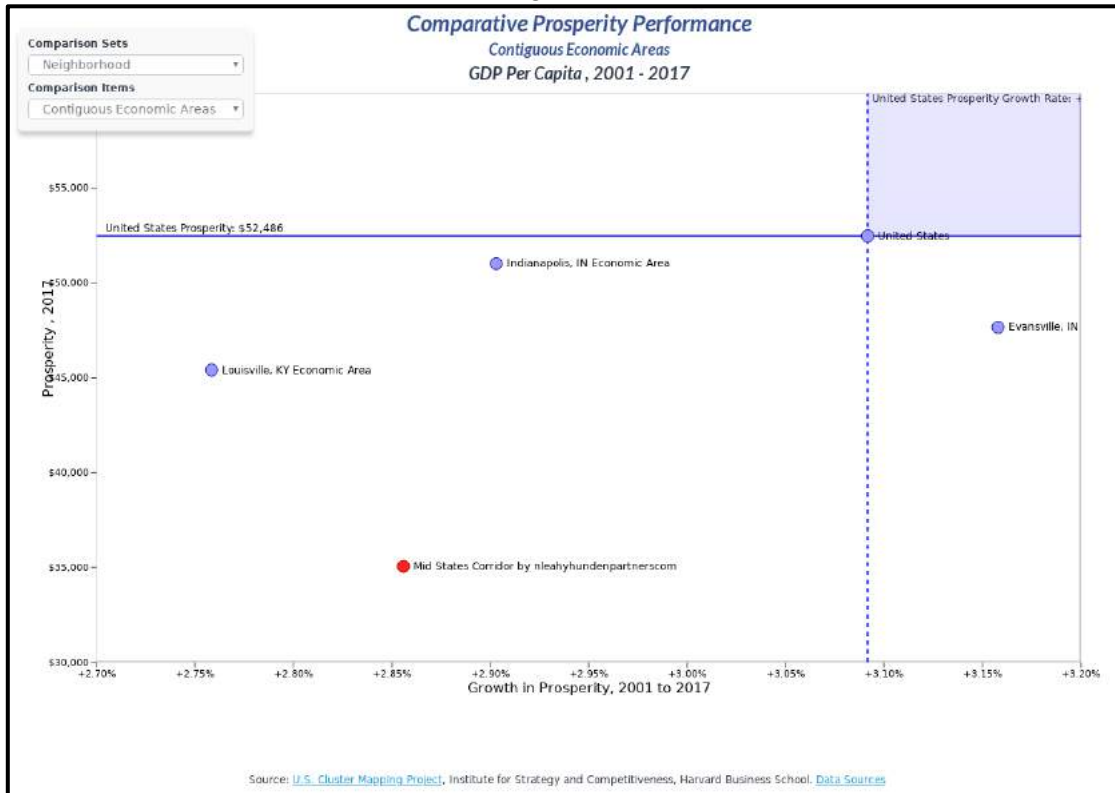
Mid States Corridor GDP Per Capita by County				
Region	2001	2018	Change	Growth
Dubois County, IN	\$39,792	\$62,337	\$22,545	2.68%
Spencer County, IN	\$40,329	\$57,843	\$17,514	2.14%
Pike County, IN	\$41,251	\$57,079	\$15,828	1.93%
Martin County, IN	\$17,200	\$36,485	\$19,286	4.52%
Monroe County, IN	\$22,683	\$34,458	\$11,775	2.49%
Perry County, IN	\$15,357	\$34,072	\$18,715	4.80%
Daviess County, IN	\$18,793	\$33,794	\$15,001	3.51%
Orange County, IN	\$16,023	\$32,469	\$16,446	4.24%
Warrick County, IN	\$17,884	\$32,333	\$14,449	3.54%
Lawrence County, IN	\$18,407	\$29,720	\$11,313	2.86%
Crawford County, IN	\$9,762	\$17,212	\$7,450	3.39%
Greene County, IN	\$10,659	\$17,154	\$6,495	2.84%
Mid States Corridor		\$35,057		2.86%
United States Avg.		\$52,486		3.09%

Source: Institute for Strategy and Competitiveness, Harvard Business School

As shown, Dubois County leads the region in GDP per capita, followed by Spencer County. As of 2018, both counties outperformed the national average. The growth rate in the region as a whole is trending slightly behind that of the country, but Martin, Perry and Orange Counties show a more rapid growth rate and an upward trajectory that can be expected to improve further with increased access.

The following figure shows the comparative prosperity performance of Mid-States Corridor study area when compared to contiguous economic areas.

Figure 4-3



As shown, the Mid-States Corridor study area is currently outperformed by the neighboring economic regions, which include the Indianapolis Economic Area, the Evansville Economic Area and the Louisville Economic Area. The Mid-States Corridor study area not only has the lowest GDP per capita compared to its neighboring regions, it is also growing at a slower rate than the Indianapolis and Evansville Economic Areas.

Annual Wage

The second measure of performance is derived from assessing the average private wage for individuals in the region. The annual wage for the Mid-States Corridor study area was \$34,731 in 2017, up from \$19,963 in 1998. This change in annual wage over the 19-year period was \$14,768 for a growth rate of 2.96 percent. As of 2017, the Mid-States Corridor study area ranked in the 76th percentile nationwide for average private wage.

The following table breaks down the comparative annual wage performance by each county within the Mid-States Corridor study area.

Table 4-2

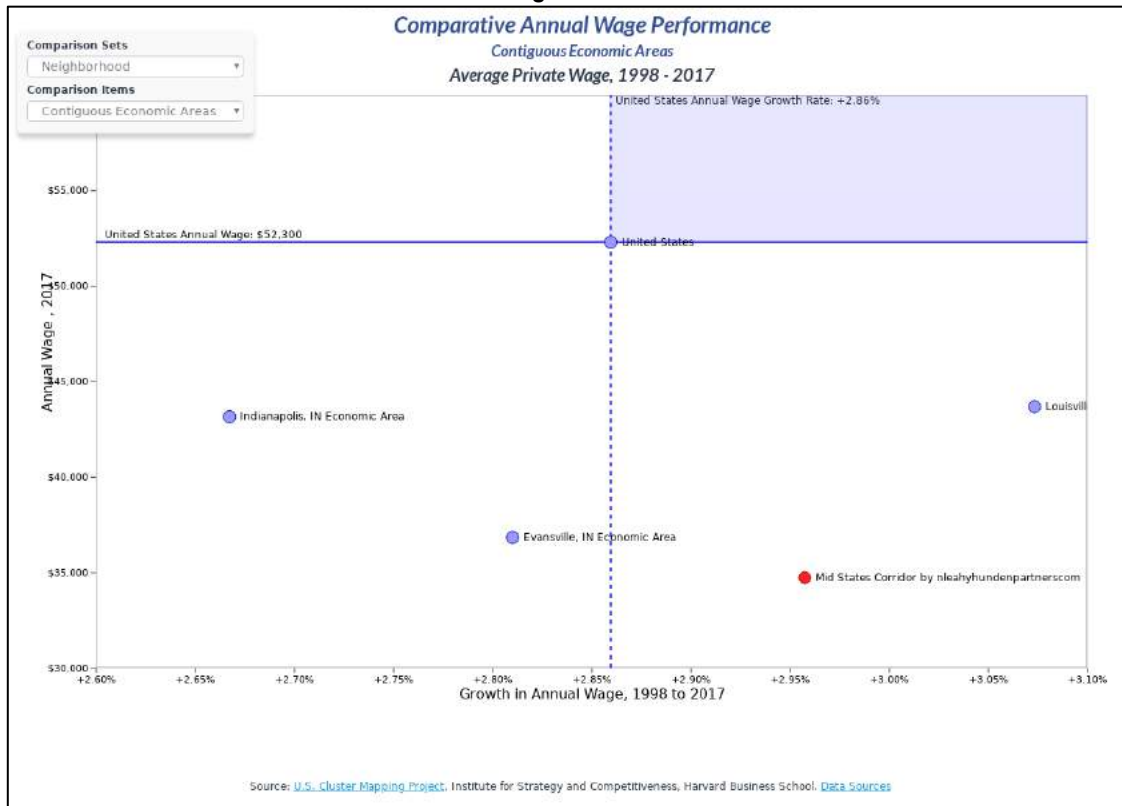
Mid States Corridor Annual Wage by County				
Region	1998	2017	Change	Growth
Pike County, IN	\$28,332	\$47,587	\$19,254	2.77%
Martin County, IN	\$22,528	\$46,321	\$23,794	3.87%
Warrick County, IN	\$26,723	\$44,163	\$17,440	2.68%
Spencer County, IN	\$26,906	\$43,754	\$16,848	2.59%
Dubois County, IN	\$27,454	\$42,389	\$14,934	2.31%
Monroe County, IN	\$23,285	\$39,245	\$15,960	2.79%
Orange County, IN	\$21,162	\$39,148	\$17,986	3.29%
Lawrence County, IN	\$24,860	\$38,646	\$13,786	2.35%
Perry County, IN	\$21,777	\$37,537	\$15,760	2.91%
Crawford County, IN	\$16,934	\$34,535	\$17,601	3.82%
Daviess County, IN	\$18,873	\$34,434	\$15,561	3.22%
Greene County, IN	\$18,058	\$31,659	\$13,600	3.00%
Mid States Corridor		\$34,731		2.96%
United States Avg.		\$52,300		2.86%

Source: Institute for Strategy and Competitiveness, Harvard Business School

As shown, Pike and Martin County lead the region in annual private wages, though all counties in the Mid-States Corridor study area fall short of the national average. The growth rate in the region as a whole is trending slightly ahead of that of the country, especially Martin and Crawford Counties.

The following figure shows the comparative annual wage performance of Mid-States Corridor study area when compared to contiguous economic areas.

Figure 4-4



As shown, though the Mid-States Corridor study area has the lowest average annual private wage when compared to neighboring economic areas, wages are growing more quickly than they are in the Indianapolis or Evansville economic areas. All regions have a lower rate of prosperity than the national average.

Labor Mobilization

Labor mobility refers to the ease with which laborers are able to move around within an economy and between different economies. It can help give context to how labor affects growth and production in a given area. For the purpose of this analysis, labor mobilization was measured by looking at the rate of labor force participation and the corresponding percentage change over a twenty-year-period. The labor force participation rate for the Mid-States Corridor study area was 77.35 percent in 2018, down from 81.07 percent in 1998. This change over the twenty-year period reflects a negative growth rate of -3.72 percent. As of 2018, the Mid-States Corridor study area ranked in the 62nd percentile for labor force participation nationwide.

The following table breaks down the comparative labor mobilization performance by each county within the Mid-States Corridor study area.

Table 4-3

Mid States Corridor Labor Force Participation by County				
Region	1998	2018	Change	Growth
Dubois County, IN	98.28%	93.96%	-4.32%	-0.22%
Spencer County, IN	98.70%	91.87%	-6.83%	-0.36%
Warick County, IN	90.64%	90.32%	-0.32%	-0.02%
Daviess County, IN	82.60%	90.06%	7.47%	0.43%
Martin County, IN	81.84%	88.22%	6.39%	0.38%
Pike County, IN	81.46%	85.34%	3.88%	0.23%
Perry County, IN	75.65%	81.08%	5.42%	0.35%
Crawford County, IN	74.52%	79.68%	5.17%	0.34%
Lawrence County, IN	85.69%	79.56%	-6.13%	-0.37%
Orange County, IN	80.66%	76.38%	-4.29%	-0.27%
Greene County, IN	74.35%	73.40%	-0.96%	-0.06%
Monroe County, IN	71.37%	66.56%	-4.81%	-0.35%
Mid States Corridor		77.35%	-3.72%	
United States Avg.		80.50%		-0.04%

Source: Institute for Strategy and Competitiveness, Harvard Business School

For overall labor force participation, Dubois County leads the economic area with a labor force participation rate of 93.96 percent. As is the pattern in many categories, Spencer County ranks second, with a labor force participation of 91.87 percent. Over the 20-year period, the entire Mid-States Corridor study area experienced a 3.72 percent decline in labor force participation. Relative to other economic areas, this suggests a lower rate of labor mobility in region that could be improved with increased access to potential laborers.

Employment

Employment for Dubois and Spencer Counties was discussed previously in Chapter 2 of this report, as part of the economic, demographic and tourism analysis. However, in order to fully understand performance, this must be revisited with additional regional context for the Mid-States Corridor study area as a whole. HSP analyzed data related to private, non-agricultural employment for the Mid-States Corridor study area from 1998 to 2017. In 2017, the Mid-States Corridor study area reported 99,848 jobs in the private sector, with a negatively trending growth rate of -2.45 percent.

The following table breaks down the comparative employment performance by each county within the Mid-States Corridor study area.

Table 4-4

Mid States Corridor Employment by County				
Region	1998	2017	Change	Growth
Monroe County, IN	45,630	50,612	4,982	0.55%
Dubois County, IN	27,299	28,614	1,315	0.25%
Warrick County, IN	11,105	14,644	3,539	1.47%
Lawrence County, IN	13,990	12,119	-1,871	-0.75%
Daviess County, IN	8,955	10,760	1,805	0.97%
Orange County, IN	6,966	6,369	-597	-0.47%
Perry County, IN	4,652	5,883	1,231	1.24%
Spencer County, IN	5,710	5,016	-694	-0.68%
Greene County, IN	5,899	4,731	-1,168	-1.15%
Martin County, IN	2,244	2,443	199	0.45%
Pike County, IN	2,058	2,004	-54	-0.14%
Crawford County, IN	1,305	1,353	48	0.19%
Mid States Corridor		99,848		-2.45%
United States Avg.		128,591,812		0.92%

Source: Institute for Strategy and Competitiveness, Harvard Business School

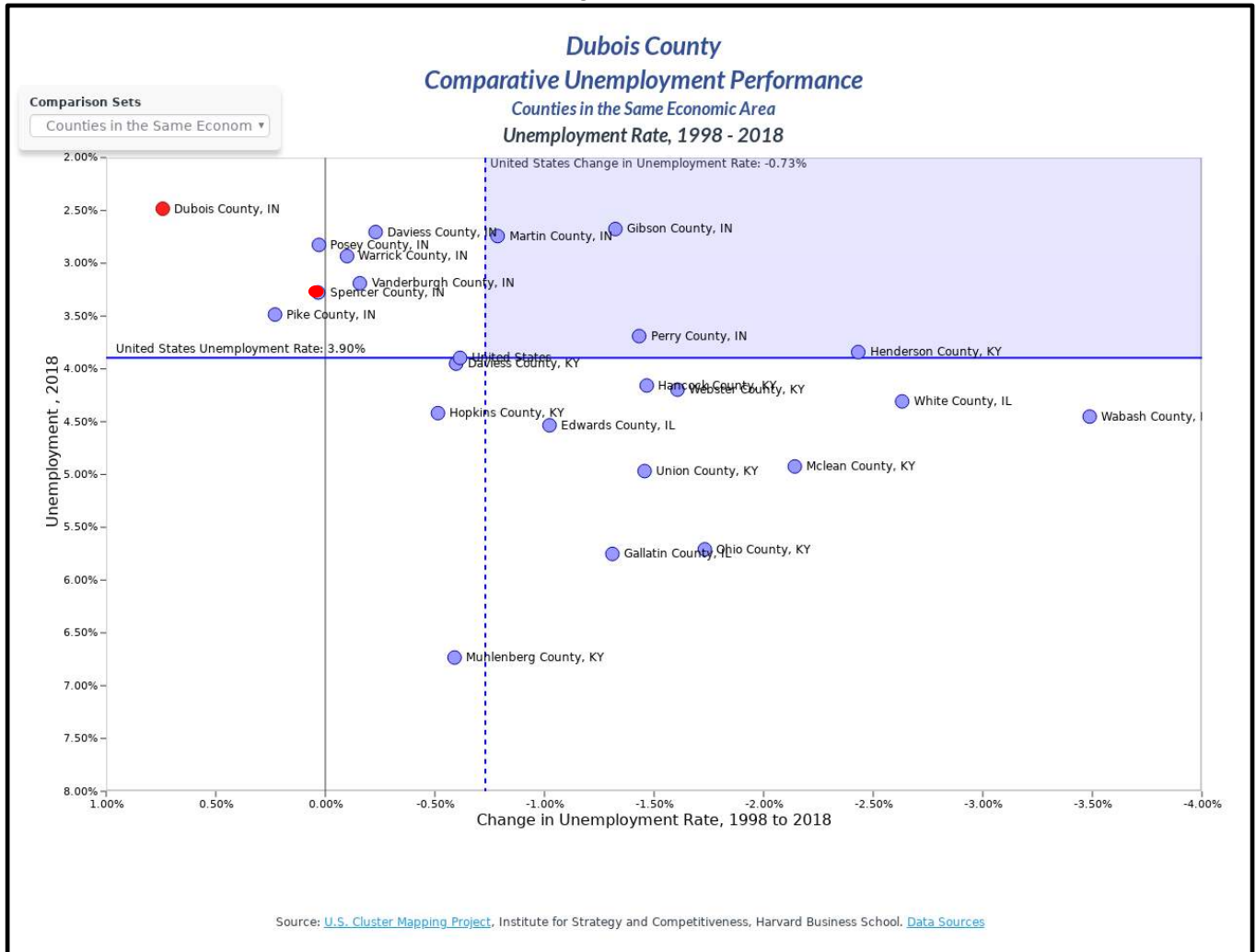
Due to the prevalence of agriculture in the Mid-States Corridor study area, most counties in the economic area report much lower employment numbers in the private sector. However, it is the rate of growth rather than the number of jobs that is relevant here. Over the 19-year period, the Mid-States Corridor study area lost 35,965 unique private sector jobs. This rate of decline is concerning for the region, and when compared to growth rates for employment across the country, the Mid-States Corridor study area ranks in the 73rd percentile.

Unemployment

Unemployment was similarly discussed previously in Chapter 2 of this report but will be revisited here with additional regional context. HSP analyzed data related to unemployment in Dubois County from 1998 to 2018. In 2018, Dubois County reported an unemployment rate of 2.48 percent, which has stayed relatively steady over the twenty-year-period, with a growth rate of less than one percent. Spencer County reported a slightly higher unemployment rate for the same year, at 3.28 percent.

The following figure shows the Comparative Unemployment Performance of Dubois and Spencer County when compared to counties in the same economic area.

Figure 4-5



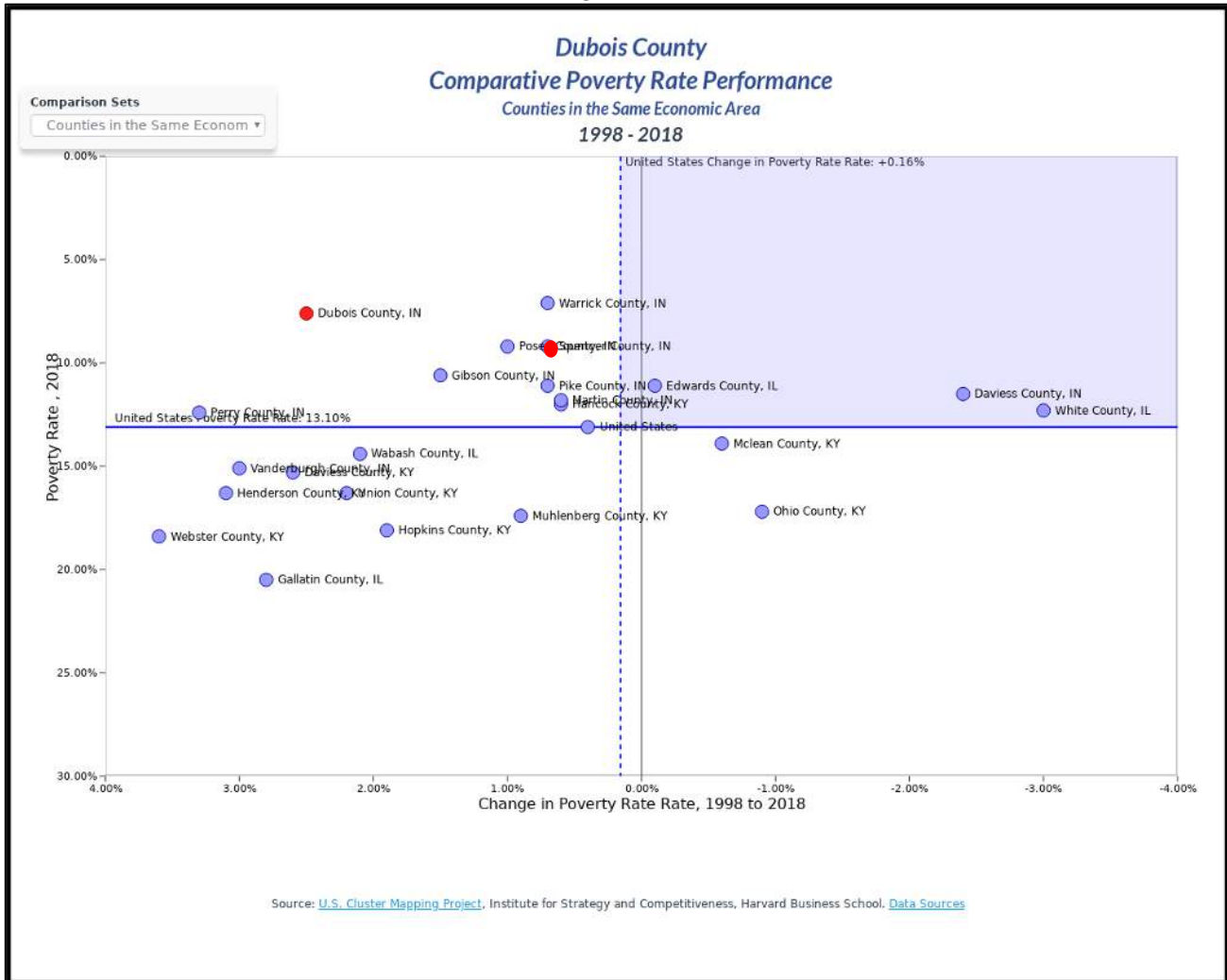
As shown, Dubois County has the lowest rate of unemployment when compared to other counties within the economic area. Additionally, as of 2018, Dubois County's rate was lower than the national average of 3.9 percent. Spencer County also has a rate lower than the national average, however, Spencer County's rate has stayed stable while Dubois County's is one of only two counties whose unemployment rate has grown over time, the other being Pike County.

Poverty Rate

HSP analyzed data related to the poverty rate in Dubois and Spencer counties from 1998 to 2018 relative to other counties in the economic area. In 2018, Dubois County reported a poverty rate of 7.6 percent, which increased by 2.5 percent over the twenty-year-period. Spencer County reported a poverty rate of 9.2 percent for the same period.

The following figure shows the comparative poverty rate performance of Dubois and Spencer counties when compared to counties in the same economic area.

Figure 4-6



As shown, in addition to having a much lower rate of poverty than the national average of 13.1 percent, Dubois County has one of the lowest rates among the economic area. The only county within the economic area that has a lower rate of poverty is Warrick County, Indiana, with a rate of 7.1 percent. However, the scatterplot shows that ten of the counties within the area are trailing the national average, with Gallatin County, Illinois having a staggering rate of 20.5 percent. Although unemployment levels were low as of 2018, the chart also shows that Dubois County's poverty rate is growing, and at a rate slightly higher than that of its neighboring counties.

Spencer County's poverty rate is also growing, though at a much lower rate than that of Dubois County, at just 1 percent. As shown, it has the fourth highest rate in the region.

Labor Force Productivity

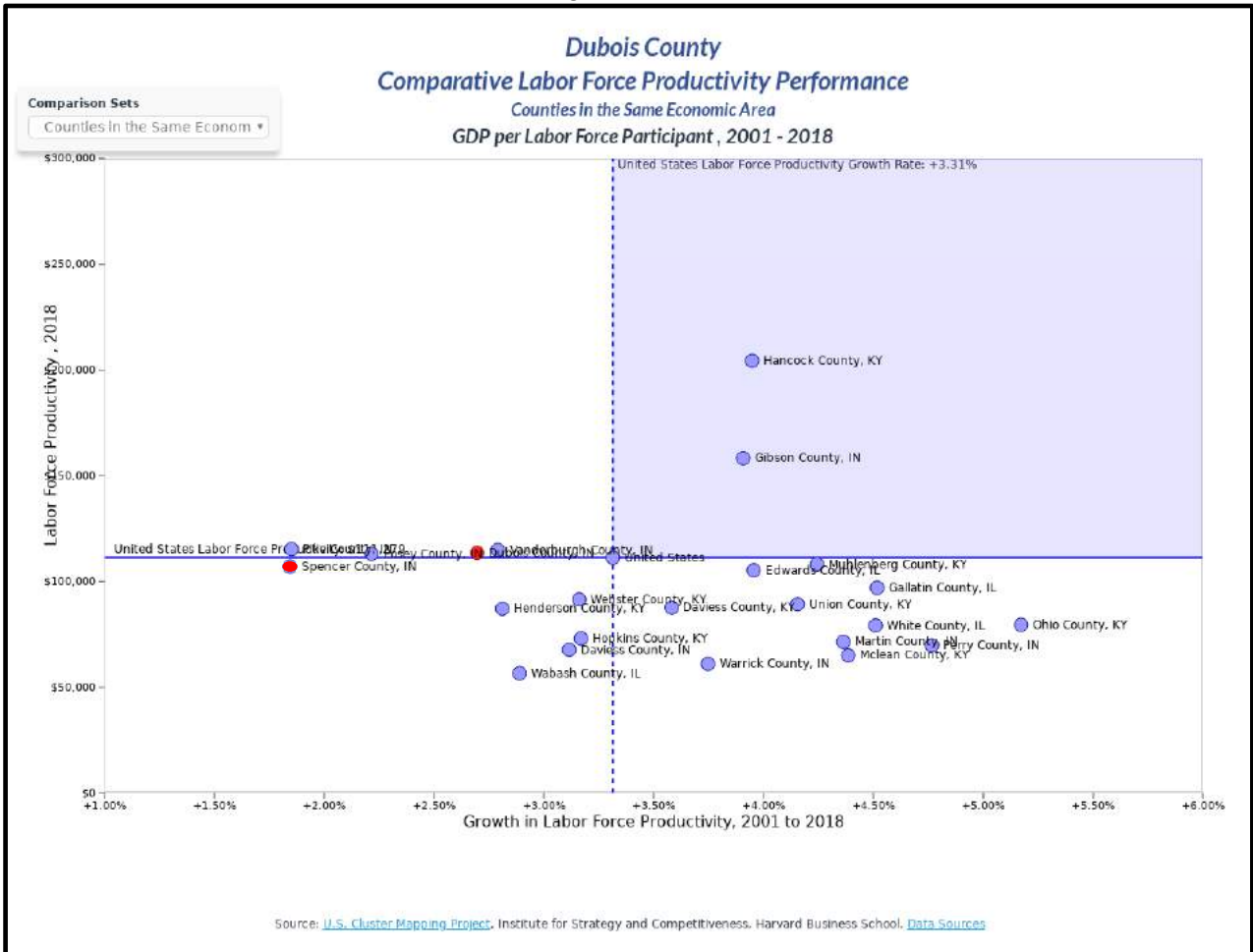
In addition to the six main outcomes used by the U.S. Census Bureau to determine performance, there are additional intermediate outcomes that can help give context to this data. The intermediate outcome most relevant to this study is that of labor force productivity, which measures the GDP per participant in the labor force.

In 2018, Dubois County had a GDP of \$113,601 per labor force participant, which is ranked in the 20th percentile nationally. This is a major improvement since 2001, when Dubois County ranked in the 98th percentile. The growth rate over the period was 2.7 percent.

Spencer County, during the same period, had a GDP of \$57,843 per labor force participant, which put the county in the 85th percentile nationally. Since 2001, the GDP of Spencer County has grown 2.14 percent.

The following figure shows the comparative labor force productivity performance of Dubois and Spencer counties when compared to counties in the same economic area.

Figure 4-7



As shown, both Dubois and Spencer county's GDP per labor force participant are very close to the national average of \$111,279. Most other counties in the same economic area fall short of the average. Additionally, Spencer County's labor force productivity is growing at a rate faster than the national average and most neighboring counties, outpaced only by Pike and Posey Counties. Dubois County is also growing faster than the national average, at a rate that is ranked fourth among the peer counties.

Dubois County Business Environment

Another key driver of regional economic performance is the quality of a region's business environment, which is shaped by policy and firm behavior. Factor input conditions for assessing business environment include R&D Expenditure per capita, federal funding for R&D per capita, and various indicators of academic performance. As general education statistics were explored in Chapter 2, this section will focus primarily on scientific and technical degrees and workers.

At a state level, context for firm strategy and rivalry can be assessed by examining unionization, taxes as a percentage of GDP, and corporate taxes as a percent of GDP.

For Dubois County specifically, cluster strength of supporting industries will be assessed by looking at the percent of traded employment in strong clusters and at the manufacturing intensity in the county.

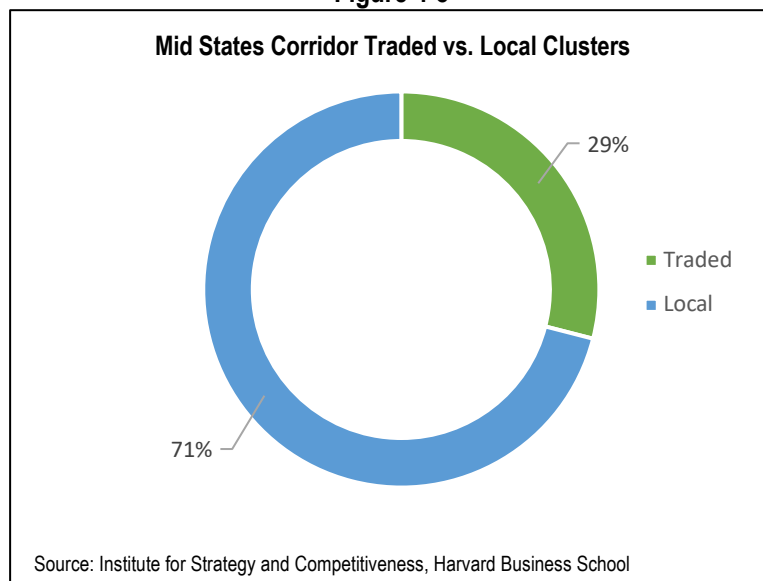
Mid-States Corridor Industry Clusters

In order to assess the cluster portfolio, HSP grouped the twelve relevant counties into one economic region, which will be referred to as the Mid-States Corridor to see how the region as a whole is performing. Every regional economy has its own distinct portfolio of clusters. This section will illustrate the strongest traded clusters in the region, as well as its top performing traded and local clusters. A strong cluster is one that has high employment specialization in a given region.

Traded clusters are groups of related industries that serve markets beyond the region in which they are located while local clusters serve the local market. These local clusters are prevalent in every region of the country, regardless of the competitive advantages of a certain region. As such, this section will focus primarily on the traded clusters in the Mid-States Corridor Region, as these industries will be the most impacted by a change in transportation infrastructure.

The following chart illustrates the distribution of local and traded clusters in the twelve-county, Mid-States Corridor study area.

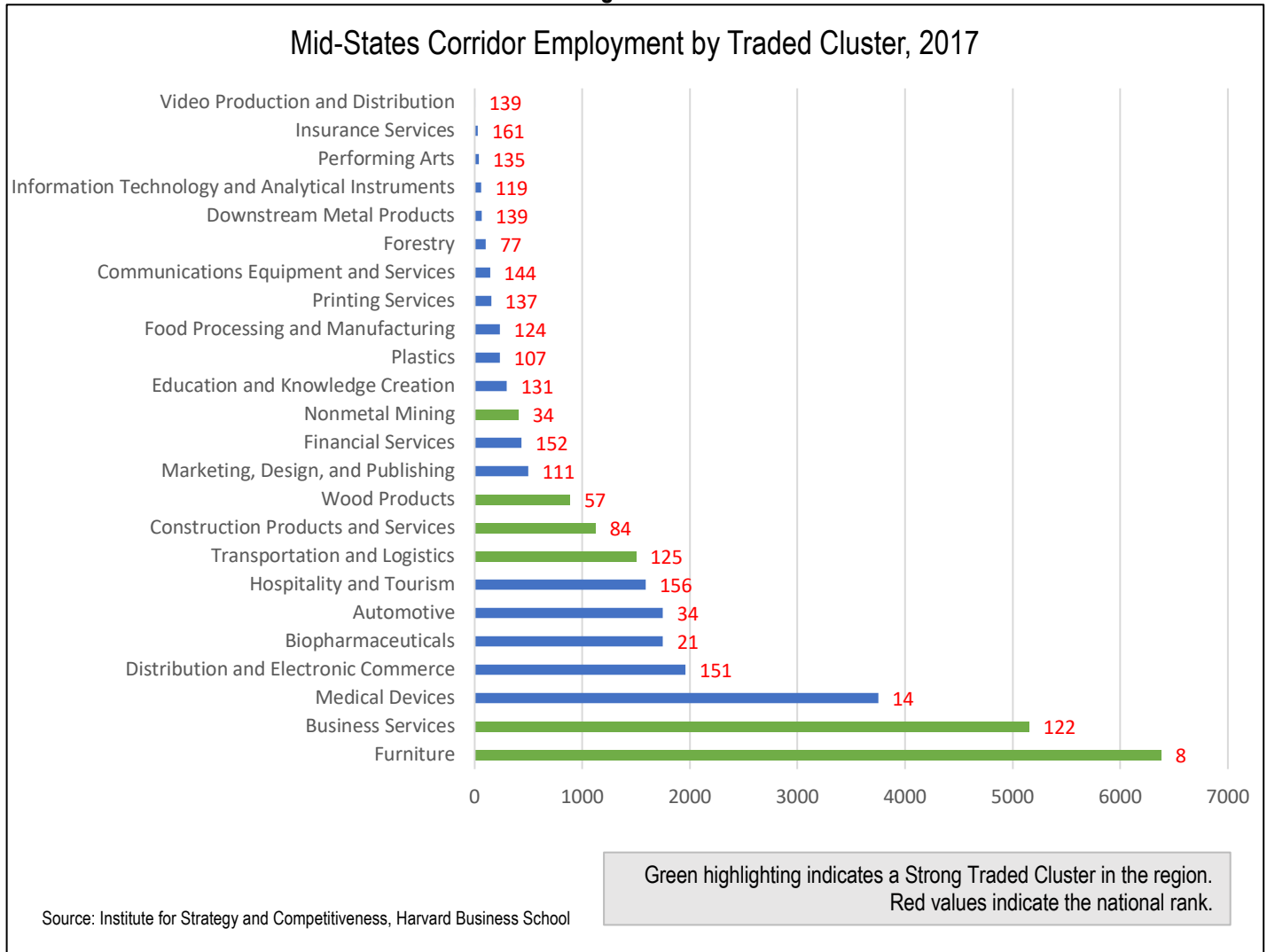
Figure 4-8



As shown, 29 percent of the industry clusters within the Corridor are traded and serve markets outside of the region and state.

The following chart illustrates the Mid-States Corridor private employment by traded cluster based on the most recently available data.

Figure 4-9



As shown, the Mid-States Corridor study area has six strong traded clusters, including furniture, nonmetal mining, wood products, construction products and services, business services, and transportation and logistics. This strength is not determined by number of employees, but by the employment specialization and U.S. rank. Nearly all of the strong traded clusters rely heavily on the transporting of goods and supplies. The following section will explore each of these top six clusters in greater detail.

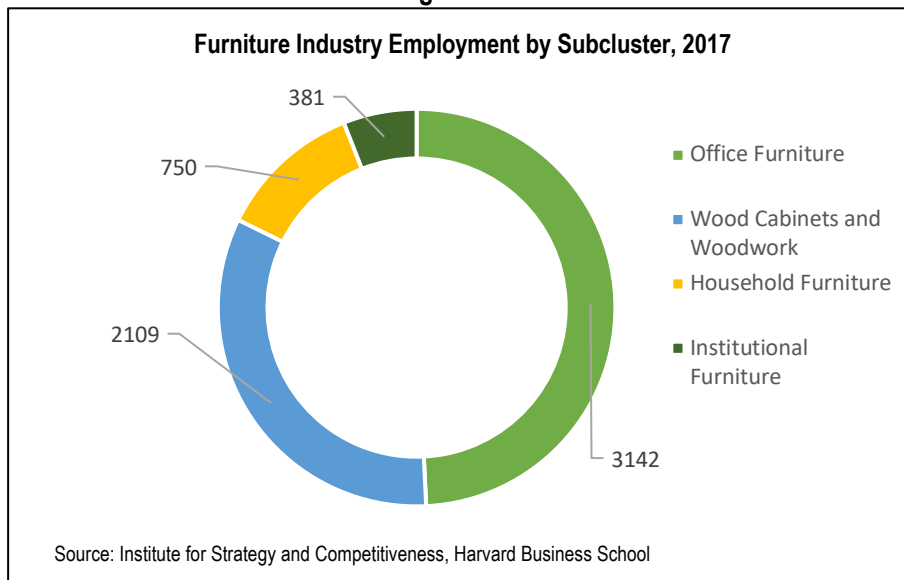
Furniture

The furniture industry is the largest traded cluster in the Mid-States Corridor study area in terms of number of employees. As of 2017, the industry employed an estimated 6,382 workers and ranks eighth in the United States. The average annual wage for an employee in the furniture industry was \$37,391 in 2017, which was slightly less than the national average of \$40,927.

The furniture industry cluster can be broken down further into four subclusters including wood cabinets and woodwork, institutional furniture, office furniture, and household furniture.

The following chart shows employment in the furniture industry by subcluster.

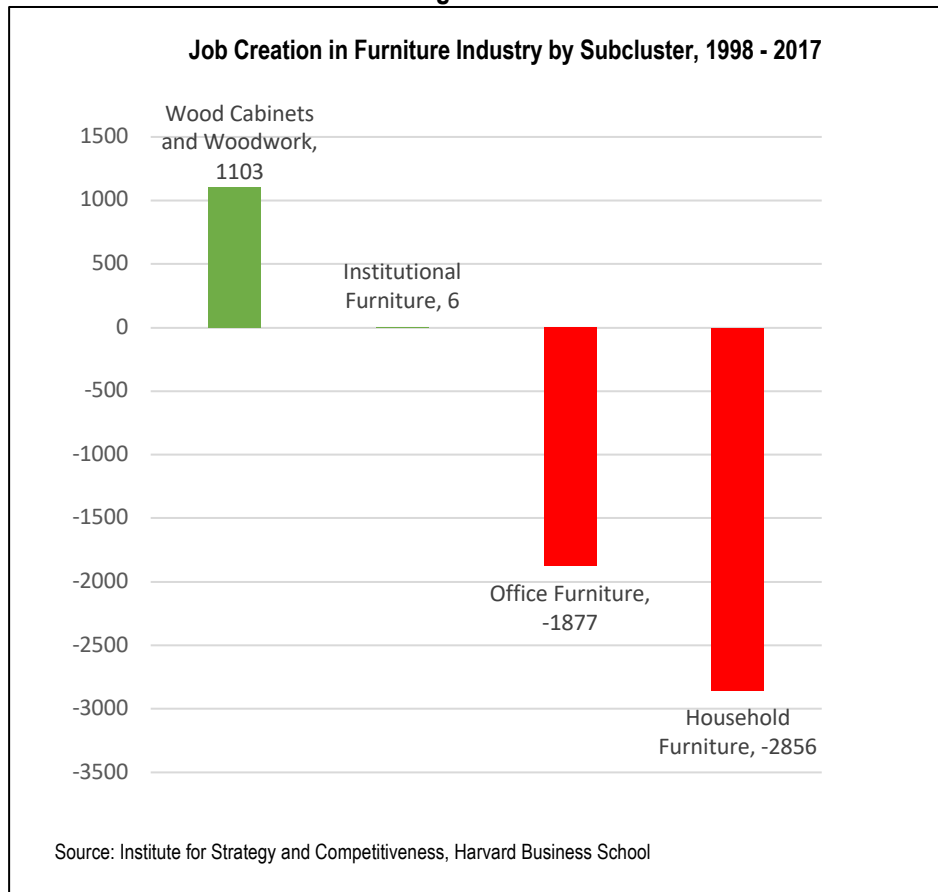
Figure 4-10



Industries that have a high concentration, but low employment growth are considered mature industries in the region, meaning that they have a stronghold but have not recently experienced any significant growth.

The following chart shows the jobs created in the furniture industry by subcluster.

Figure 4-11



Over 1,000 new jobs in manufacturing wood cabinets and woodwork were created over the 19-year-period from 1998 to 2017. However, many jobs in the office and household furniture subclusters were eliminated.

The net job creation for the furniture industry cluster in the Mid-States Corridor study area over the period was a loss of 3,624 unique positions. Some of this decline may be due to changes in global supply patterns, which have caused manufacturing to be integrated into transportation and warehousing industries. However, some of the decline may be attributed to regional challenges in workforce attraction or retention.

HSP spoke with industry stakeholders and local businesses to get a sense of the changing trends in the industry. These discussions suggested that attraction and retention is more challenging in the Mid-States Corridor due to a lack of access to the area. High commute times limit the region from which local furniture manufacturers are able to attract employees.

Cluster growth of industries often progresses in a web-like pattern, as related industries locate near to one another. These clusters of interconnected industries that are linked through the buyer-supplier relationship, share common resources and technologies, depend on similar labor pool and institutions, and rely on special infrastructure. The furniture industry cluster in the region is directly linked to another strong traded cluster in the area, wood products.

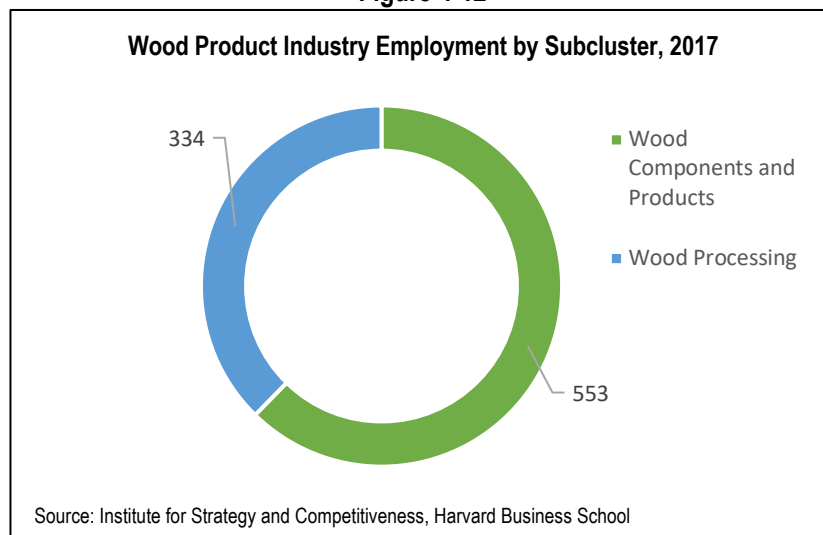
Wood Products

Though not a major employer in the region, the wood product industry is considered on the area's strong traded clusters because of the high employment specialization and concentration. The industry cluster ranks 57th in the country, and in the Mid-States Corridor study area is responsible for 887 jobs. The average annual wage for an employee in the furniture industry was \$32,520 in 2017, which was slightly less than the national average of \$41,959.

The wood product industry cluster can be broken down further into two subclusters including wood processing, and wood components and products.

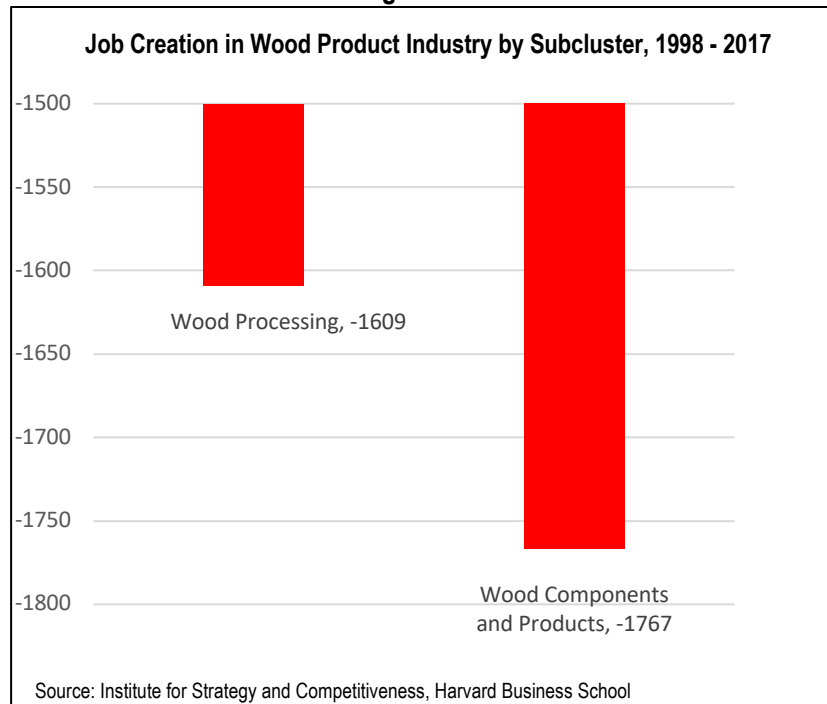
The following chart shows employment in the wood product industry by subcluster.

Figure 4-12



The following chart shows the jobs created in the wood product industry by subcluster.

Figure 4-13



The net job creation for the wood product industry cluster in the Mid-States Corridor study area over the period was a loss of 3,376 unique positions. Like the furniture industry, it is unclear if this decline is partially due to changes in global supply patterns and these jobs being absorbed into other industries. However, some of the decline may be attributed to regional challenges in workforce attraction or retention.

The wood products industry cluster has no linkages to other clusters besides the furniture industry cluster, which was previously discussed.

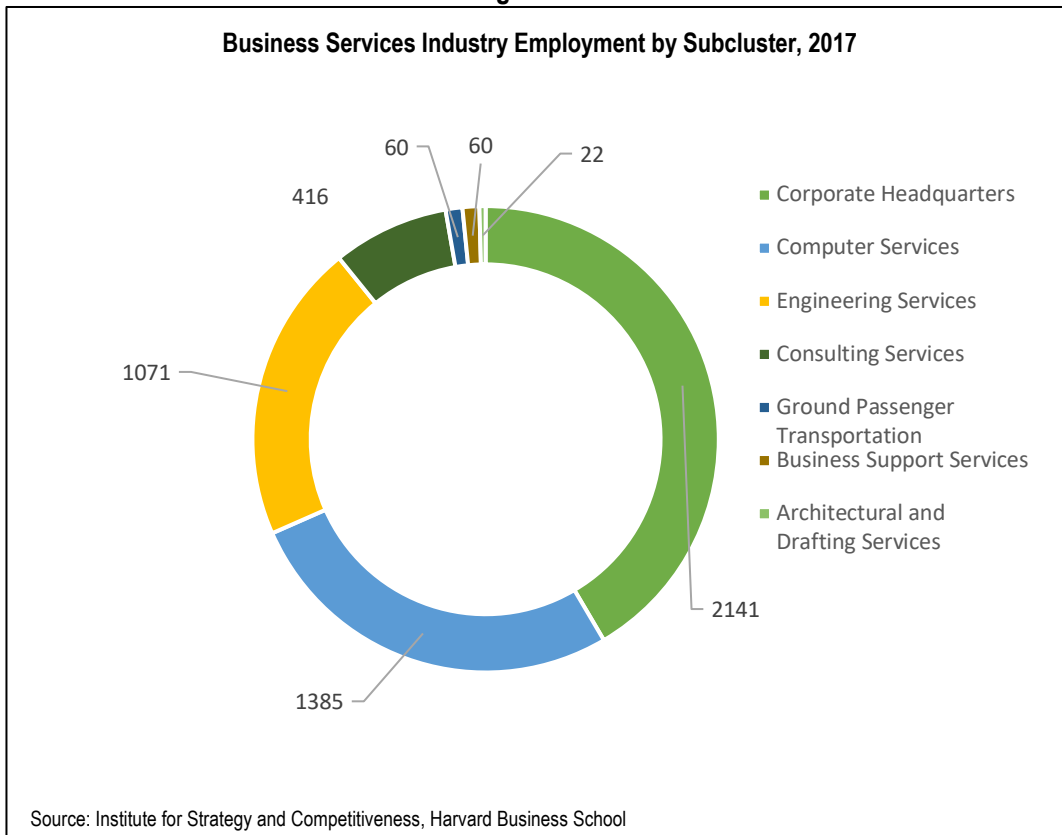
Business Services

The business services industry is the second largest strong traded cluster in the Mid-States Corridor study area. The industry cluster ranks 122nd in the country, and in the Mid-States Corridor study area is responsible for 5,155 jobs. The average annual wage for an employee in the furniture industry was \$77,592 in 2017, which was slightly less than the national average of \$81,961.

The business services industry cluster can be broken down further into seven subclusters including corporate headquarters, computer services, engineering services, consulting services, ground passenger transportation, business support services, and architectural and drafting services.

The following chart shows employment in the business services industry by subcluster.

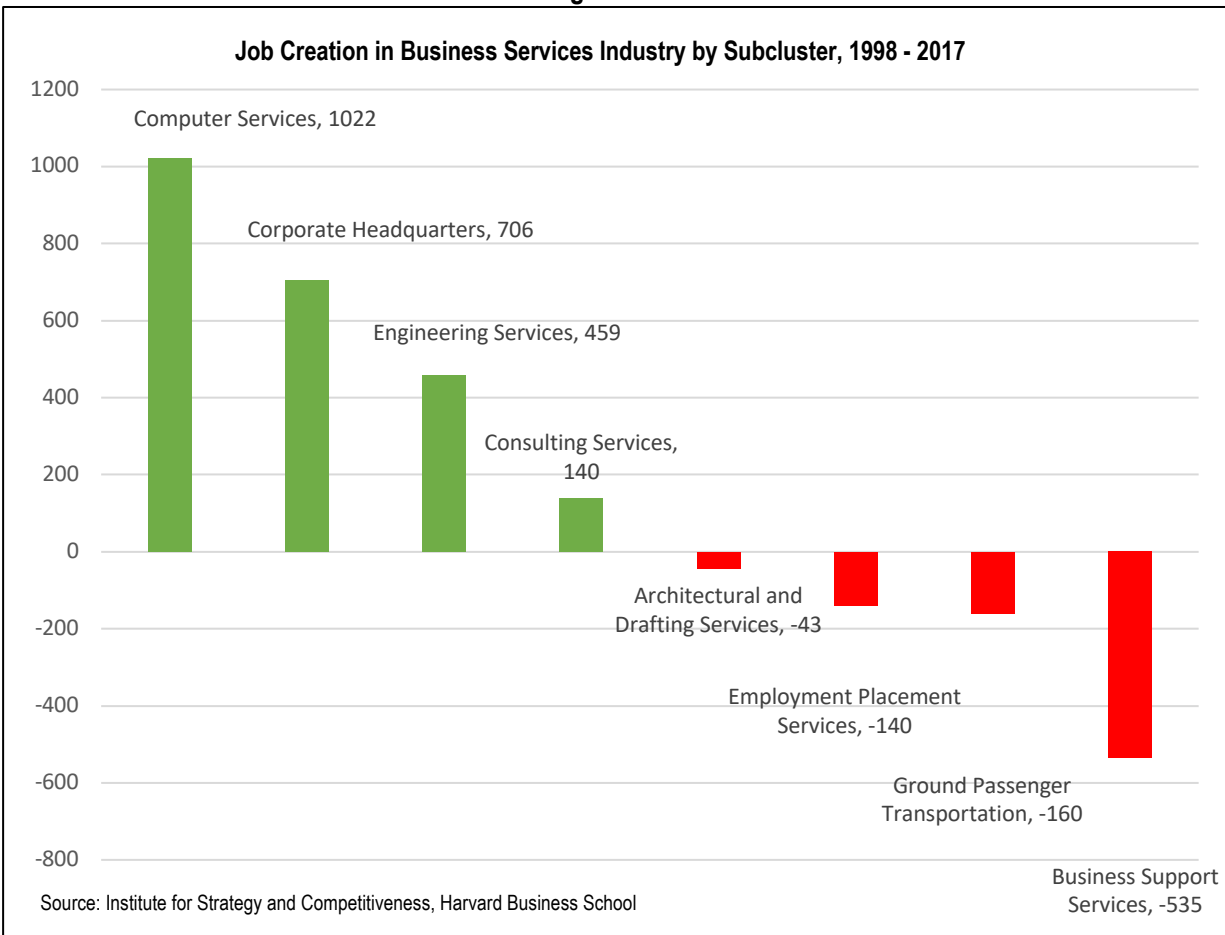
Figure 4-14



As shown, nearly half of the jobs within the Business services cluster are at corporate headquarters. Computer and engineering services are the next largest subclusters in the study area, with 1,385 and 1,071 employees respectively.

The following chart shows the jobs created in the business services industry by subcluster.

Figure 4-15

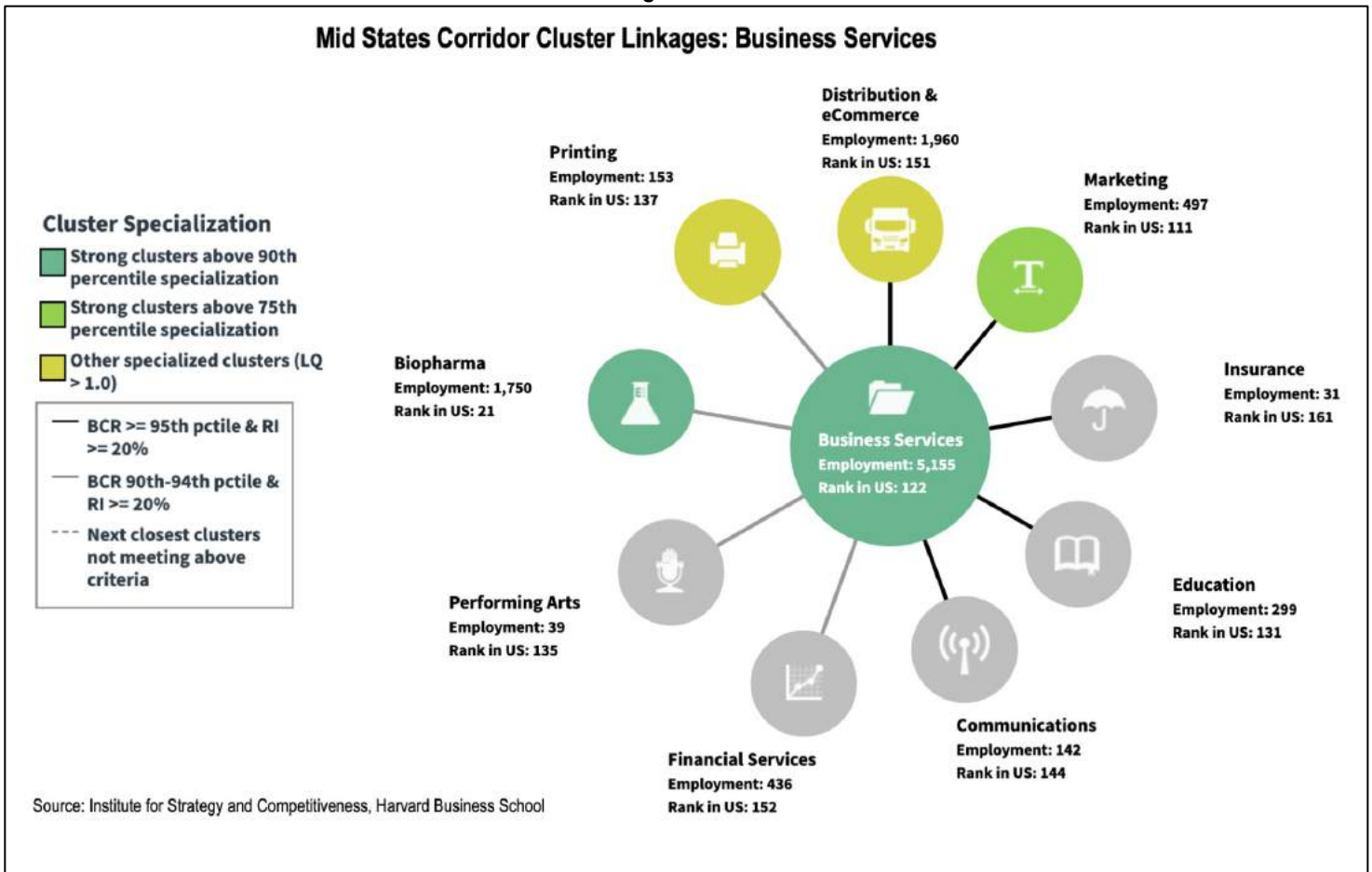


The top three subclusters within the business services industry have all experienced growth over the last two decades. The net job creation for the business services industry cluster in the Mid-States Corridor study area over the period was 1,449 new jobs.

Business services is a broad designation, and similarly, corporate headquarters as a subcluster could contain links to multiple industries depending on the corporation. As such, the cluster linkages for the business services industry will be especially crucial to understanding this industry and the relation of the Mid-States Corridor study area to the regional market.

The following figure shows the cluster linkage for the business services industry.

Figure 4-16



The business services industry cluster is linked to at least nine other industries, the strongest of which is the biopharma industry, which is ranked 21st in the U.S. and as of 2017 employed an estimated 1,750 people in the Mid-States Corridor study area. Other strong linked clusters include marketing, distribution & ecommerce, and printing.

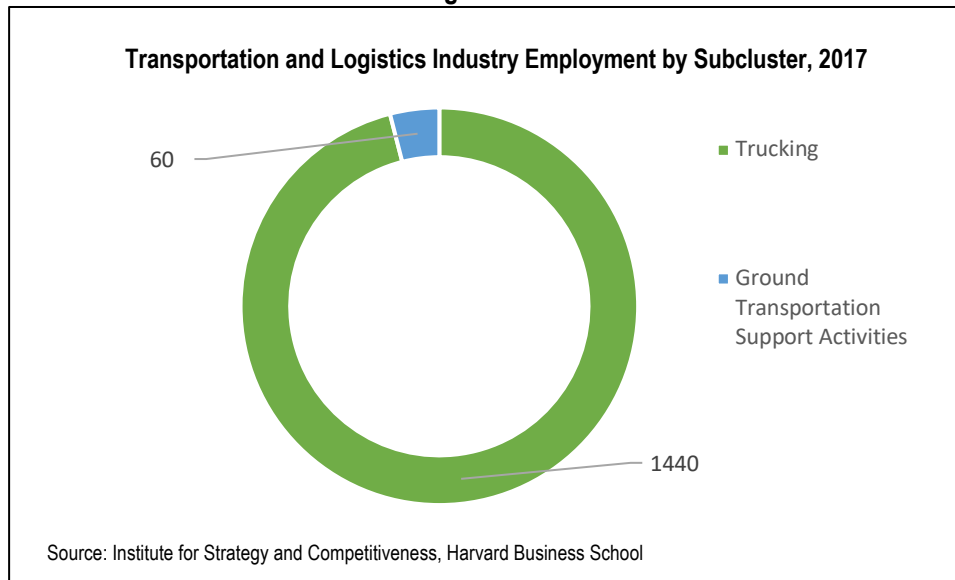
Transportation and Logistics

The transportation and logistics industry is the third largest strong traded cluster in the Mid-States Corridor study area. The industry cluster ranks 125th in the country, and in the study area is responsible for 1,500 jobs. The average annual wage for an employee in the furniture industry was \$46,983 in 2017, which was moderately less than the national average of \$57,844.

The transportation and logistics industry cluster can be broken down further into two subclusters including Ground Transportation Support Activities and Trucking.

The following chart shows employment in the transportation and logistics industry by subcluster.

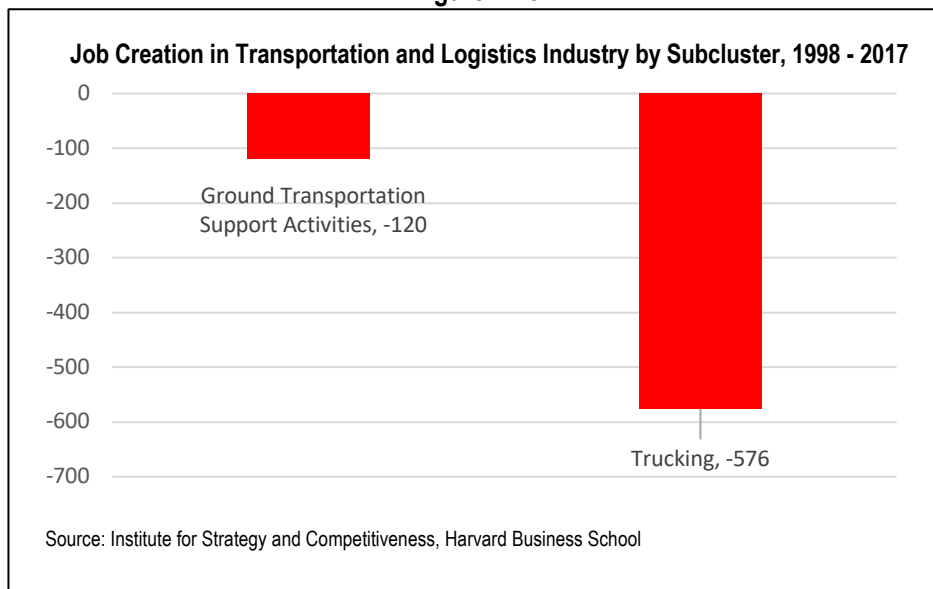
Figure 4-17



Nearly all of the jobs within the transportation and logistics cluster are in the trucking subcluster, which is impacted directly by infrastructure and highways developments in the area. As mentioned in previous sections, the strength of a cluster can be given more context by assessing whether the industry is mature, growing or in decline.

The following chart shows the jobs created in the transportation and logistics industry by subcluster.

Figure 4-18



The transportation and logistics industry shows the same pattern of moderate decline that has affected the other strong traded clusters in the region. The trucking subcluster has eliminated nearly 600 jobs over the last two decades. The net job creation for the transportation and logistics industry cluster in the Mid-States Economic Area over the period was a loss of 896 jobs. This cluster, perhaps more than any other in the area, would directly benefit from improved transportation infrastructure.

The cluster linkages for the transportation and logistics industry will be especially crucial to understanding this industry and its place within the Mid-States Corridor market. The transportation and logistics industry cluster is directly linked to the distribution & ecommerce cluster, which was previously discussed as a linkage to the business services industry. This cluster performs well in the Mid-States Corridor Economic Area, employing nearly 2,000 workers.

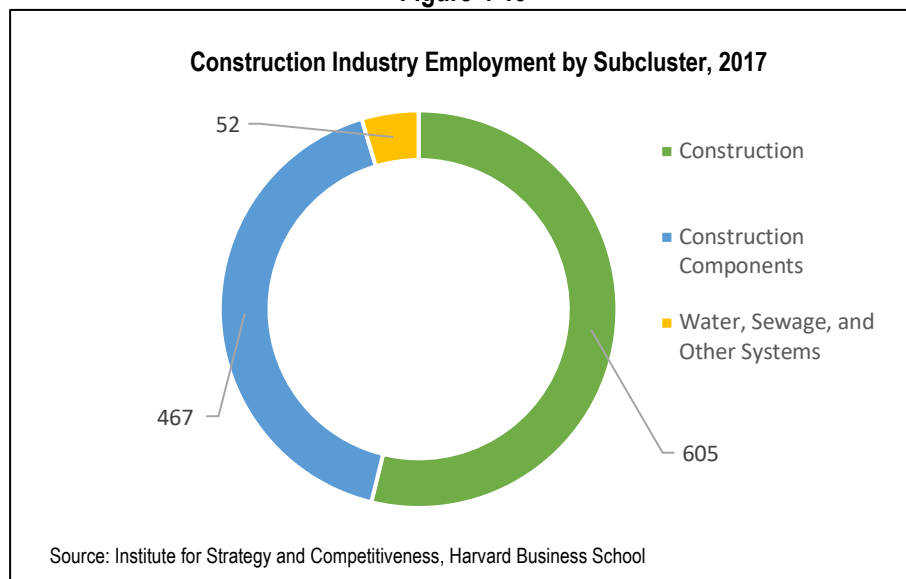
Construction Products and Services

The construction products and services industry cluster ranks 84th in the country, and in the Mid-States Corridor study area is responsible for 1,124 jobs. The average annual wage for an employee in the furniture industry was \$45,507 in 2017, which was significantly less than the national average of \$69,049.

The construction products and services industry cluster can be broken down further into three subclusters including construction, construction components, and water, sewage and other systems.

The following chart shows employment in the construction products and services industry by subcluster.

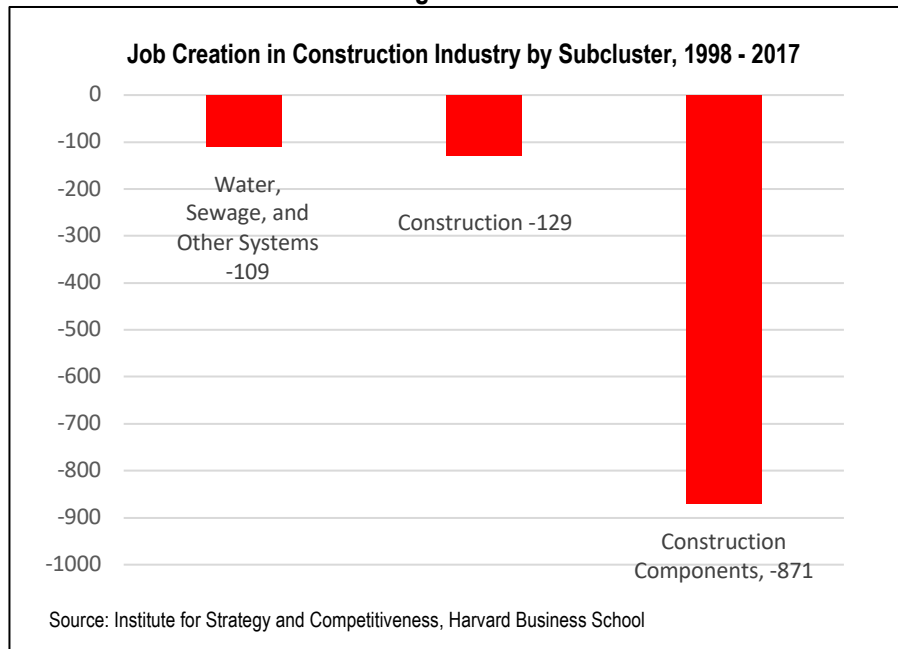
Figure 4-19



The construction products and services industry is primarily split between two nearly equal subclusters, construction and construction components. These industries have 605 and 467 employees, respectively.

The following chart shows the jobs created in the construction products and services industry by subcluster.

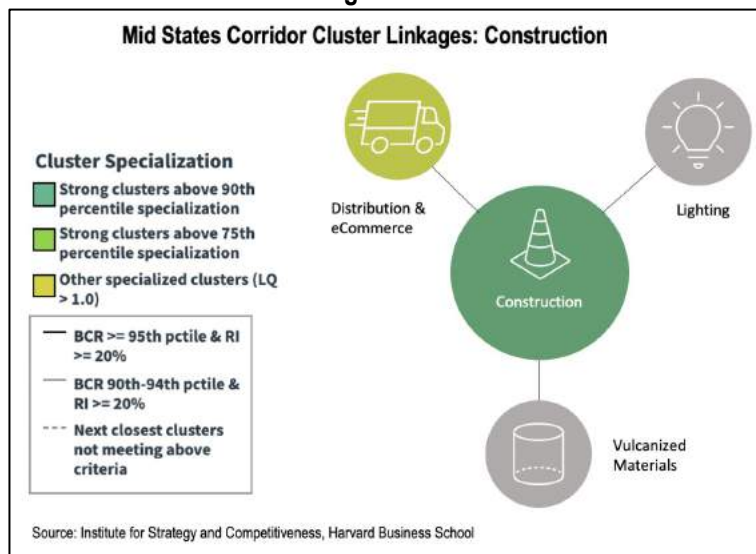
Figure 4-20



The construction products and services industry shows the same pattern of moderate decline that has affected the other strong traded clusters in the region. The construction components subcluster has eliminated nearly 900 jobs over the last two decades. The net job creation for the construction products and services industry cluster in the Mid-States Corridor study area over the period was a loss of 1,424 jobs, including now eliminated subclusters.

The following figure shows the cluster linkage for the business services industry.

Figure 4-21



The cluster linkages for the construction products and services industry will be especially crucial to understanding this industry and the relation of the Mid-States Corridor study area to the regional market. This industry cluster is directly linked to the distribution & ecommerce cluster, as well as the lighting and vulcanized materials industries.

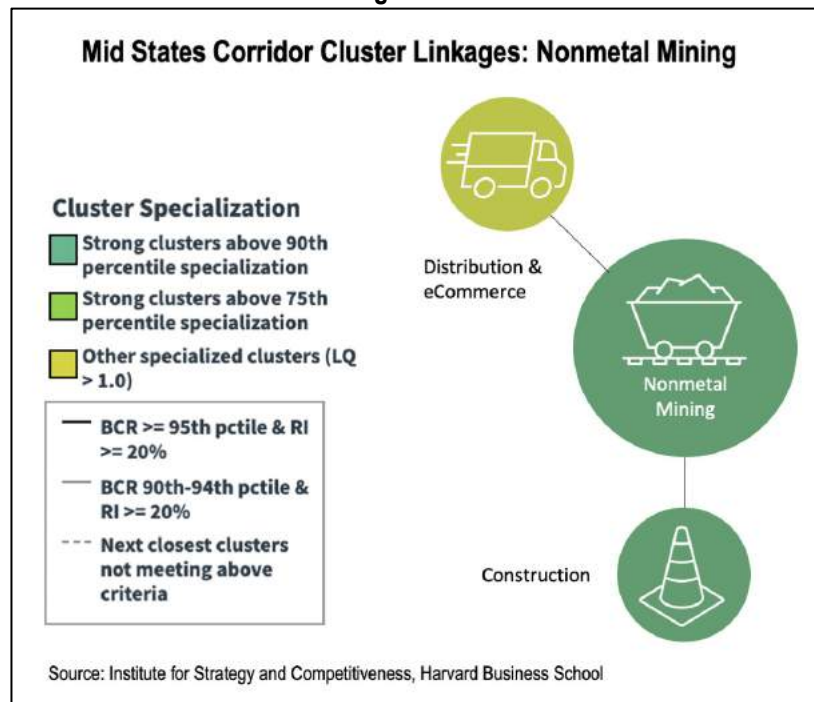
Nonmetal Mining

Though not one of the major employers in the region, the nonmetal mining industry is considered a strong traded cluster due to the specialization and concentration of the industry in the Mid-States Corridor study area. As of 2017, the industry employed an estimated 407 workers and ranked 34th in the United States. The average annual wage for an employee was \$48,643 in 2017, which was moderately less than the national average of \$62,627.

The nonmetal mining industry cluster is quite small, and therefore cannot be broken down into subclusters. The net job creation for this industry cluster in the Mid-States Corridor study area over the period was a loss of 38 unique jobs.

The following figure shows the cluster linkage for the nonmetal mining industry.

Figure 4-22



The cluster linkages for the nonmetal mining industry will be especially crucial to understanding this industry and its place in the regional and national market. The cluster is directly linked to the distribution & ecommerce

cluster, as well as the construction cluster. Both of these clusters are particularly strong in the region and depend heavily on transportation infrastructure.

Cluster Implications

- **The Mid-States Corridor study area is a major economic driver for Southern Indiana, and specifically Dubois and Spencer counties contribute to this significantly.** The performance can be measured by indicators directly related to the standard of living in a region, as well as intermediate indicators of economic activity that may or may not translate into a region's standard of living.
- **The Mid-States Corridor study area has six strong traded industry clusters, including furniture, nonmetal mining, wood products, construction products and services, business services, and transportation and logistics.** This strength is not determined by number of employees, but by the employment specialization and U.S. rank.
- **Nearly all of the strong traded clusters in the study area rely heavy on the transporting of goods and supplies. Improving the north-south movement through the area is crucial to maintain mature industry clusters and attract a workforce.**
- **With the exception of business services, all six strong traded clusters have experienced a moderate decline in job creation.** Over the last two decades, nearly 9,000 positions have been eliminated from the manufacturing, construction and transportation clusters.
- Some of this decline in jobs may be due to changes in global supply patterns, which have caused manufacturing to be integrated into transportation and warehousing industries. However, **some of the decline may be attributed to regional challenges in workforce attraction or retention.**
- **The proposed Mid-States Corridor Project is anticipated attract the development of distribution centers, as well as additional manufacturers, which would have a significant impact on the local economy and employment.**

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STAKEHOLDER FEEDBACK AND PUBLIC SURVEY

Any major infrastructure project, particularly ones that relate to transport, will impact the residents who live, work, and play in the Project area. Interviewing residents, government officials, and major employers can provide meaningful context to how the project will impact an area's economics, its ability to attract and retain a workforce, and to provide quality of life enhancements for those residents.

In order to collect this feedback, HSP provided an online survey that was circulated to members of the public that had a personal stake in the Mid-States Corridor Project, conducted virtual and phone interviews with representatives of many local and regional businesses for this project. 98 responses were received from residents for the public survey. In addition, a list of contacts was provided by the Client of key stakeholders, local government officials, and business owners and representatives. The cumulative feedback is a solid representation of the needs and expectations of the market.

The details of the survey as well as the interviews with key stakeholders is described in this chapter. The anecdotal evidence supplied by major employers was supplemented using geofencing data to analyze labor force commutes.

Key Stakeholder Interview Results

HSP conducted a number of interviews to help determine the potential need for and benefits from the proposed Mid-States Corridor Project. Stakeholders included local government officials, representatives from local Chambers of Commerce, business owners and representatives, and representatives from higher education and medical institutions. As the scope of this report was restricted to benefits to Dubois County, most of the stakeholders were located within that focused area.

This section summarizes our findings and suggestions based on interviews and other primary and secondary research. The findings drive the implications and the recommendations for the Project.

Local Government

Interview participants at the local government level included County Commissioners, City Managers, as well as Chamber of Commerce and Economic Development staff. Highlights of these interviews are summarized below:

- The portion of US 231 that runs from the south part of Huntingburg to the north part of Jasper is prone to congestion, confusion and accidents. The road passes many residential areas and schools, which is a safety concern. There is major truck traffic, which can be hazardous for motorists and cyclists.
- The economic development of the area will rely on transportation, not just for Dubois County but for all of Southern Indiana.
- Dubois County is one of the most industrious locales in Indiana, yet there is limited access. There is a need for an improved connection to northern and southern markets.
- Population and net migration have been declining over the last two decades. There is brain drain in the region that could be alleviated through better access.

- Increased accessibility to the Indianapolis International Airport could improve the movement of goods and supplies, as well as improve the quality of life for residents.
- There is a lot of traffic that uses I-65 to get south, and these travelers could potentially be absorbed by a new north-south connection and travel directly south.
- There is tremendous benefit to industrial access as well as state tourism.

Major Employers

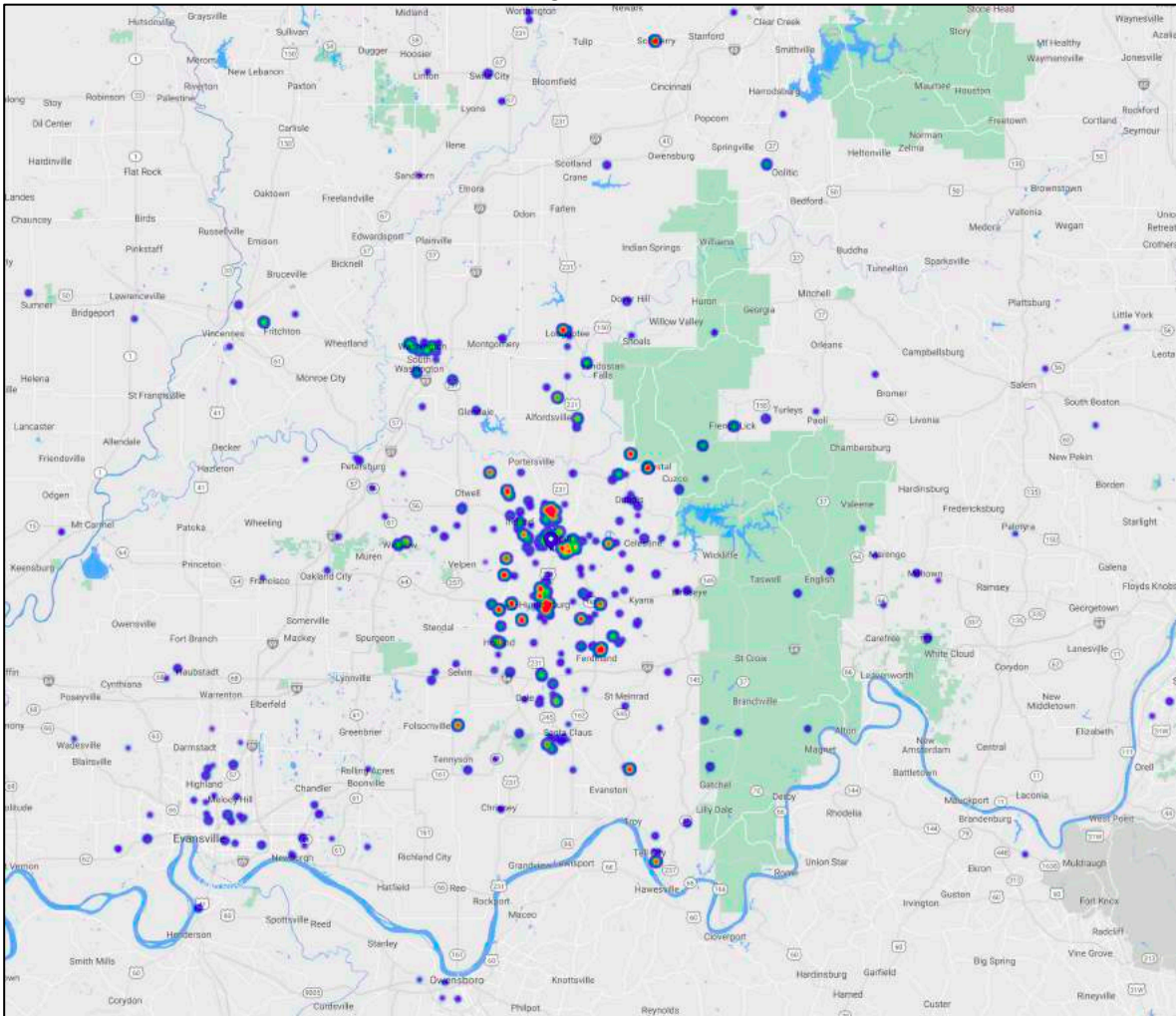
Interviews were held with major employers in the area to assess how the lack of a north-south connection impacts shipping and logistics, as well as workforce attraction and retention. In addition to anecdotal feedback from these key stakeholders, geofencing data was utilized to analyze current traffic patterns to these major corporate headquarters.

Jasper Engines

Jasper Engines, located in the City of Jasper, is the nation's largest remanufacturer of gas and diesel engines, transmissions, and other mechanical products. Jasper Engines started in Jasper in 1942, and though they now have 52 locations across the country, the corporate headquarters remains in Jasper. One of the largest employers in the area, Jasper Engines provides more than 2,300 jobs to Dubois County and the Mid-States Corridor region.

The following heat map illustrates the location and density of Jasper Engines employees.

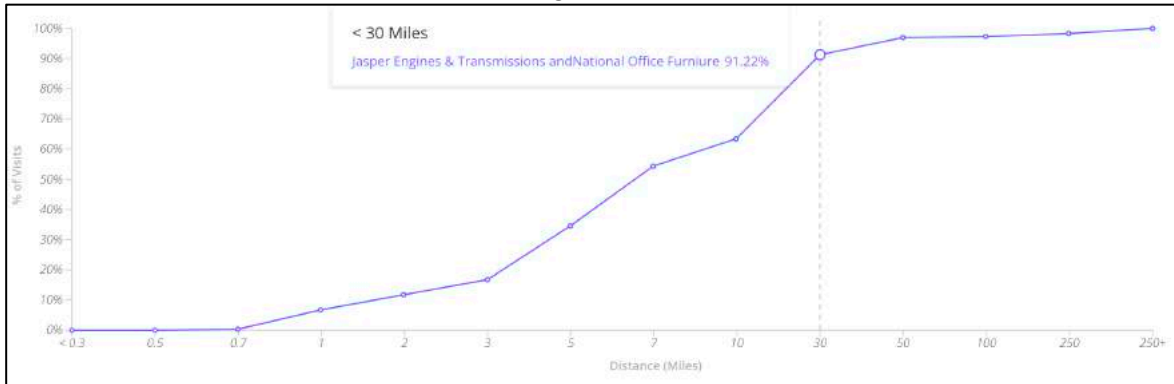
Figure 5-1



As shown, employees are most heavily clustered in the Dubois County area, but there are other pockets in Evansville, Logansport, and as far north as Worthington. Stakeholders cited that improved access to the Mid-States Corridor study area would increase access to talent in central and northern Indiana. Workforce housing is lacking in Dubois County, and the ability for employees to live in other parts of the state and still access Jasper efficiently and safely would increase the talent pool.

The following image shows the distance traveled by employees to Jasper Engines.

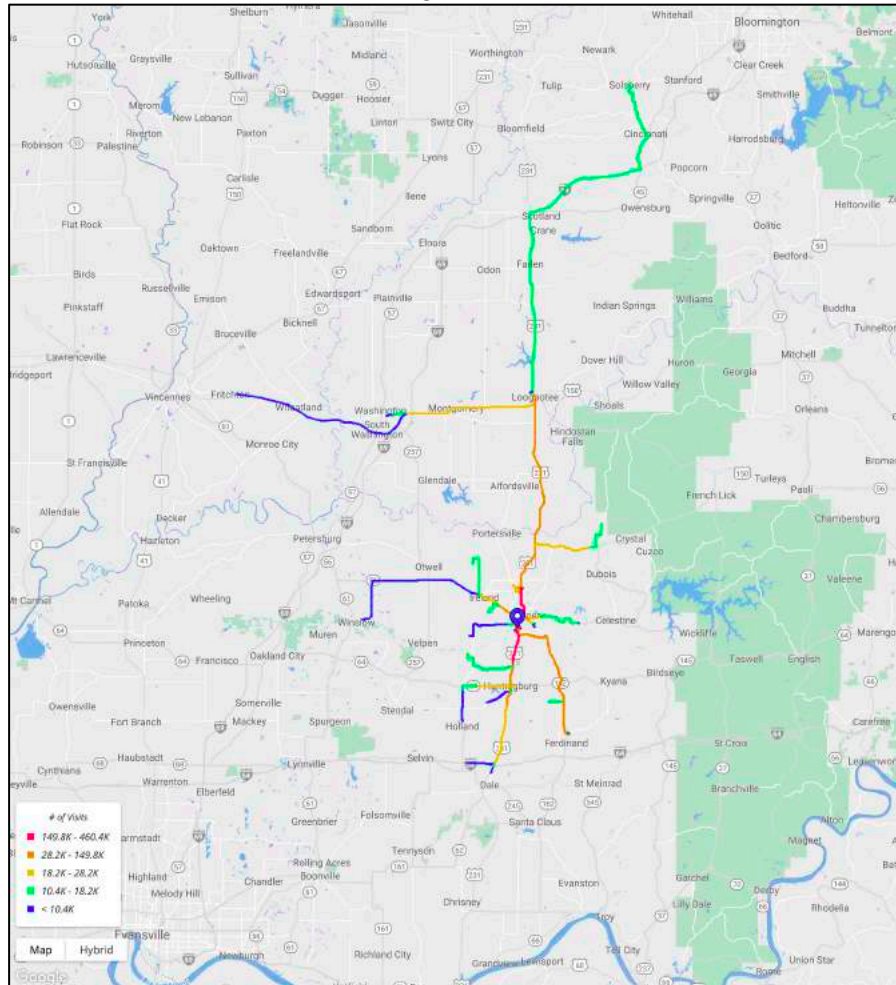
Figure 5-2



As shown, a total of 91 percent of employees reside within a 30-mile radius of Jasper Engines. Approximately 60 percent live within 10 miles and 30 percent between 10 and 30 miles. However, due to the conditions of the roads, distance can often be secondary to direction in determining the efficiency of a commute.

The following image illustrates the routes that employees took to Jasper Engines over a six-month period.

Figure 5-3



The color of the routes indicate the number of employees using that stretch of road to access Jasper. As shown, the north-south stretch of 231 from Loogootee to Dale is the most utilized route, as well as the northwest stretch of 162 from Ferdinand.

Kimball International

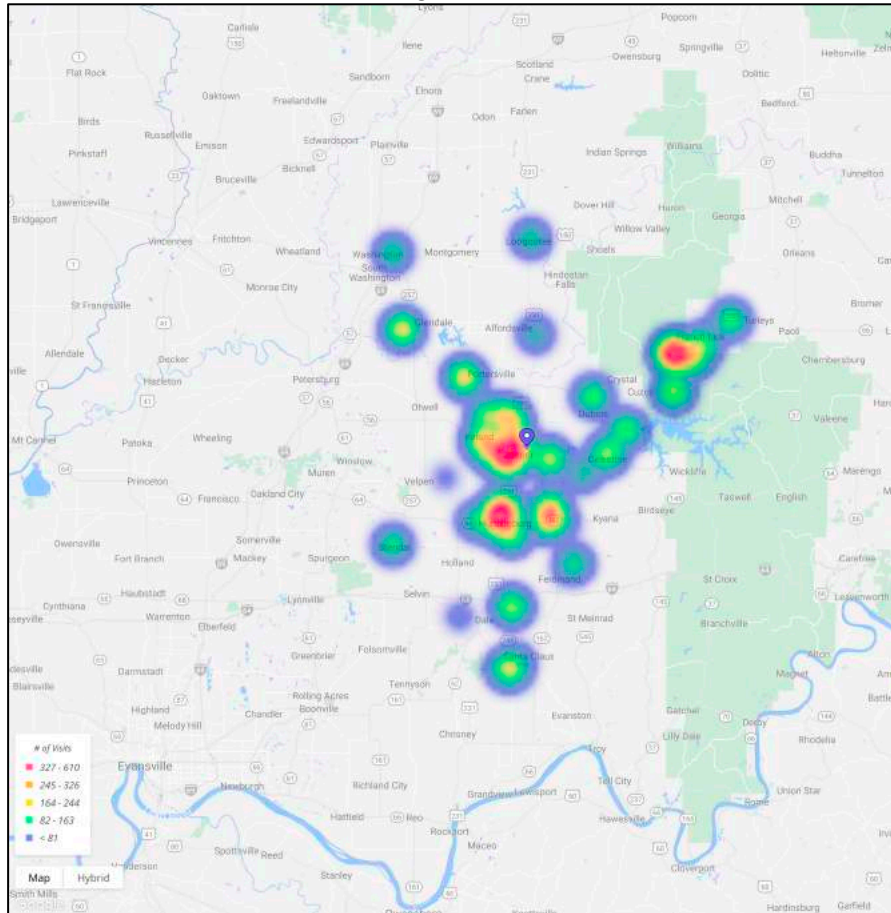
Kimball International, also located in Jasper, is a furniture manufacturing company that consists of three furniture brands: Kimball, National, and Kimball Hospitality. The company was formed following a merger with the Chicago-based Kimball Piano & Organ with The Jasper Corporation, which was founded in Jasper in 1959. The company is a major employer in the Dubois County and Mid-States Corridor region and is frequently recognized as a “Great Place to Work” and as one of the country’s “Best Big Companies”.

Kimball employs a total of 6,400 people across 10 locations. Locally, Kimball has 1,400 employees, a third of whom reside outside of Dubois County. The Jasper plants pull from Orange, Spencer and Pike Counties and even from as far as Davies and Martin County. Management reported that winter weather impacts the ability for

employees to get into work at times, especially if they are coming through Orange County on rural roads. Management also reported that before the Covid-19 pandemic, worker availability and attraction was the primary challenge for the company.

The following heat map illustrates the location and density of Kimball International employees.

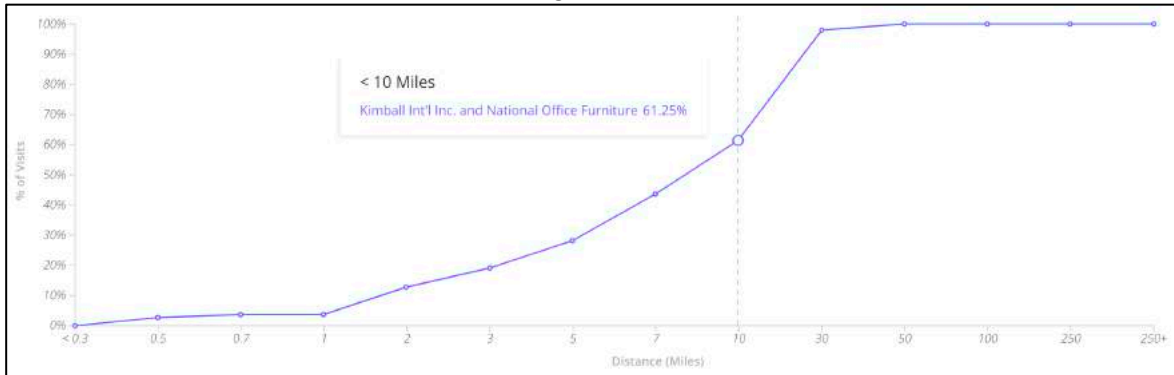
Figure 5-4



Geofencing data confirms management’s report that a large cluster of employees originate from Orange County, particularly around the French Lick area, which has limited access to the surrounding areas. Other hot spots include towns along the proposed Mid-States Corridor route, including Loogootee and Alfordville to the north, and Santa Claus and Dale to the south.

The following image shows the distance traveled by employees to Kimball International.

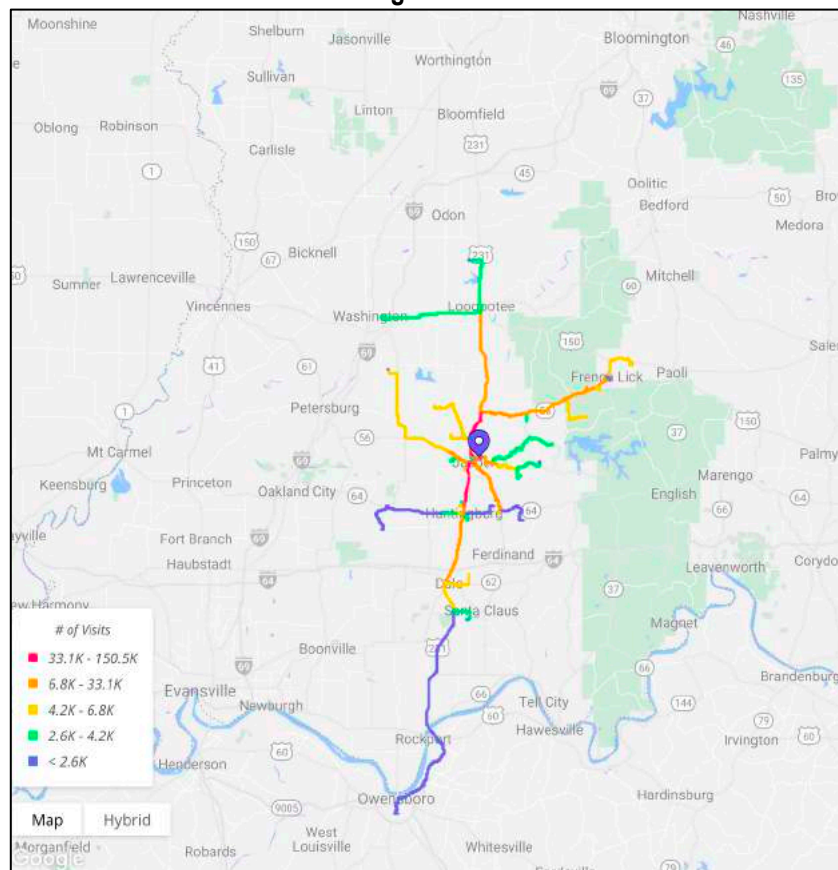
Figure 5-5



As shown, 61 percent of employees live within a 10 miles radius of Kimball International’s Jasper location. This data confirms managements estimation that a third of their labor force lives outside of the county. As mentioned previously, due to limited access and rural conditions in certain parts of the study area, distance is sometimes secondary to direction in the ability to attract talent to Dubois County for employment.

The following image shows the routes that employees traveled to Kimball International over a six-month period.

Figure 5-6



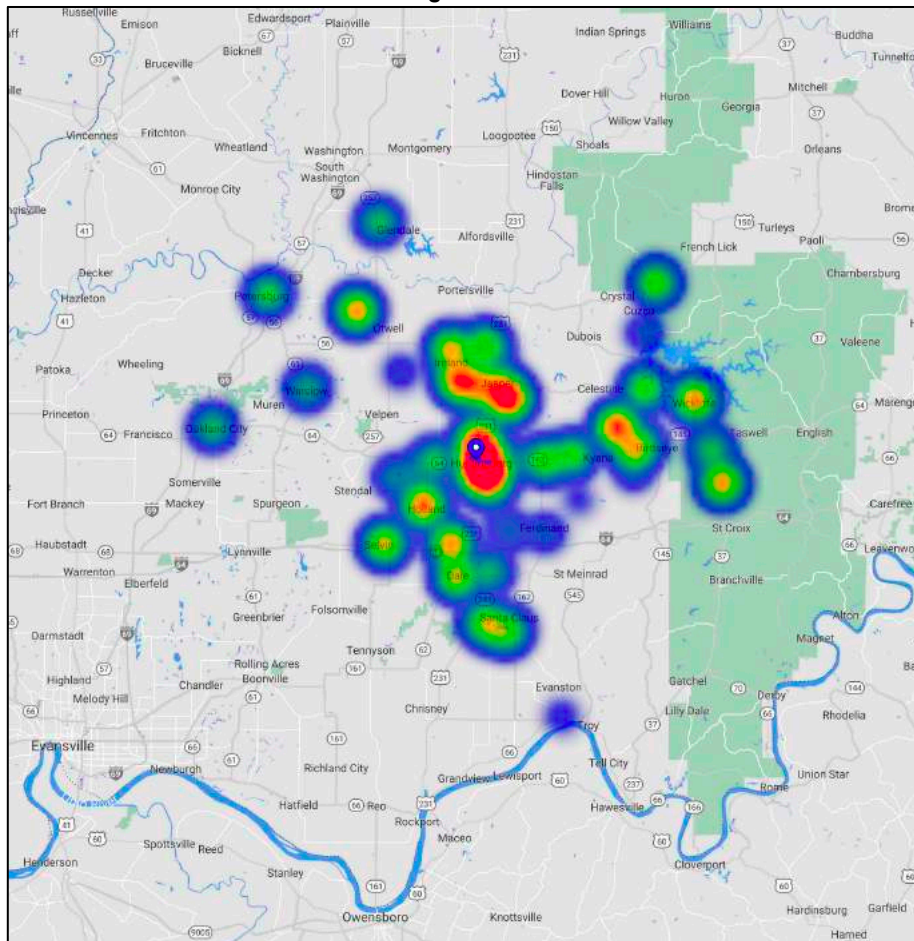
As shown, the most heavily traveled routes to Kimball International are the north-south stretch of US 231 from Loogootee in the north to Dale in the south, and from French Lick to the east.

OFS Brands

OFS Brands is a family-owned contract furniture manufacturer located in Huntingburg, Indiana. OFS Brands employs approximately 1,300 workers in the Mid-States Corridor area. Employment ranges from manual skilled labor in the manufacturing and assembly plant to administrative employees to trucking freight and supplies.

The following heat map illustrates the location and density of OFS employees, as well as employees of other Huntingburg-based industries.

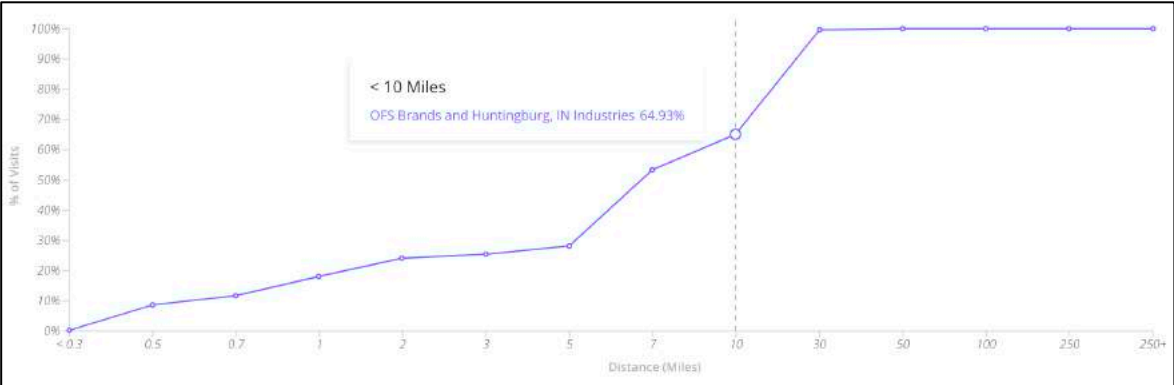
Figure 5-7



As shown, the majority of employees who work at OFS and other major Huntingburg employers are clustered around Jasper and Huntingburg in Dubois, Spencer and Orange County. However, OFS is also pulling in workers from Petersburg, Glendale, Winslow and Oakland City to the north and west.

The following image shows the distance traveled by employees to OFS and other industries in Huntingburg.

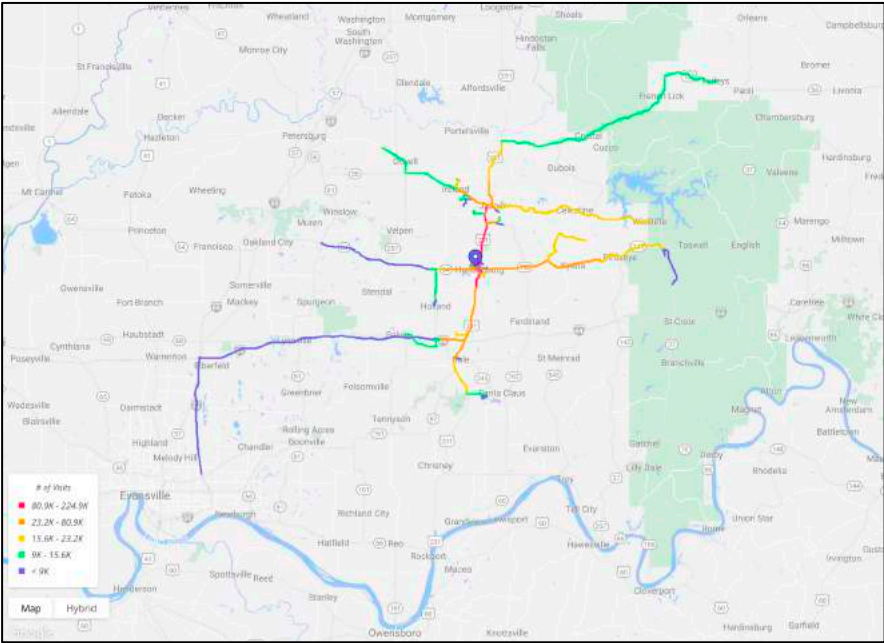
Figure 5-8



As shown, 65 percent of OFS employees live within a 10 miles radius of the Huntingburg location. As mentioned previously, due to limited access and rural conditions in certain parts of the study area, distance is sometimes secondary to direction in the ability to attract talent to Dubois County for employment.

The following image shows the routes that employees traveled to OFS Brands and other Huntingburg-based industry employers over a six-month period.

Figure 5-9



As shown, the most travelled routes for the Huntingburg workforce include the north-south leg of US 231 from Portersville to Santa Claus. Additionally, the routes in from Birdseye and Wickliffe to the east are heavily traveled, though commuters from Wickliffe also utilize US 231 as part of their route.

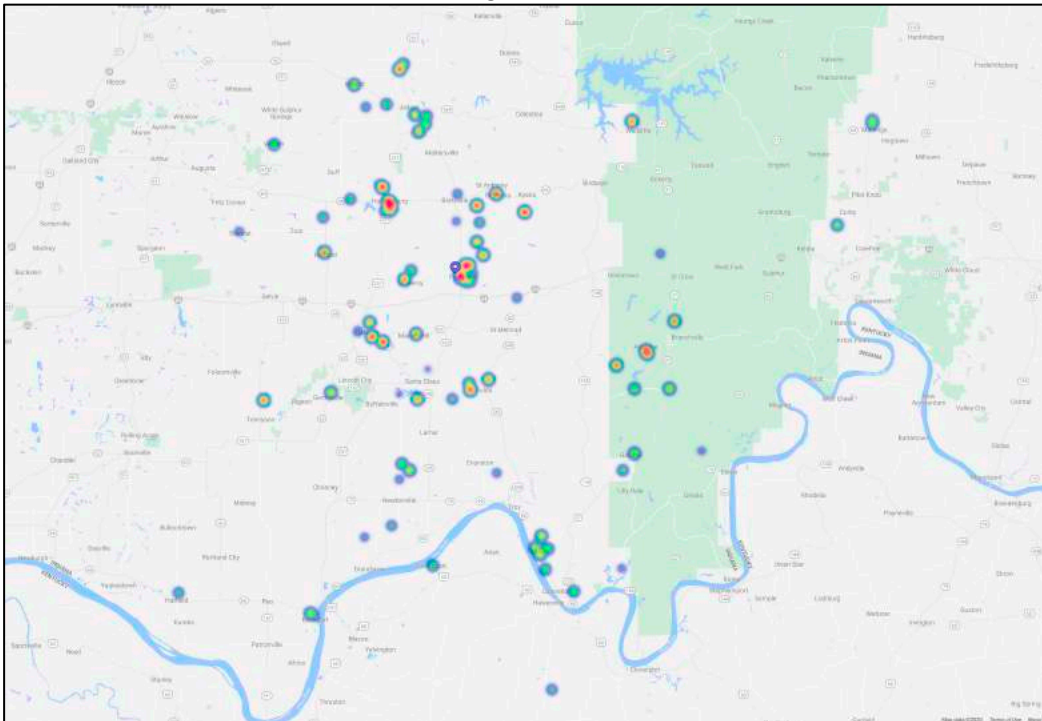
In total, the geofencing data estimates that a total of 3,100 employees are commuting to Huntingburg on an average of 3.6 times per week for industry employment, totaling over a half million visits annually.

Masterbrand Cabinets and Best Home Furnishings

Masterbrand Cabinets is a furniture manufacturing company that is headquartered in Jasper, with an operations plant based in Ferdinand, Indiana. Best Home Furnishings, another major employer and furniture company is also located in Ferdinand. Masterbrand Cabinets employs a total of 2,500 people across its locations, while Best Home Furnishings employs 800 people locally.

The following heat map illustrates the location and density of the Ferdinand workforce, which is heavily comprised of employees of MasterBrand and Best Home Furnishings.

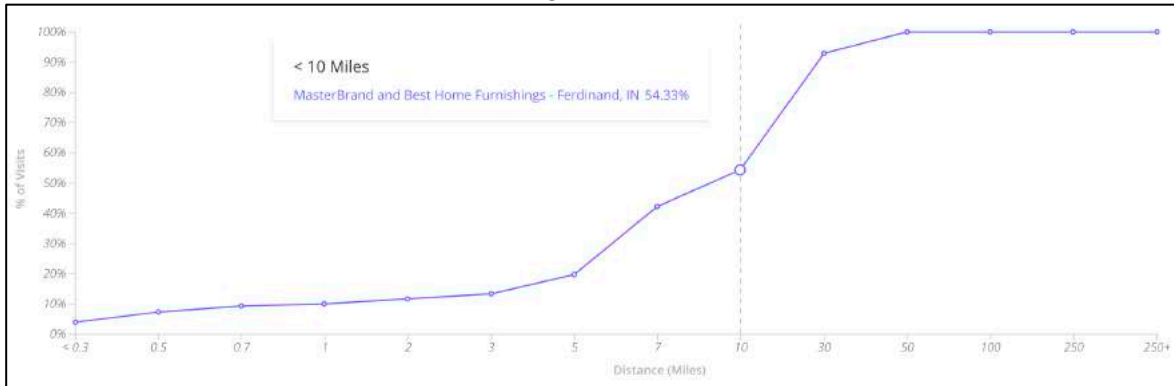
Figure 5-10



The Ferdinand workforce is more equally distributed across the Mid-States Corridor region, relative to the corporations headquartered in Jasper or Huntingburg. Ferdinand employees from MasterBrand and Best Home Furnishings come from all around the Southern Indiana region, with clusters in Dale, among others. Ferdinand currently attracts few employees from north of Jasper, though its workforce radius extends further south than industries in Huntingburg or Jasper.

The following image shows the distance traveled by employees to MasterBrand, Best Home Furnishings and other similar industry employers in Ferdinand.

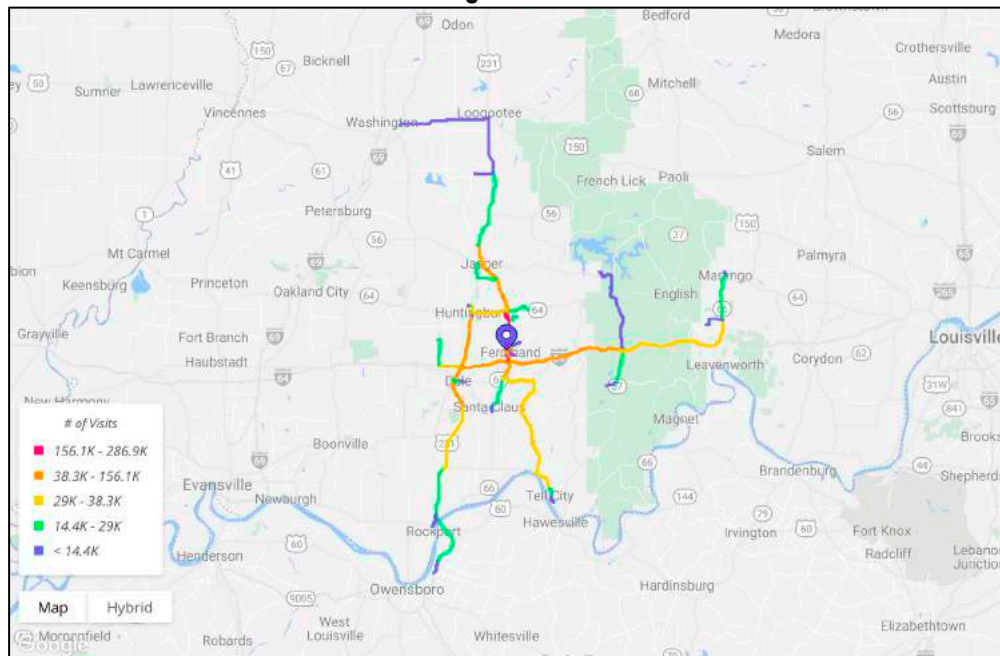
Figure 5-11



As shown, 54 percent of Ferdinand’s workforce lives within a ten-mile radius, while an additional 35 percent commute between 10 and 30 miles to work.

The following image shows the routes that employees traveled to MasterBrand and Best Home Furnishings over a six-month period.

Figure 5-12



As shown, the most popular routes for the Ferdinand workforce include the north-south leg of US 231 from Huntingburg to Chrisney, as well as along I-64 from the SR 37 junction.

In total, the geofencing data estimates that a total of 4,300 employees are commuting to Ferdinand on an average of 3.4 times per week for industry employment, totaling over 730,000 visits annually.

Naval Surface Warfare Center Crane

Crane, Indiana is located at the northern-most point of the Mid-States Corridor study area, in Perry Township, Martin County. The population as of 2010 was less than 200 residents, as the town is centered around the Naval Surface Warfare Center Crane Division. NSA Crane is a United States Navy installation that was established in 1941 for production, testing and storage of artillery. As the third largest Naval base in the world, and the second largest Army munitions depot, NSA Crane is a regional and statewide economic asset. It is the third largest employer in Southern Indiana, providing 5,500 jobs for engineers, logisticians, PhDs and production workers.

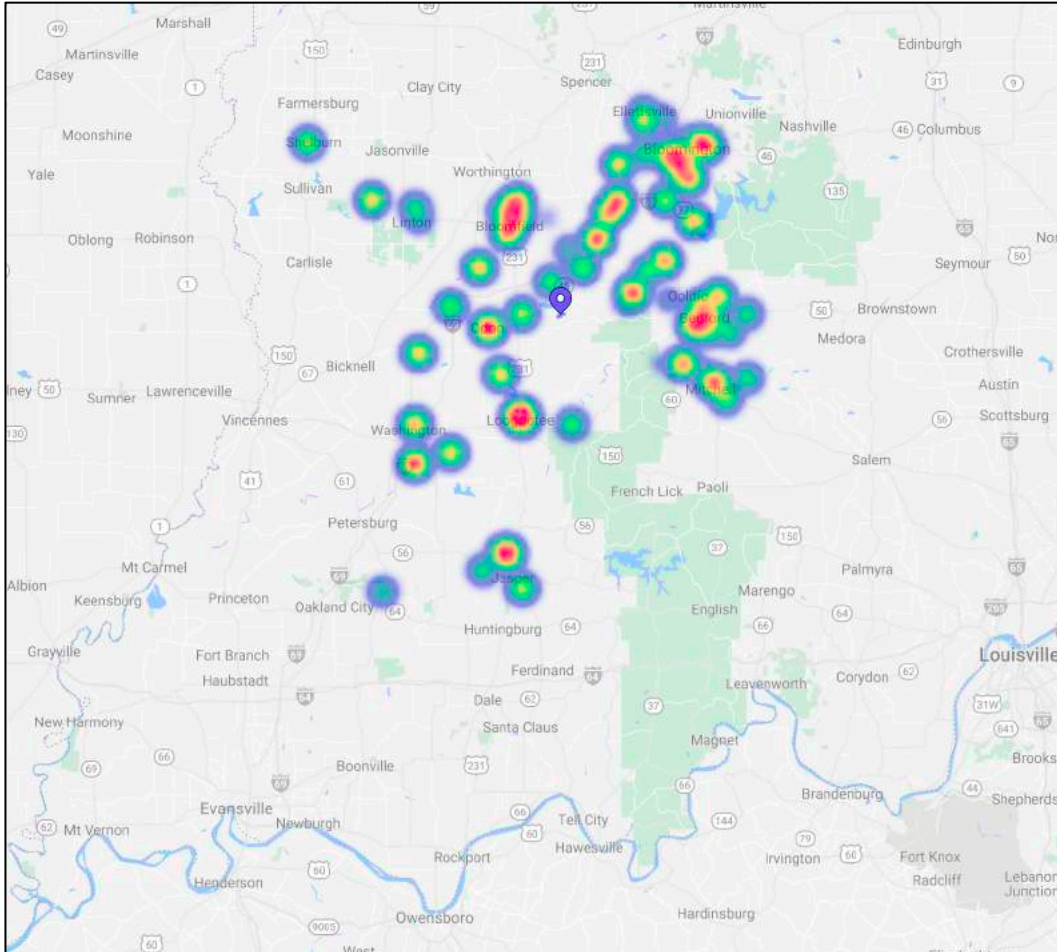
While approximately 900 of these total jobs are outsourced contractors, Crane employs 4,566 workers within a five-county radius, all of which are located in the designated 12-county Mid-States Corridor study area. These counties include Monroe (1,359 employees); Lawrence (1,073 employees), Greene (892 employees); Martin (719 employees); and Daviess County (523 employees). I

NSA Crane has a measurable impact on Indiana's economy. NSA Crane reports a \$406 million annual payroll, \$340 million of which directly supported the employees listed in the five adjacent counties. In 2018, these 4,566 direct jobs held by these residents generated an additional 1,204 jobs indirectly. It is estimated that NSA Crane has created supportive tax revenue for these counties, totaling over \$8 million in local property and county income taxes.

NSA Crane is relevant to the Mid-States Corridor Project not just as a major employer in the area, but as a shipper of materials across the state. NSA Crane often moves freight along US 231 when shipping to or from the south, and this freight traffic is often cited by stakeholders as a safety risk to other motorists and the towns that these trucks must travel through while transporting artillery, munitions and other weaponry.

The following heat map illustrates the location and density of NSA Crane employees.

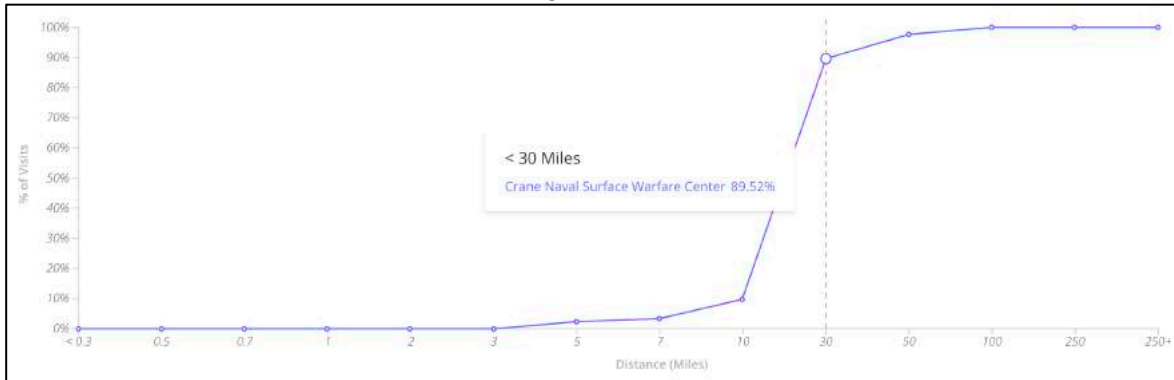
Figure 5-13



As shown, NSA Crane's employees are distributed throughout the five-county region mentioned, with clusters of employees in Bloomington, Bloomfield, Loogootee, Bedford and Jasper.

The following image shows the distance traveled by employees to NSA Crane.

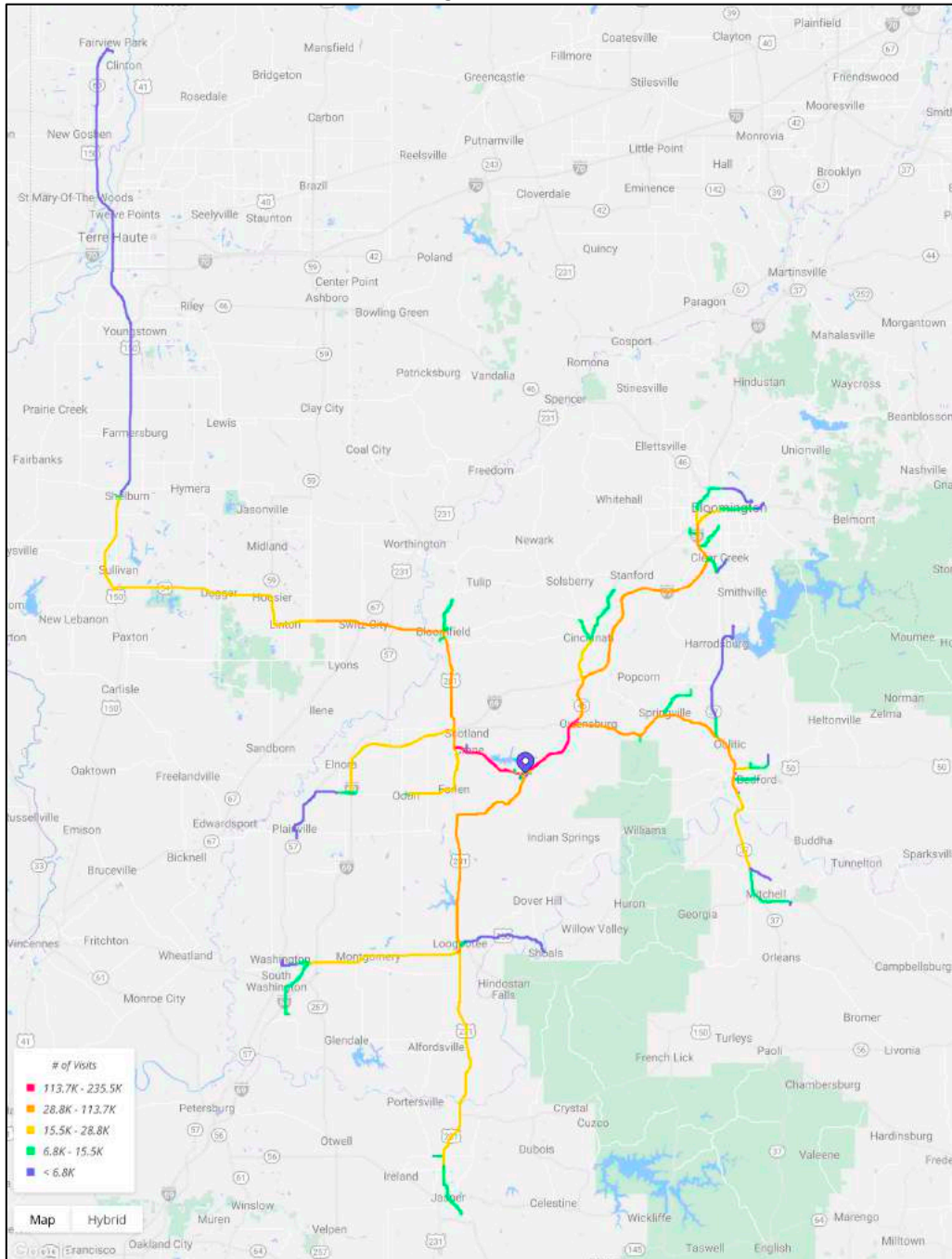
Figure 5-14



Approximately 9 percent of NSA Crane employees live within ten miles of the facility, while 80 percent live within 10 and 30 miles.

The following image shows the routes that employees traveled to NSA Crane over a six-month period.

Figure 5-15



As shown, the most heavily traveled routes for employees to access the Crane base include the stretch of US 231 that runs from Bloomfield to Logansport. SR 58 from Owensburg is the most populated stretch for commuters, as it is fed from I-69/SR 45 from Bloomington, and by SR 37 from Mitchell.

In total, the geofencing data estimates that a total of 3,600 employees are commuting to Crane on an average of 2.7 times per week for industry employment, totaling over 500,000 visits annually.

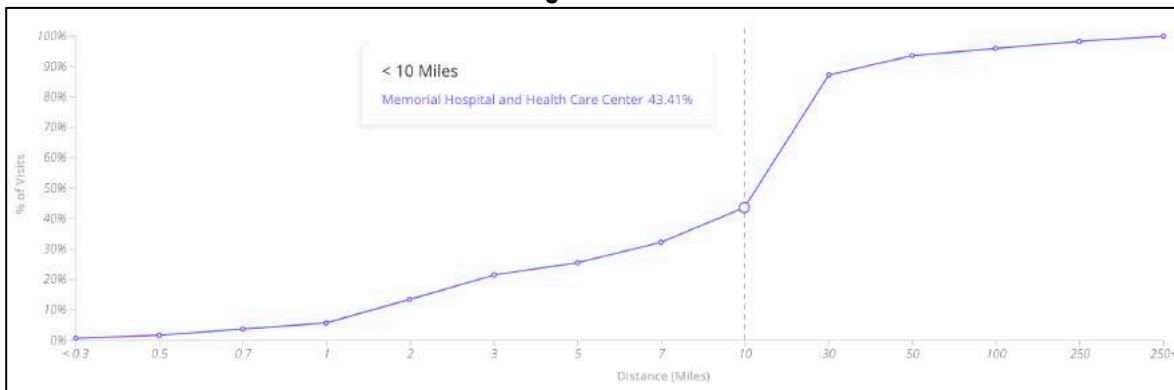
Jasper Memorial Hospital and Health Care Center

Memorial Hospital and Health Care Center is an independently owned faith-based health organization sponsored by the Sisters of the Little Company of Mary, providing a comprehensive range of acute medical services in a modern 137-bed facility located in Jasper. The hospital offers services to more than 30 specialties with approximately 100 Active Medical Staff in 33 health care centers in 7 counties. Memorial is the only hospital honored with the 2018 Malcolm Baldrige National Quality Award, the nation’s highest presidential honor for quality and performance excellence.

Industry stakeholders indicated that Jasper Memorial is a huge draw for the area, and the hospital has multiple clinics that serve Dubois, Spencer, Martin, Pike, Daviess, Orange, Perry and Crawford counties. The hospital is a necessary facility that attracts people from the entire medical marketplace, and it is the busiest hospital between Evansville and Indianapolis. The hospital has several medical partnerships, connections, and associations in Indianapolis because of the IU School of Medicine, where most of Jasper’s doctors completed their education. The importance of this hospital to the region is not adequately reflected in the access and surrounding highway infrastructure.

The following chart shows the distance traveled by visitors to Jasper Memorial Hospital in 2019.

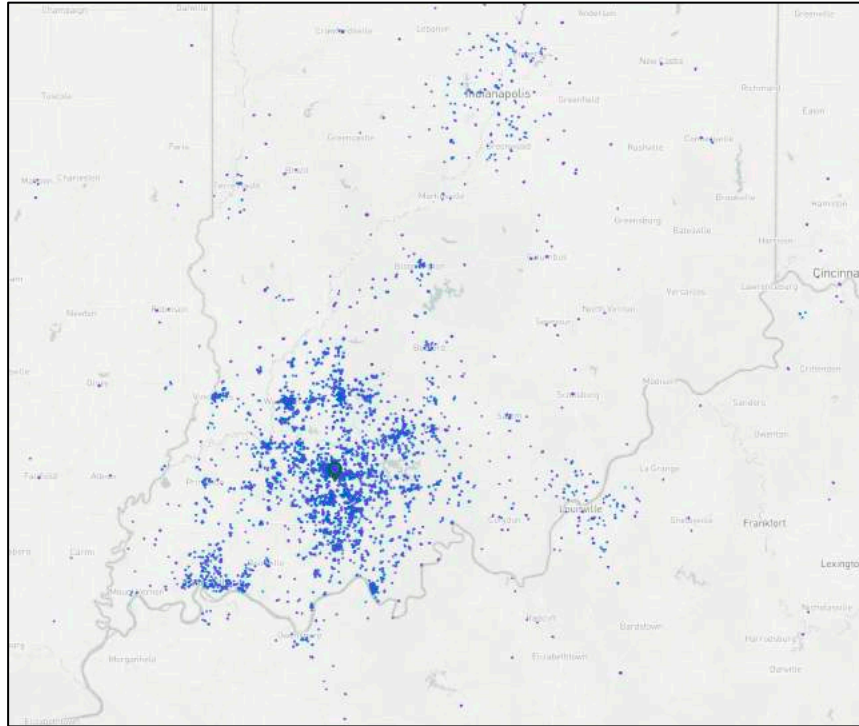
Figure 5-16



As shown, approximately 43 percent of visitors to Memorial Hospital live within a 10-mile radius of the facility. As discussed, distance is often secondary to direction when determining ease of access.

The following map shows the distribution of visitors to Jasper Memorial Hospital in 2019.

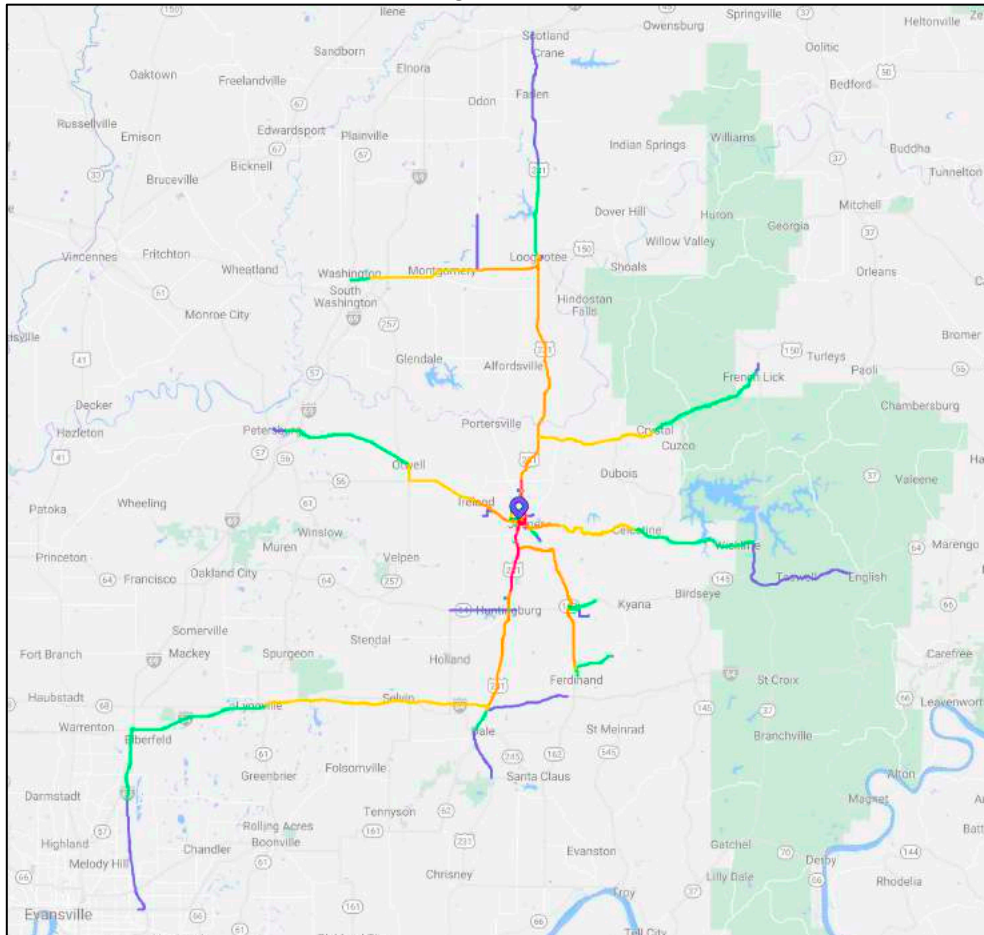
Figure 5-17



As shown, outside of the Mid-States Corridor region, Jasper Memorial Hospital attracts visitation from the Indianapolis and Louisville markets.

The following map shows the routes used by visitors to access Jasper Memorial Hospital.

Figure 5-18



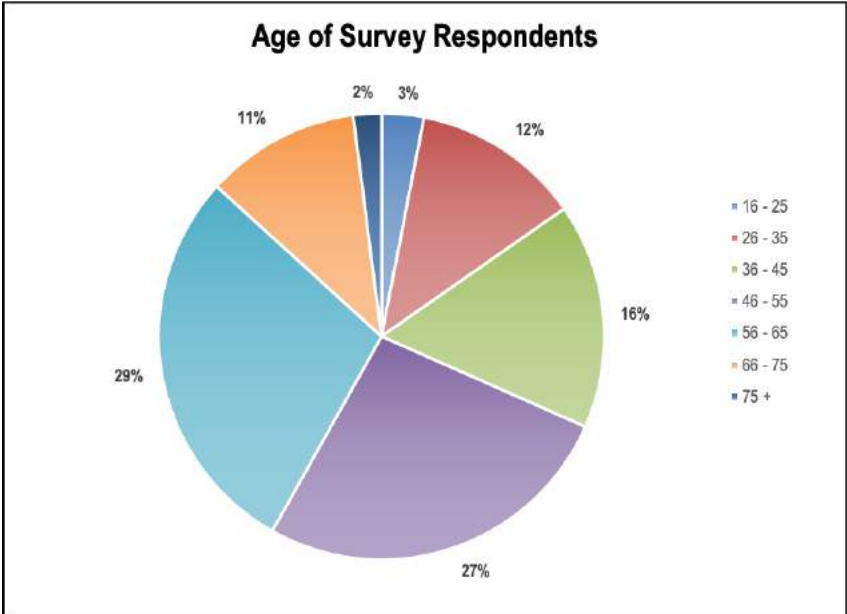
As shown, the busiest routes to Jasper Memorial Hospital are along US 231 from Loogootee to the north and to Dale in the south, with heavy use between Jasper and Huntingburg.

Survey Results

HSP received 98 responses from the public survey, which was distributed to residents and special interest groups by the Client. While the results are not scientific, they do provide insight into public perception and support for the Project. The results are presented below.

The following figure profiles the demographics of the survey respondents.

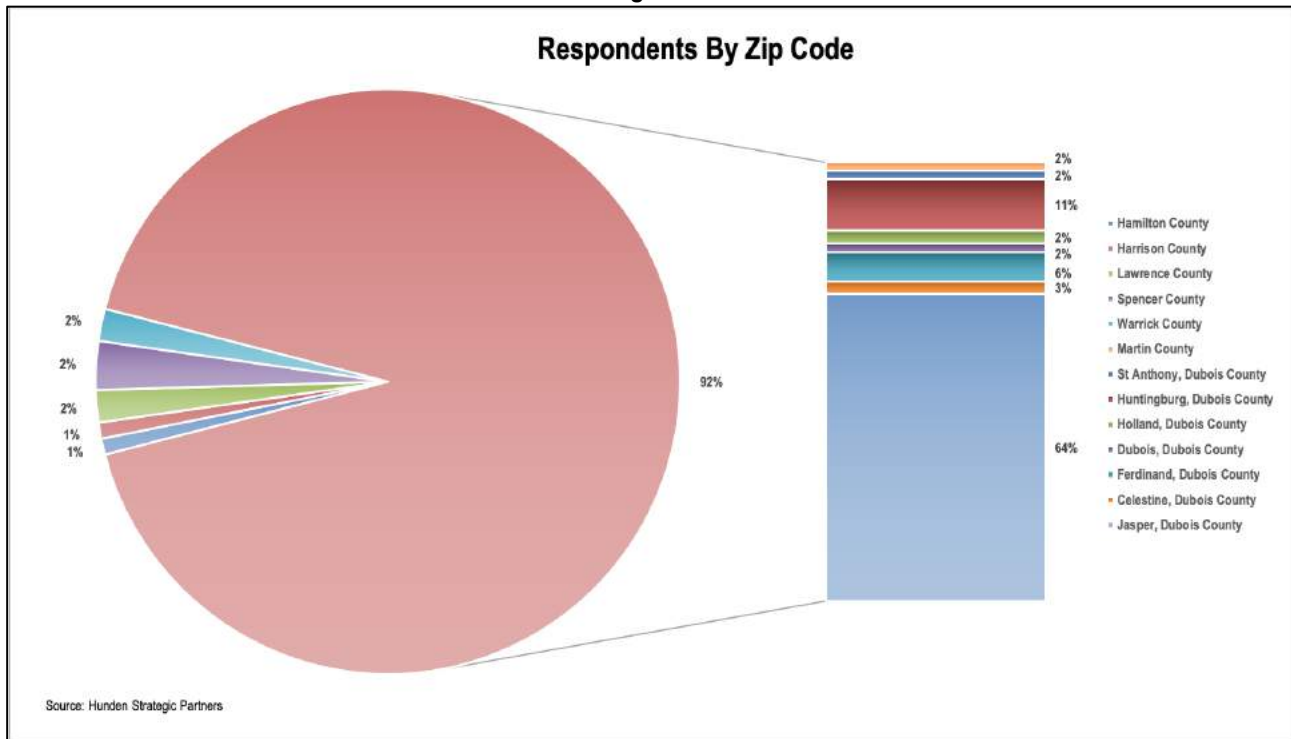
Figure 5-19



As shown, more than half of the survey respondents were middle aged, from 46 years to 65. The next largest demographic were people aged 36-45, who represent 16 percent of the responses. Of the total respondents who provided gender information, 31 percent were female and 66 percent were male.

The figure below shows the origins of the survey respondents by zip code.

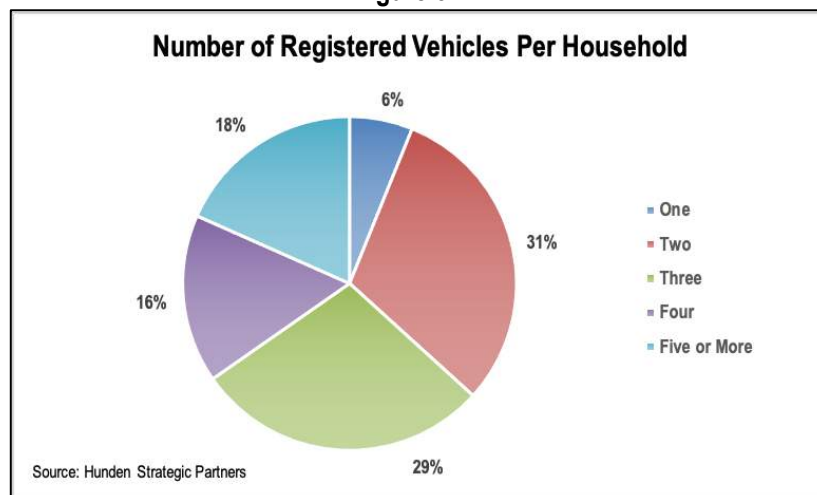
Figure 5-20



An overwhelming majority of 92 percent of respondents lived in zip codes within Dubois County, with some minor representation from Hamilton, Harrison, Lawrence, Spencer, Warrick and Martin County. The exploded bar graph to the right breaks down the Dubois County participants by city, 64 percent of whom live in Jasper and 11 percent in Huntingburg.

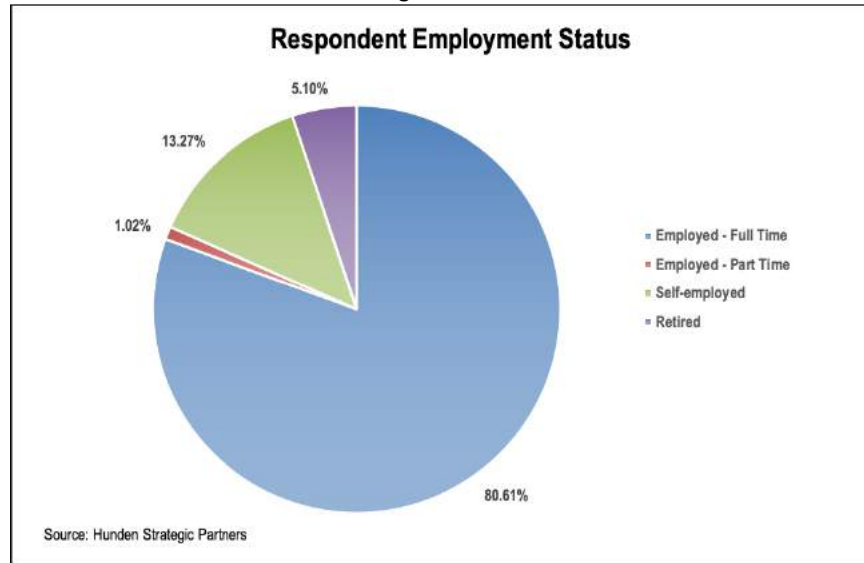
The following figure shows the number of vehicles per respondent household.

Figure 5-21



The 98 survey respondents have a total of 319 registered vehicles in their households. The average number per household is 3.25.

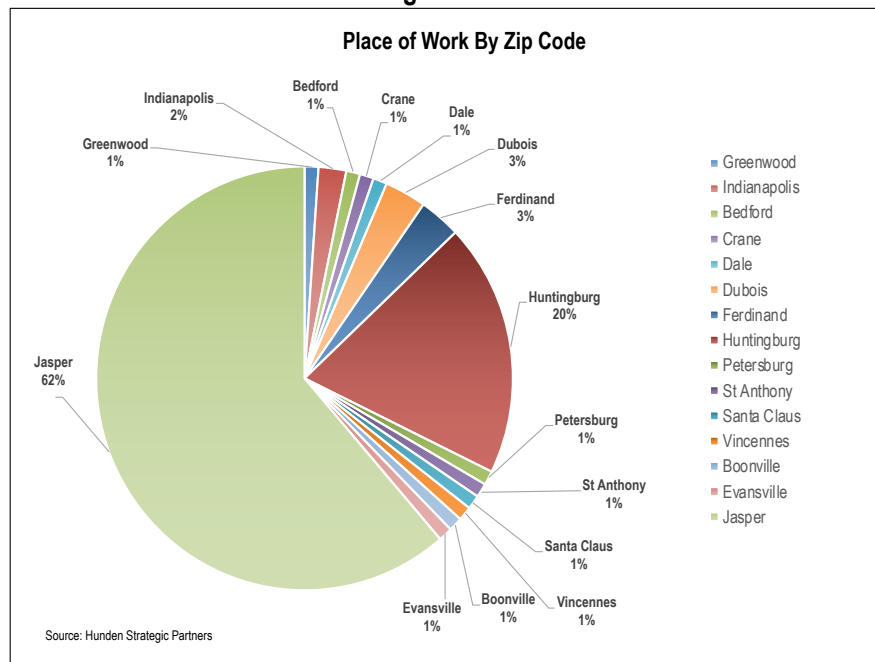
Figure 5-22



All respondents indicated that they are employed to some level, despite unemployed being a potential option. Over 80 percent responded that they are employed full-time, and 13 percent indicated they were self-employed.

The following figure shows the location of employment by zip code.

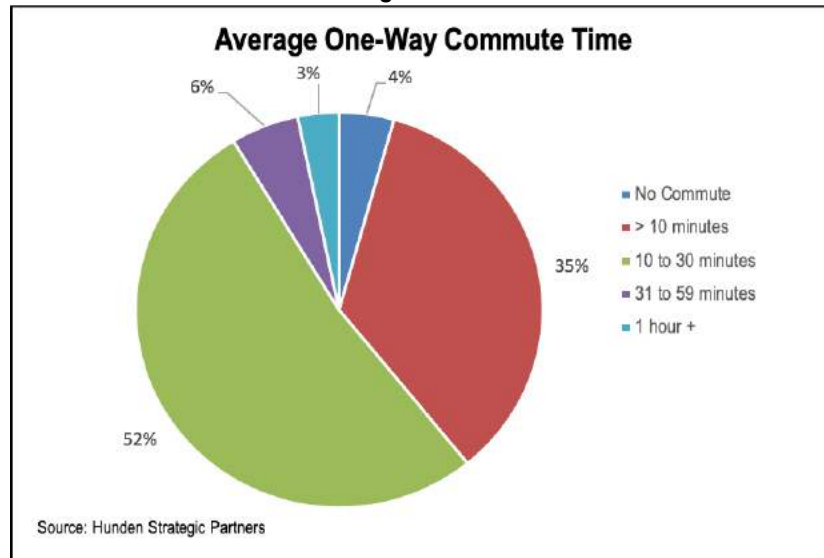
Figure 5-23



As the chart shows, 62 percent of respondents work in Jasper. The second highest concentration of employment for survey respondents was 20 percent in Huntingburg. The vast majority of respondent employment is located within the Mid-States Corridor study area.

The following figure shows the average commute time for survey respondents.

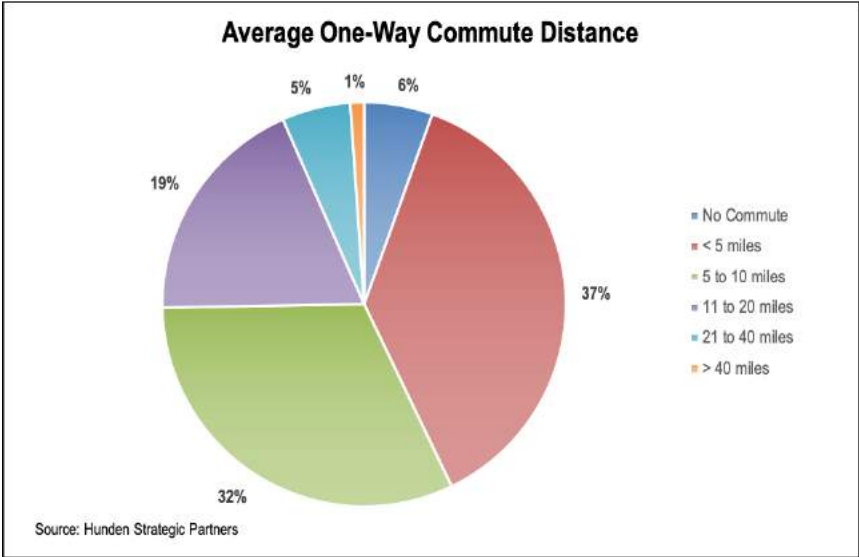
Figure 5-24



Approximately half of the respondents cited that their commute takes between 10 and 30 minutes each way, while 35 percent of respondents spend less than 10 minutes each way. As the majority of survey respondents both lived and worked in Jasper, this data is not representative of the portion of the workforce that commutes from outside of Dubois County and would be most impacted by traffic congestion along US 231.

The following figure illustrates the average commute in miles for survey respondents.

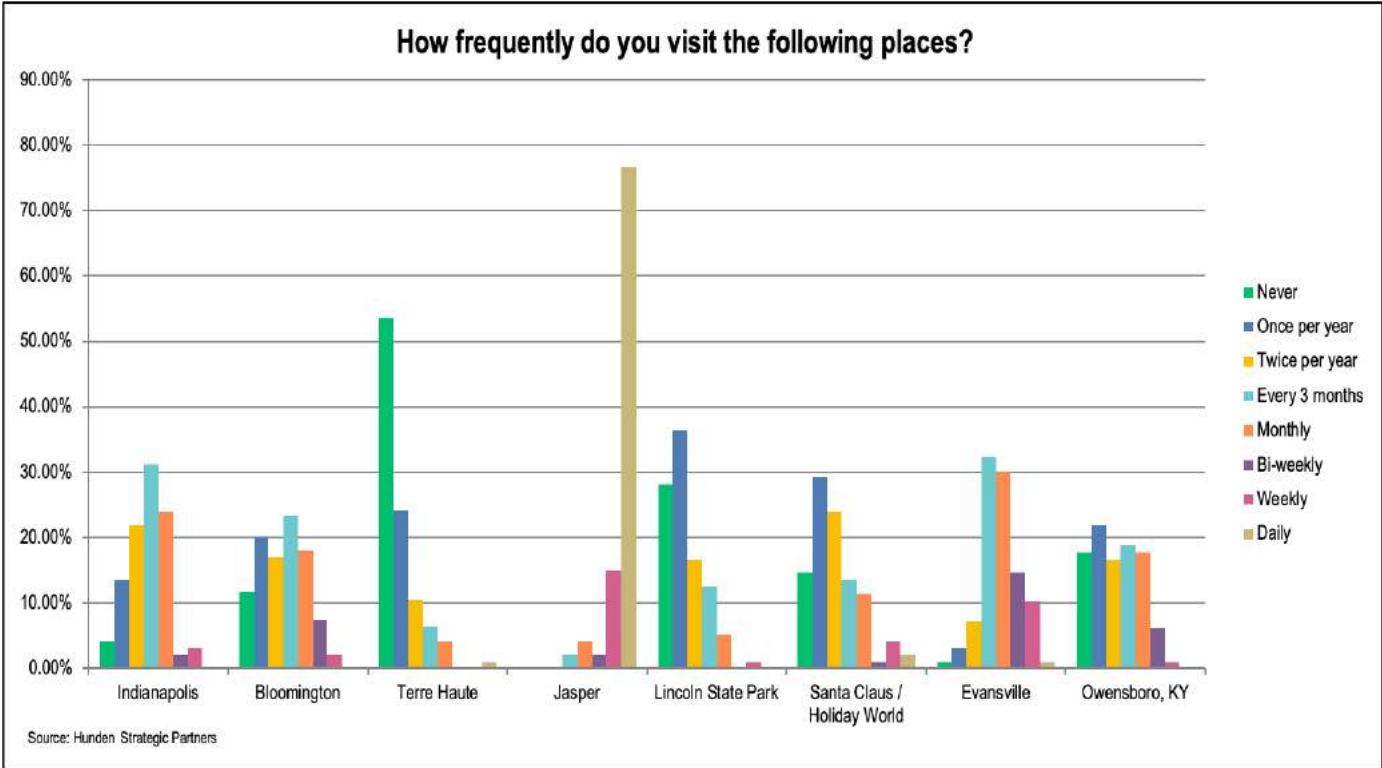
Figure 5-25



The chart above confirms that 75 percent of respondents live less than 10 miles from their workplace. As such, this survey is not representative of those members of the workforce that businesses are trying to attract from the broader Mid-States Corridor study area and the surrounding region.

The following figure shows the average number of times that survey respondents travel to nearby major metros and attractions.

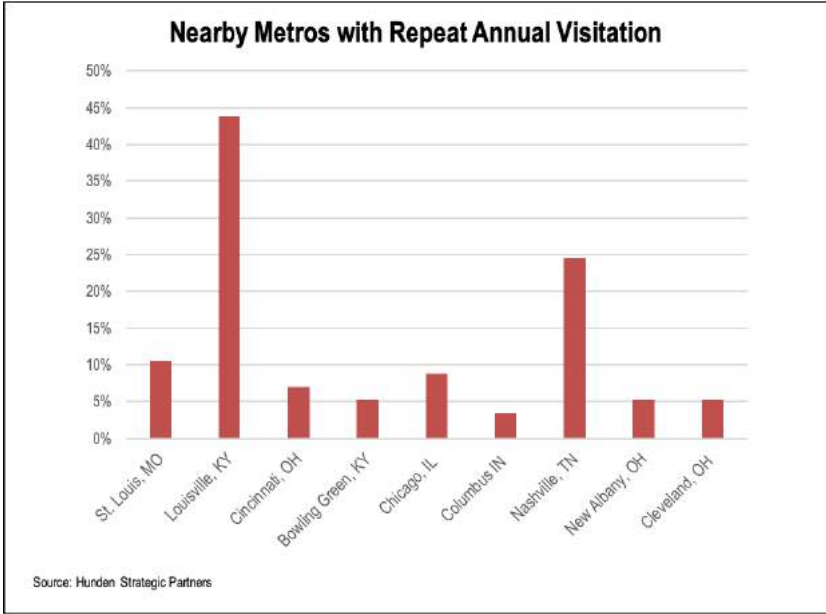
Figure 5-26



As the figure shows, nearly 80 percent of respondents visit Jasper daily. On a weekly basis, 10 percent of respondents travel to Evansville. Generally, visitation decreases with an increase in distance from the Mid-States Corridor study area. The most popular response for visitation frequency to Indianapolis and Bloomington was once per month.

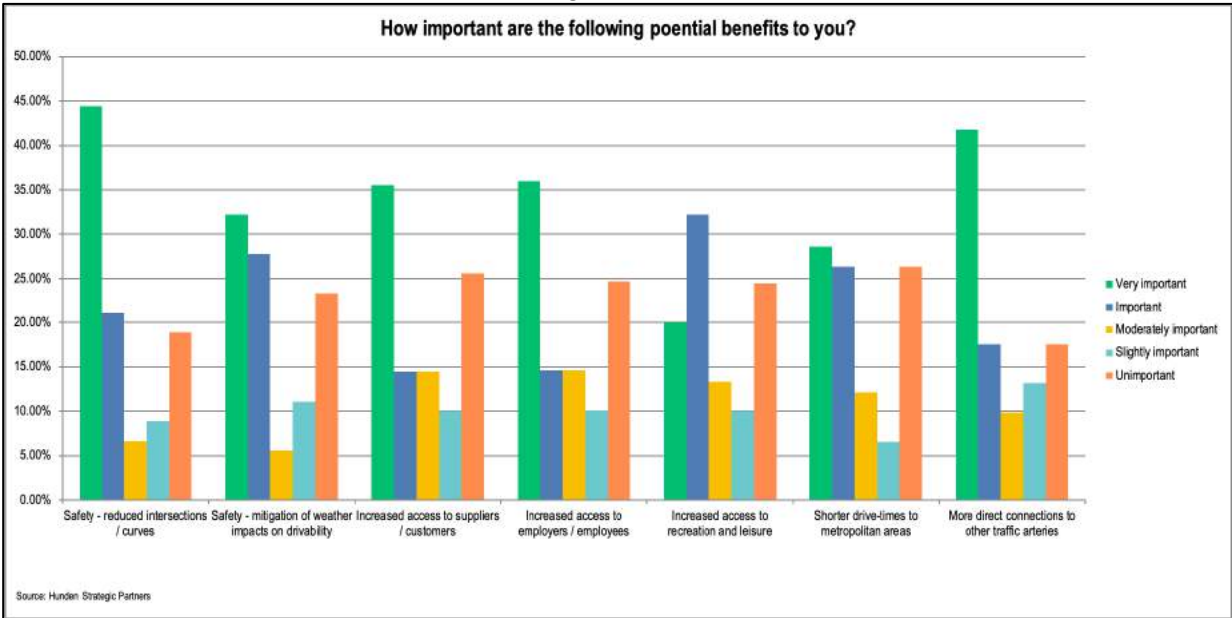
The following figure shows visitation to destinations located outside of the Mid-States Corridor study area.

Figure 5-27



Nearly 45 percent of respondents indicated that they travel to Louisville, Kentucky multiple times a year. The next most popular destination in region was Nashville, Tennessee, which is visited multiple times annually by 25 percent of respondents.

Figure 5-28



Safety improvements related to intersections and curves was cited by 65 percent of respondents as very important or important, while safety improvements related to weather were categorized the same way by 60

percent. 60 percent of respondents replied that more direct connections to other traffic arteries is very important or important to them personally.

At the end of the survey, respondents were given the option to comment about other issues that may not have been included in the survey questions but that are of importance to them. In addition, three virtual open houses were held that included members of the general public, where they had a forum to express their thoughts. There is some opposition to the project, particularly from local farmers whose land may be impacted. Other residents support the project citing safety concerns and long travel times. The highlights of this feedback is summarized below:

Public Input – Perceived Benefits

- **Increased Safety.** Safety was cited by many participants as a top priority. Traffic merging from county roads, narrow lanes and shoulders, fast-moving trucks and slow-moving farm equipment are contributing risk factors for crashes.
- **Improved Access and Travel Times.** Congestion on US 231 and traffic lights in areas like Jasper and Huntingburg lead to increased travel times. There are few options for bypassing these problem areas.
- **Economic Benefits.** The project is imperative for the long-term sustainability of the economy in Jasper and throughout Southern Indiana and Northern Kentucky. Attracting talent to the area requires improved transportation and shorter commutes. Attracting residents requires access to other major employment markets like Bloomington and Crane.
- **Improved Quality of Life.** Greater access to employment opportunities as well as the three preceding bullet points were all cited as directly and/or indirectly beneficial to the quality of life for current residents and future generations.

Public Input – Concerns

- **Infrastructure Priorities.** Some respondents cited that there are other outstanding infrastructure projects that they feel are more important than a potential north-south connection. Improving and widening existing roads, as well as the addition of bypasses in key areas were mentioned.
- **Loss of Farmland.** All potential routes for the project will inevitably result in the loss of farmland and private property for local residents. The extent to which this occurs depends largely on the route selected, but this is the leading concern for those opposed to the project.
- **Loss of Community Identity / Injury to Local Business.** Another concern among respondents is the potential that the Mid-States Corridor could result in a loss of community identity in the areas directly impacted by the route. Kokomo is cited as a case study by those who cited this, the concern being that traffic will bypass small towns and local businesses will suffer as shoppers opt to go to larger cities. Similarly, concerns that new highway businesses and national chains developed along the corridor would detract from local businesses.

Implications

- **The Mid-States Corridor project will have a direct impact on the residents who live, work, and play in the surrounding area.** Public input, as well as input from the private sector, can help identify where priorities and concerns lie.
- Public feedback, though not the focus of this study, was helpful in gaining a deeper context for how this Project might impact Dubois and Spencer County on a local level, as well as throughout the greater region. Public opinion varied on an individual basis, but the **majority of respondents and interviewees cited a need for improved safety and increased efficiency in north-south travel.**
- **The majority of residents in the area rely on US 231 to move north and south, and congestion, narrow lanes, inadequate visibility and safety risks from other traffic such as farm equipment and naval vehicles were all cited as major concerns.**
- **Negative feedback about the project centered around the loss of property for local farmers, as well as concerns that a highway would pull traffic away from smaller downtown cores via bypasses.**
- Feedback from the private sector and major employers in the area was less focused on logistics-based impacts like shipping and freight, and more on the challenge of a declining workforce of skilled laborers. **Employers are concerned that population decline, decreased migration, and the loss of local talent or “brain drain” is making attraction and retention increasingly challenging.**
- The Mid-States Corridor, and Dubois County in particular, is a regional industry hub and an economic driver for the entire state. Yet, **the surrounding infrastructure and roadway does not reflect the critical mass of labor and industry in this area. Maintaining the current level of industry in the area, and any potential for growth, relies on efficient and safe access for people and goods.**
- **Access to talent will be a major benefit of the Project.** The Mid-States Corridor would mean that thousands of additional employees would be available to travel into the counties within a reasonable commuting time period. The one-hour drive time will allow access to markets like Evansville and Louisville and elsewhere that are now 1.25 or more hours drive, which is not acceptable for most commuters.

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TRAVEL DEMAND ANALYSIS

The economic impacts of the proposed Mid-States Corridor Project will be affected by the projected traffic volume along the corridor and the surrounding roads. As such, in order to assess the economic impact, it is necessary to estimate the traffic pattern and volume on the Mid-States Corridor Project, the roads it intersects, and the existing roads that it will pull traffic from.

This chapter will discuss the highway travel demand model to show the regional effects of the proposed corridor completion, including the study area and nearby regional highways, markets, and transportation facilities. Forecasts of daily traffic volumes including economic, demographic, tourism, personal travel and freight volumes will be projected.

Additionally, the inadequate conditions on US 231 and the impact on safety that any new north-south connection would have on motorists will be discussed.

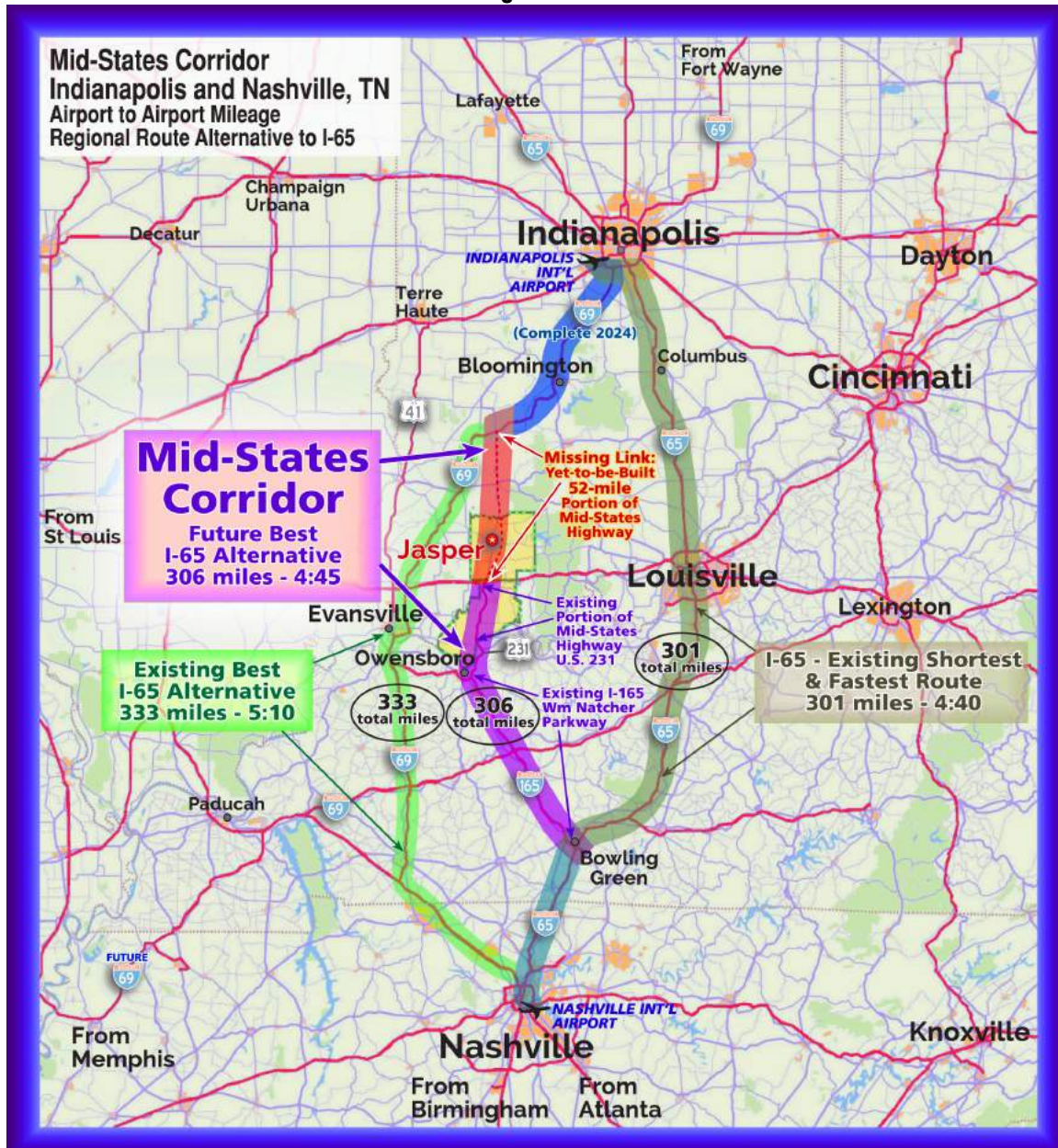
The following figure shows the existing study area and the current base highway network.

Figure 6-1



The next figure illustrates the Mid-States Highway Corridor in a set of simplified color bands, and the two other north-south corridors along Interstate 65 and Interstate 69 and 24.

Figure 6-2



As shown above, the Mid-States Corridor route (blue, red and violet) between the major commercial and airports at Nashville, TN and Indianapolis, is 306 miles in total length, is only 5 miles longer than the 301 miles along I-65 (olive green) between the same airports. Given the unreliable nature of traffic congestion in Louisville, or at any point along the crowded I-65 route due to an accident, construction, poor weather or any

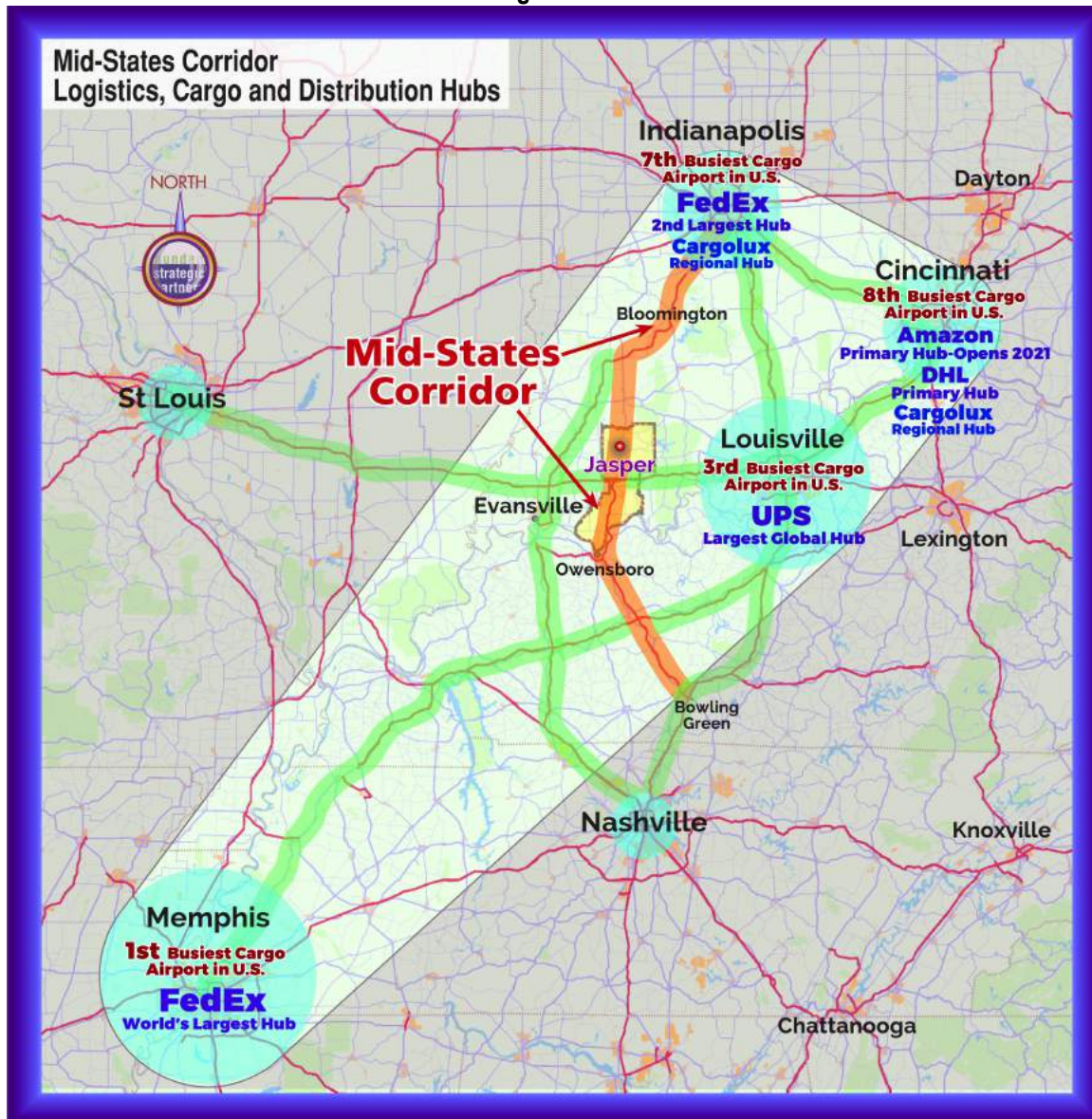
other reason, a fair percentage of travelers will likely see the Mid-States route as a more consistent alternative to I-65 when traveling between the two cities, but only if the Mid-States Corridor is built to nearly the same high expressway or limited access standards as an Interstate highway.

The current alternative to I-65 that is aligned with I-69 through Evansville and connects with I-24 in southern Kentucky near Clarksville, is 333 miles (shown in green) from airport-to-airport, 27 miles longer than a Mid-States route, and 32 miles longer than the I-65 route.

Logistics Hubs at Major Airports

The following figure illustrates the advantageous location of the Mid-States Highway Corridor in relation to logistics hubs, which are centered at four of the busiest freight airport hubs in the U.S. and the world.

Figure 6-3



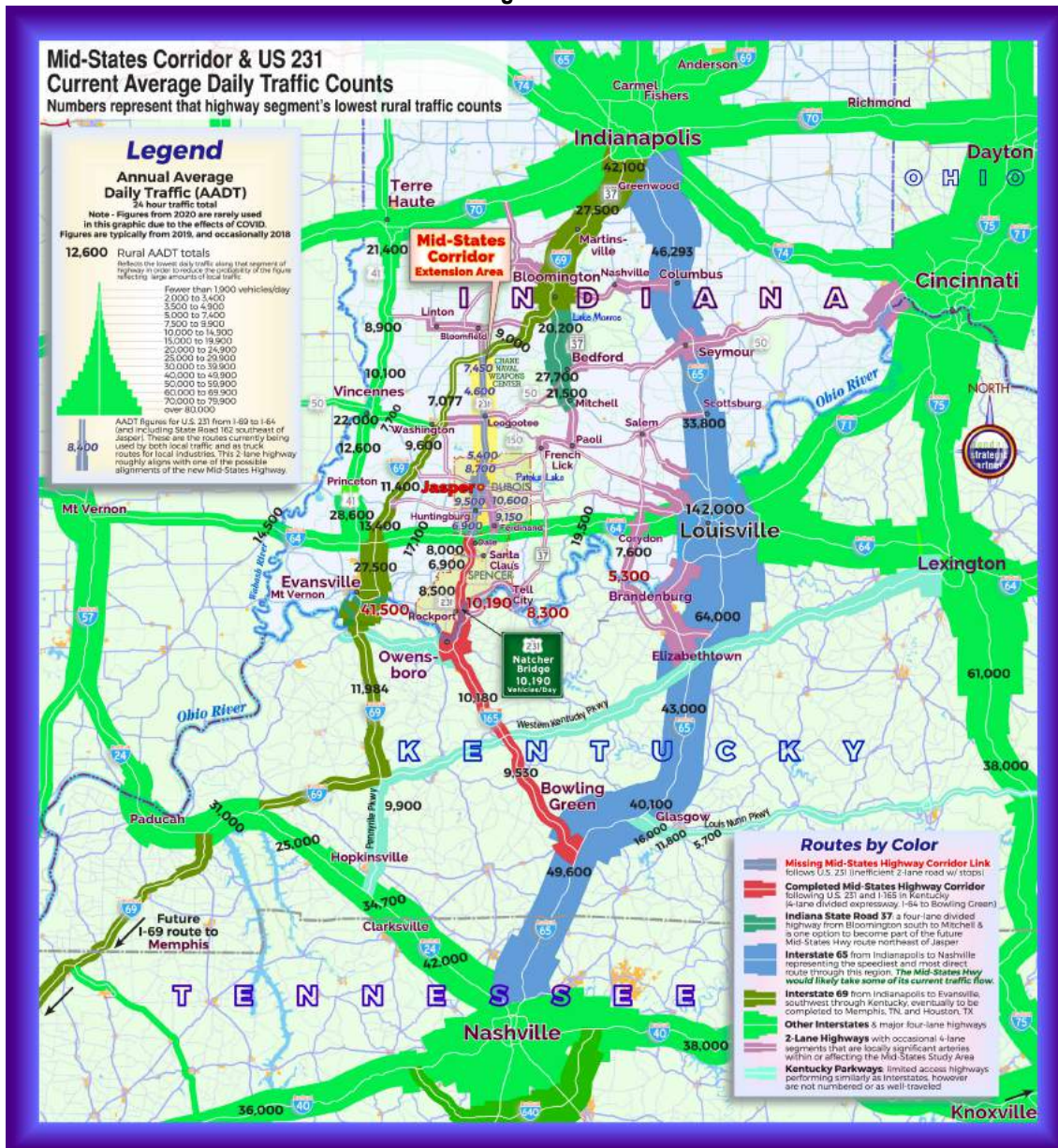
As shown above, the orange is the Mid-States Corridor, while the faint green lines mark other major expressway trucking routes between the airports at Memphis (busiest), Louisville, (3rd busiest), Indianapolis (7th Busiest) and Cincinnati (8th Busiest). Cincinnati is scheduled to open Amazon's new major national hub at Cincinnati-Northern Kentucky International Airport, which will boost that metro area's freight shipping to new levels as well. Each of these airports have voluminous acres of warehouse and sorting facilities within their proximity that rely on overland trucking to distribute goods.

The proposed Mid-States Highway Corridor is in a superior position to help the southern Indiana and western Kentucky region benefit from their proximity to multiple major freight airport hubs. This proximity will assuredly boost the attractiveness of these counties along this corridor and will assist their growth in terms of business and product distribution. Major passenger airports at Nashville, TN, and St. Louis are also within a short drive, and are major regional hubs as well.

Traffic Counts

The following map gives a closer look at the average daily traffic counts for the area surrounding Dubois and Spencer counties. It is important to note that the average annual daily traffic figures shown are for 24-hour periods along rural segments of those highways, and do not include the higher traffic counts that are found in and near towns and cities, especially busy retail and business districts. This study is primarily a look at how longer-distance vehicular travel would be altered by a newly created regional travel corridor that directly affects two states, and indirectly affects travel patterns within a multi-state area, and therefore, localized traffic nodes are avoided.

Figure 6-4



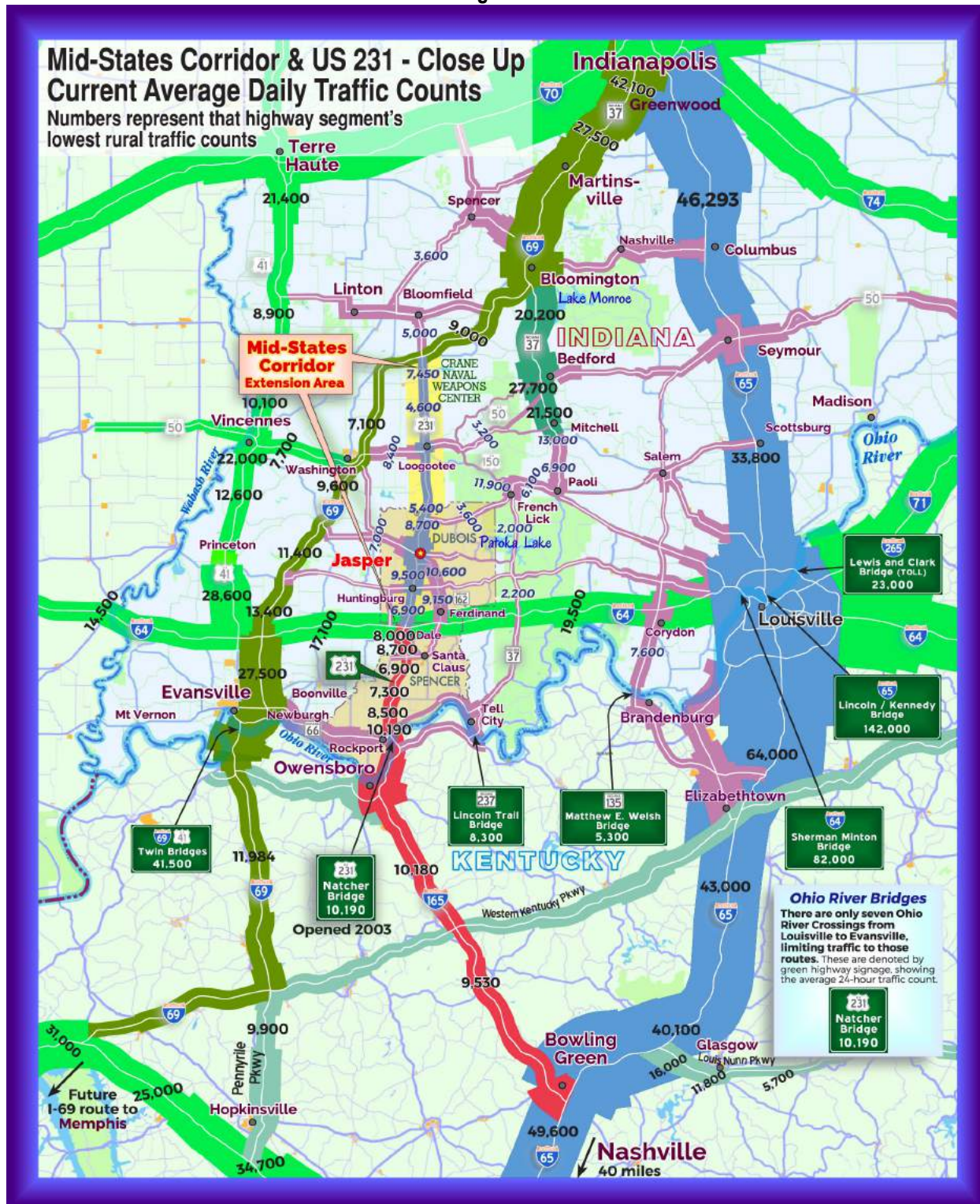
The routes on the map above are identified by color, with the gray route representing the missing Mid-States Corridor link, and the blue route representing Interstate 65. The biggest challenge and opportunity is the lack of direct, efficient access through the entire corridor, forcing trucks and passenger cars to choose to either go very far out of their way to use interstate-quality highways, or take a slow, dangerous and laborious more direct route. As shown from the traffic volumes on the map above, there are clear bottlenecks throughout the region, including in Jasper, Huntingburg, Ferdinand, Mitchell and French Lick.

The Ohio River is a common barrier to north-south traffic flow and tends to be a bottleneck as well. In Louisville, heavy traffic often slows down the flow of traffic, reducing efficiency, causing accidents, and adding to travel time.

The Mid-States Corridor could present an alternative route for long-distance travelers between Bowling Green, Kentucky, and Indianapolis. However, without the four-lane divided highway (one that would mimic non-stop Interstate-style travel at high speeds of 65 to 70 miles per hour, that missing link in the corridor between I-64 and I-69 is viewed by travelers as useless, leaving I-65 as the only true expressway linking the metro areas of Nashville (and points south) and Indianapolis (and points to the north).

The following map gives a closer look at the average daily traffic counts for the area surrounding Dubois and Spencer counties.

Figure 6-5



Existing Conditions

Highways and other transportation infrastructure is an essential part of any economic system, as they allow for the movement of goods and people around and outside of the region. Efficient transportation expands trade opportunities, increases labor mobility and improves the economic well-being of residents. As such, the economy is directly affected by the efficiency and safety of highways and roadways.

The existing north-south connector in the MSCEA is US 231, which presents several safety and efficiency issues for commuters and freight transport. An improved north-south connection, via one of the proposed routes for the Mid-States Corridor highway, would result in improved access to employment and commerce hubs in Dubois County, as well as to the tourism market in Spencer and Orange counties.

HSP's research found that the issues with US 231 can be generally categorized as follows:

- **Safety.** US 231 has several safety concerns due to limited visibility and sightlines, narrow or absent shoulders, and due to routing through downtowns and school crossings. Slow moving farm equipment and freight trucks, as well as hidden driveways and intersections increase the risk of collisions and accidents.
- **Efficiency.** US 231 is prone to congestion, as commuters, freight and public service vehicles all must use the same two-lane route. In many areas, there is a lack of passing lanes, so traffic can slow to a standstill from a single blocked intersection. As there are no alternative routes, commuters frequently experience increased drive times even while traveling relatively short distances.
- **Connectivity.** The Dubois and Spencer county areas are effectively isolated from northern parts of Indiana. During inclement weather, employees can have difficulty getting to work, and the barriers to transport are discouraging new talent from moving into the area.
- **Modernization.** The Mid-States Corridor, and specifically Dubois County as a regional hub, need to have improved roadways as a form of modernization, and to improve the image and sense of place.

The following figure shows the traffic signals in the City of Jasper and illustrates the bottleneck that occurs, slowing all manner of traffic for many parts of the workday. It is not dissimilar, but likely worse, than what the numerous stoplights in Kokomo caused as a delay between Indianapolis and South Bend.

Figure 6-6



As shown, there are 13 stoplights along 231, each adding travel time and the opportunity for accidents. The major highways through Jasper, which are never more than one lane in each direction, are also the major through truck routes, as well as retail centers. Throughout the city, these routes carry an average of between 12,300 and 20,000 vehicles per day. A few narrow roads bypassing these areas exist, however, these also

pass through residential areas and schools, and area attractions. Any through traffic must use these same two-lane roadways.

Anytime traffic reaches over 12,000 vehicles per day, even in urban areas, additional through-lanes of traffic are a necessity to keep the flow of traffic moving at reasonable speeds, despite the speed limits restricted to 30 mph or less in most places. The most congested area in Jasper is North Newton Street, which backs up with traffic from just north of the downtown area to north of 36th street, and will take multiple cycles of green lights for vehicles to pass through the area, adding an additional ten to fifteen minutes (or more) of travel time.

The following photo shows traffic on North Newton Street near 36th Street.

Figure 6-7



As shown, traffic is at a stop for several blocks and often can be up to a mile long. These delays through Jasper can add 15-20 minutes each way for commuters, trucks and anyone else attempting to traverse the area. When considering living or working in the area, this reality is an unfortunate quality of life challenge and tears away at economic opportunity.

The following figure shows the typical truck traffic that must pass through the narrow downtown area of Huntingburg. This presents a hazard to emergency vehicles and school children that must cross the street to walk to their school facilities. Additional travel time has come to be an expected part of any commute, and is far from an efficient travel condition, especially for long-distance travelers and freight trucking.

Figure 6-8



As shown, U.S. 231 through Huntingburg is a truck route that passes through the narrow downtown area of Huntingburg, which is a historic area with many shoppers and visitors. This presents a hazard to emergency vehicles and school children that must cross the street to walk to their school facilities.

The following figures show the state of rural U.S. 231 at the southern boundary of Dubois County.

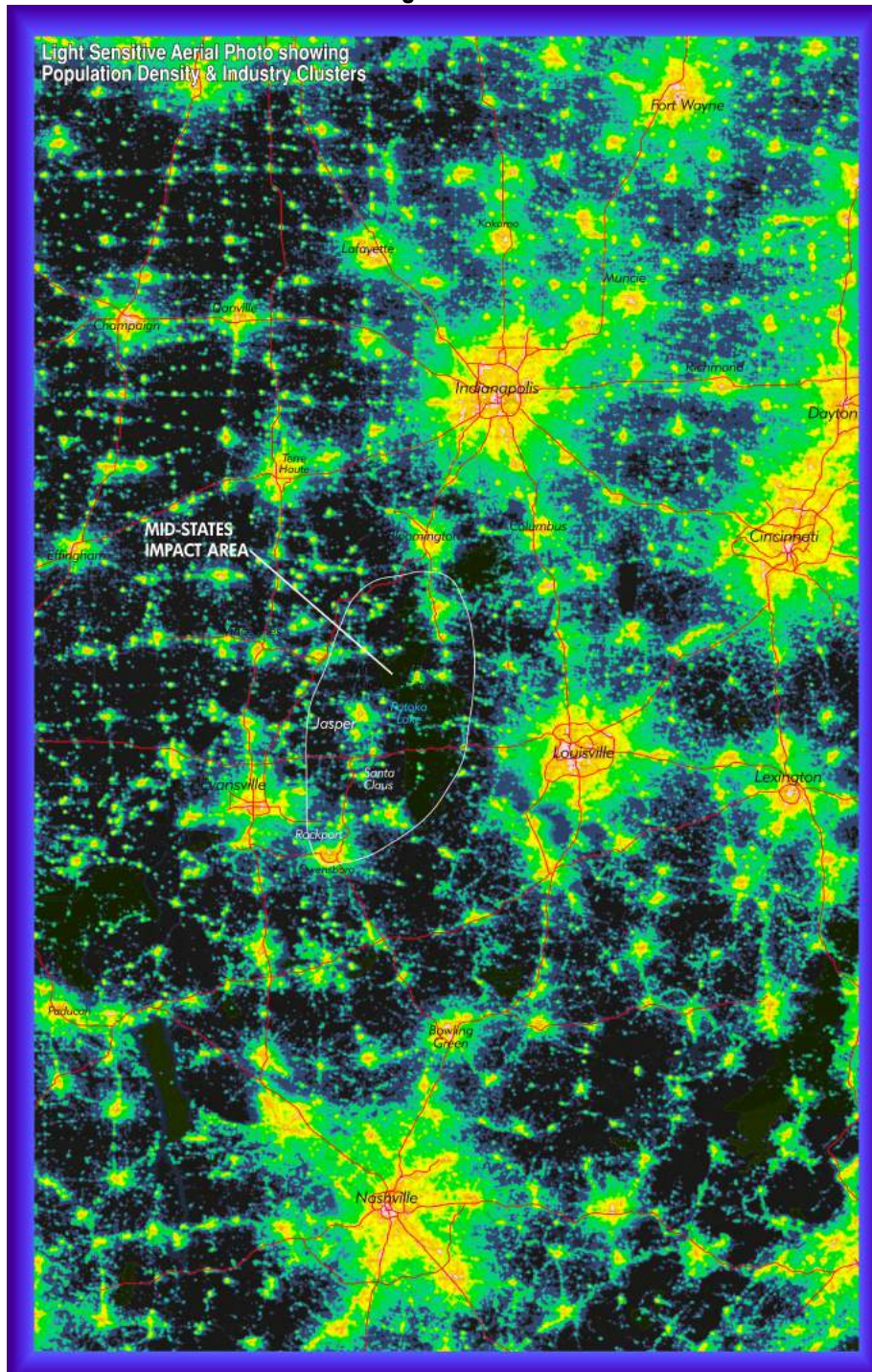
Figure 6-9



As shown, the modern wide divided highway quickly ends and reverts back to a highway that was a standard grade roadway dating to the 1940s, despite this county being the most populated and largest business center between Evansville and Bloomington. On nearly all segments of the two-lane highways in Dubois County, multiple hidden driveways, side streets, curves and hills obscure visibility, creating slower and more dangerous driving conditions. U.S. 231 averages between 7,000 vehicles per day at the lowest, and up to 15,000 vehicles per day in rural areas as the roadway approaches Huntingburg and Jasper.

The next map, showing human and other economic activity via the glowing lighted areas, demonstrates the reality of the bottleneck caused by the current situation.

Figure 6-10

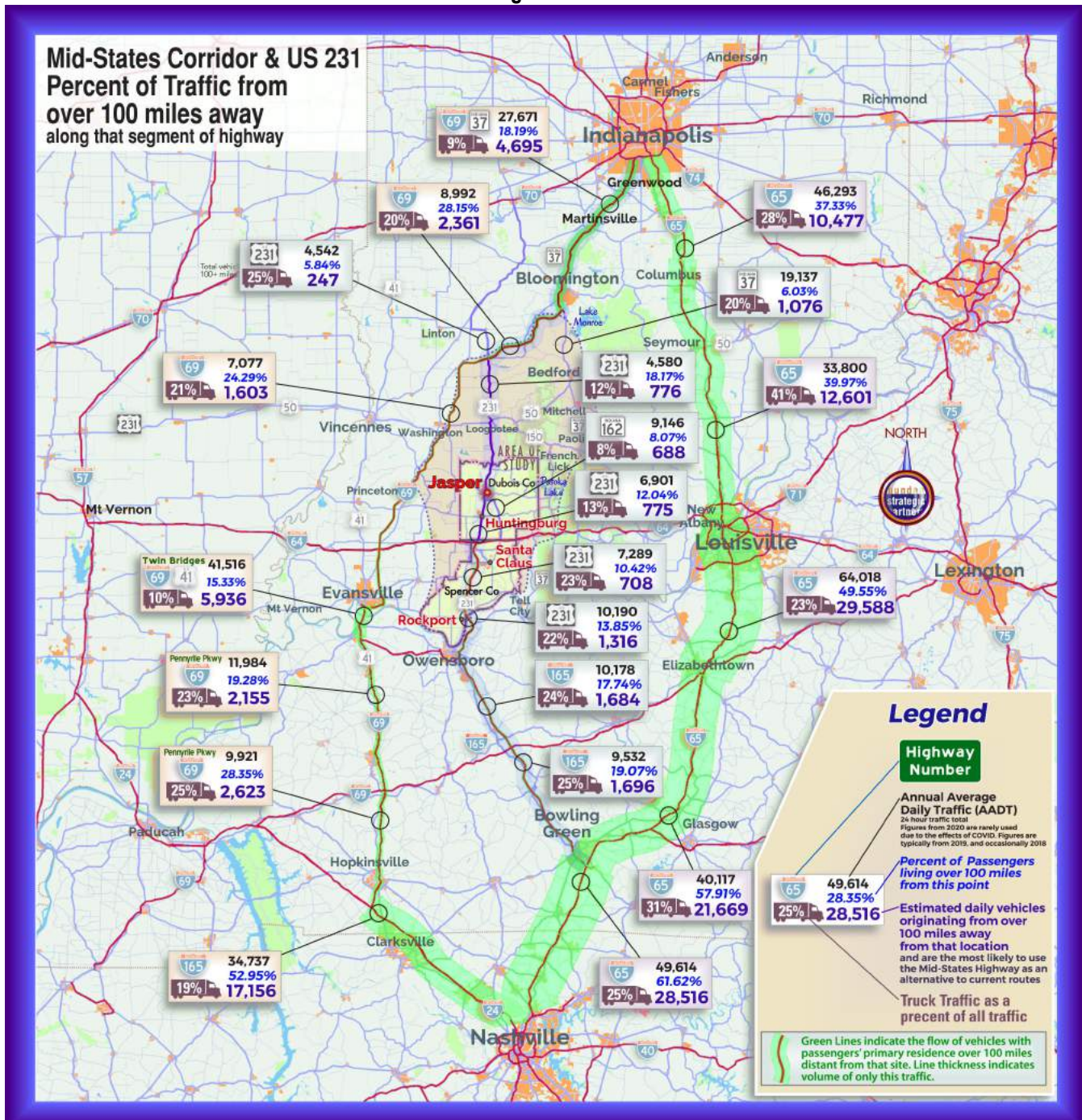


As shown, the area to be served by the Mid-States Corridor is especially dark, especially in the northern portion of Dubois County and the counties to the north. Had this study been inclusive of counties to the north, the benefits and impact would be much greater, as the same challenges facing Dubois and Spencer (especially north of Jasper), face these areas.

HSP used propriety software, data from INDOT, research and cell location technology to determine the amount of truck traffic vs. passenger traffic, the percent of drivers originating more than 100 miles away and the preferred route of travel for those traveling more than 100 miles.

The next map shows this data and helps to show how, despite many needing to access Dubois and Spencer Counties, they often will choose to drive other routes due to efficiency.

Figure 6-11



As shown, north of Washington and Loggootee, truck traffic represents 12-25 percent of all traffic on I-69 and U.S. 231. Within Dubois County north of Jasper, truck traffic diminishes greatly, likely due to the bottleneck in Jasper, accounting for 8-13 percent of traffic (and total traffic is also lower). South of Jasper, truck traffic picks

up, representing 23-25 percent of a much higher traffic count, as U.S. 231 offers a more efficient highway experience. On I-65, trucks represent 23-41 percent of all traffic. Percentages of traffic from more than 100 miles away follow a similar pattern, although with even greater disparity between the four-lane highways and the two-lane routes. This is a clear demonstration that travelers looking to get somewhere over a long distance, whether passenger cars or trucks, will choose the highway option without stoplights as much as two times as often, even if the destination is closer, or the route more direct, via a two-lane route.

The next section discusses the future traffic projection along the corridor.

Traffic Projection

Projecting future traffic demand for this phase of the study is limited to a general overview of the corridor, due to the fact that no exact corridor location has yet been determined, and therefore, the number or access points and interchanges are also an unknown.

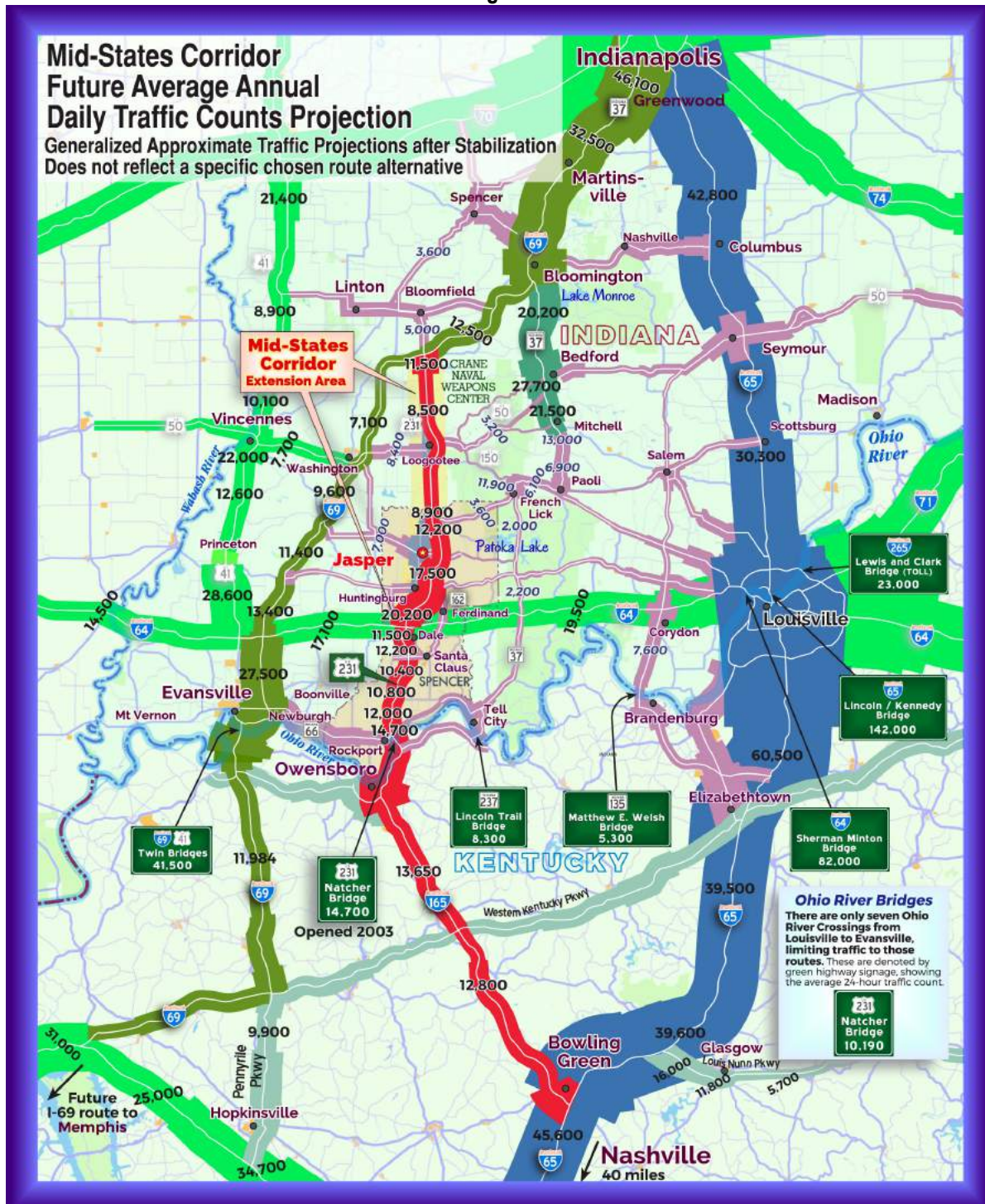
While there will be a number of efficiencies and benefits brought about by the Mid-States Corridor (in many directions, to/from many locations inside and outside the counties), the primary benefit will be the fast, direct connection north-south. As demonstrated and analyzed by HSP, there are a number of travelers who avoid traveling through the area and go out of their way to use I-65, I-69 and other routes, despite those being less direct.

In addition to the efficiencies of moving traffic from overused highways that are not as direct, to the more direct Mid-States Corridor, there will be induced traffic that is 100 percent net new to the corridor, the counties and the State of Indiana. This new traffic was only calculated for the two study counties, but can be extrapolated for the other affected counties to the north, as well as neighboring counties like Orange, that would see benefits.

The map below shows the projected amount of average daily traffic once the Mid-States Corridor is developed and stabilized. Adoption and awareness typically takes five to ten years (HSP assumes seven), so the ramp up period, in addition to construction, may mean that these levels are not achieved for 15 to 20 years from today, given typical time for the engineering, funding, INDOT and construction work to be completed.

All of HSP's traffic projections are shown as the "stabilized year", which again, is estimated to be approximately seven years after completion. Traffic would be expected to continue to increase by a modest rate thereafter.

Figure 6-12



As shown, the Mid-States Corridor will pull traffic from existing roads, making travel more efficient, as well as induce new traffic to the counties due to the ease of access and economic opportunity that will be presented. The table below shows the current and future projection of the corridor, which in some segments includes two existing two-lane roads that handle the north-south traffic. In the future, the traffic on these roads will diminish and shift to the efficient MSC highway.

The table below shows the comparison between the current north-south traffic in the corridor and the future projection.

Table 6-1

Mid-States Corridor Avg. Daily Traffic by Segment (Rounded)					
	Current	Future w/ Mid-States	Traffic on Mid-States Only	% Change	Net New Total
Segment 1	5,400	8,900	8,900	64.8%	3,500
Segment 2	8,700	12,200	12,200	40.2%	3,500
Segment 3	20,100	24,000	17,500	19.4%	3,900
Segment 4	16,050	20,200	20,200	25.9%	4,150
Segment 5	8,000	11,500	11,500	43.8%	3,500
Segment 6	8,700	12,200	12,200	40.2%	3,500
Segment 7	6,900	10,400	10,400	50.7%	3,500
Segment 8	7,300	10,800	10,800	47.9%	3,500
Segment 9	8,500	12,000	12,000	41.2%	3,500
Segment 10	10,200	14,700	14,700	44.1%	4,500
Avg./Segment	10,000	13,700	13,000	37.0%	3,700

Source: HSP, Placer.ai, INDOT, various

The “Future with Mid-States” column shows the total future traffic on both the existing and MSC routes. In Segment 3, the Mid-States Corridor and local roads will handle 24,000 vehicles per day, but the MSC will handle 17,500 of them. This is the segment where the change in traffic count will be the smallest percentage change, but likely the biggest reliever of bottlenecks and improved efficiency.

The percent change in traffic ranges from ~20 percent to as much as ~65 percent. However, the additional through traffic on the corridor stays relatively consistent, ranging from 3,500 to 4,500 per day and averaging 3,700 per day. Overall, the added traffic through the corridor is estimated to increase by 37 percent compared with today. HSP believes this is a *conservative* estimate, as similar situations have exhibited a 50 percent increase in traffic once stabilized.

The table below shows the breakdown of existing passenger vehicles and trucks, future estimated vehicles and trucks and the net new amount of each.

Table 6-2

Mid-States Corridor Avg. Daily Traffic by Segment									
	Current			Future with Mid-States			Difference		
	Cars	Trucks	Total	Cars	Trucks	Total	Cars Change	Trucks Change	Change Total
Segment 1	4,914	486	5,400	6,675	2,225	8,900	1,761	1,739	3,500
Segment 2	8,004	696	8,700	9,760	2,440	12,200	1,756	1,744	3,500
Segment 3	18,492	1,608	20,100	20,232	3,768	24,000	1,740	2,160	3,900
Segment 4	13,964	2,087	16,050	15,756	4,444	20,200	1,793	2,358	4,150
Segment 5	5,920	2,080	8,000	7,820	3,680	11,500	1,900	1,600	3,500
Segment 6	6,525	2,175	8,700	8,296	3,904	12,200	1,771	1,729	3,500
Segment 7	5,244	1,656	6,900	6,968	3,432	10,400	1,724	1,776	3,500
Segment 8	5,621	1,679	7,300	7,344	3,456	10,800	1,723	1,777	3,500
Segment 9	6,630	1,870	8,500	8,400	3,600	12,000	1,770	1,730	3,500
Segment 10	7,956	2,244	10,200	10,290	4,410	14,700	2,334	2,166	4,500
Avg./Segment	8,327	1,658	9,985	10,154	3,536	13,690	1,827	1,878	3,705

	Current			Future with Mid-States			Difference		
	Cars %	Trucks %	Total	Cars %	Trucks %	Total	Cars % Change	Trucks % Change	% Change Total
Segment 1	91%	9%	100.0%	75.0%	25.0%	100.0%	35.8%	357.8%	64.8%
Segment 2	92%	8%	100.0%	80.0%	20.0%	100.0%	21.9%	250.6%	40.2%
Segment 3	92%	8%	100.0%	84.3%	15.7%	100.0%	9.4%	134.3%	19.4%
Segment 4	87%	13%	100.0%	78.0%	22.0%	100.0%	12.8%	113.0%	25.9%
Segment 5	74%	26%	100.0%	68.0%	32.0%	100.0%	32.1%	76.9%	43.8%
Segment 6	75%	25%	100.0%	68.0%	32.0%	100.0%	27.1%	79.5%	40.2%
Segment 7	76%	24%	100.0%	67.0%	33.0%	100.0%	32.9%	107.2%	50.7%
Segment 8	77%	23%	100.0%	68.0%	32.0%	100.0%	30.7%	105.8%	47.9%
Segment 9	78%	22%	100.0%	70.0%	30.0%	100.0%	26.7%	92.5%	41.2%
Segment 10	78%	22%	100.0%	70.0%	30.0%	100.0%	29.3%	96.5%	44.1%
Average	83.4%	16.6%	100.0%	74.2%	25.8%	100.0%	21.9%	113.3%	37.1%

Source: HSP, Placer.ai, INDOT, various

The number of passenger vehicles is expected to increase by approximately 1,800 on average through the corridor, which represents about a 22 percent increase over today's levels. This will benefit residents, employees and tourists, as well as employers and tourism attractions.

For trucks and the opportunity for industry, the improvement will be much more intensive and impactful to the local economy. Industry is very much hampered by the bottlenecks, access to supplies, employees and efficient routes to customers. HSP expected truck traffic to increase by an average of nearly 1,900 trucks per day along the route, or an increase of 113 percent over today's levels. In total, the number of daily vehicles is expected to increase by 37 percent, or 3,705 by stabilization.

Highway Design

For the sake of assessing future traffic demand, HSP is assuming that the type of highway will be either a four-lane divided, completely limited-access freeway with no at-grade intersections, or at the very least, a four-

lane divided expressway similar to U.S. 231 south of Interstate 64 that features very limited at-grade cross-traffic intersections only at a few selected county roads, with grade-separated interchanges at the busier state highway intersections. In either case, travel speeds will likely be 65 or 70 miles per hour, and there should not be situations along the route in which vehicle stops are required along the main travel lanes.

HSP projects that any highway condition with traffic signals or stop signs will not be effective at attracting significant long-distance travelers or truck traffic looking for alternatives to I-65 or I-69. The entire length of the completed four-lane Mid-States Highway between Nashville, TN and Indianapolis (including I-69 from Bloomington to Indianapolis, and I-165 between Owensboro and Bowling Green, Kentucky) will be a totally access-controlled highway with the exception of the 30-mile segment of U.S. 231 from the northeast side of Owensboro (co-signed as U.S. 60), across the William H. Natcher Bridge over the Ohio River and I-64 north of Dale, IN.

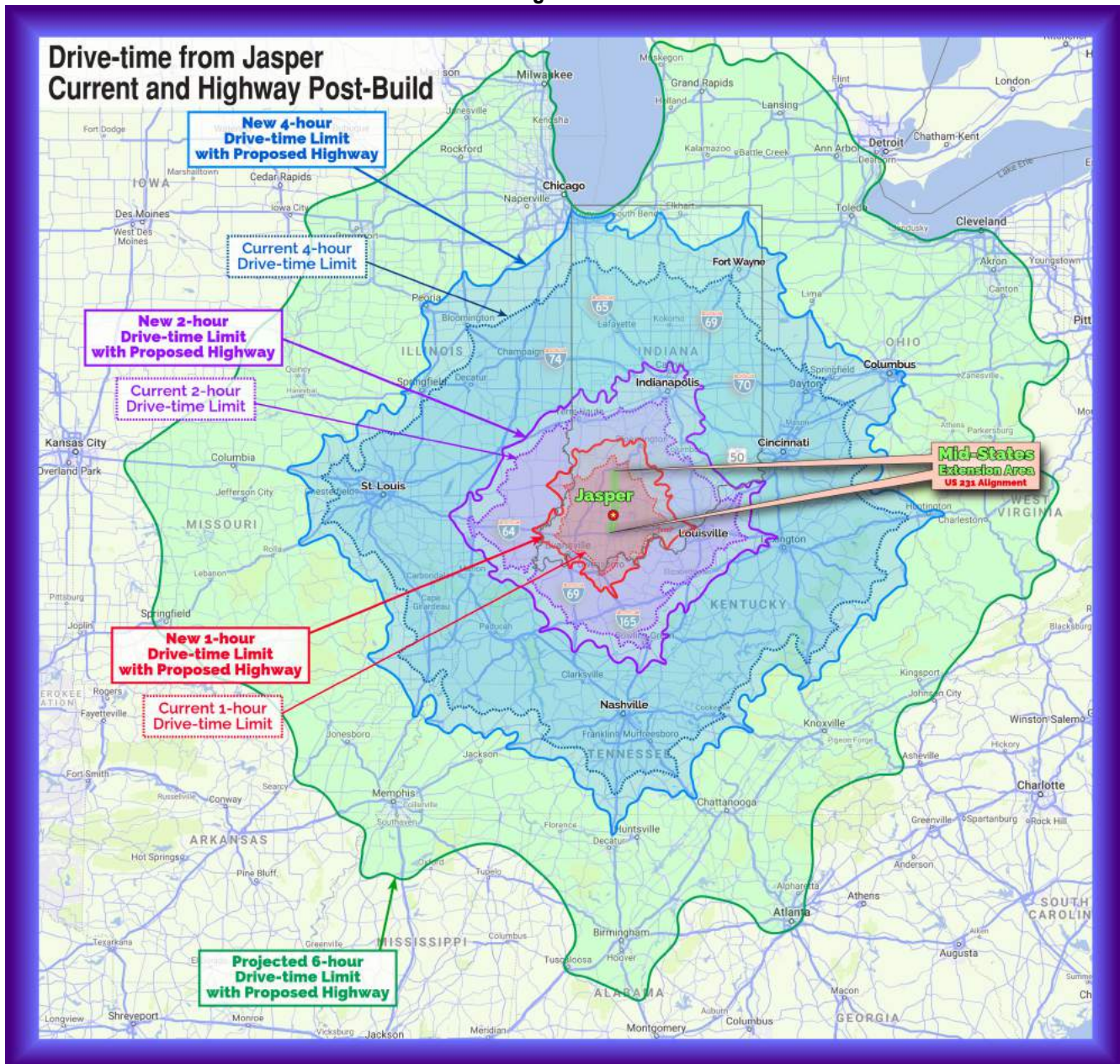
Without doubt, a full limited access highway is the most appealing form of vehicular travel, and would benefit the region more so than a highway that has cross-traffic or potential traffic signals. A lesser-quality highway, while less costly to build, would either be overlooked by the public (especially those not familiar with the area) and/or not seen as a viable alternative, due to the greater possibility of stops or slower travel situations.

Access to Larger Markets for Talent, Goods, Services and Tourism

HSP assessed the time savings in each direction, which is greater to the north, as well as to the south, west and east. The average time savings is approximately 20 to 22 minutes, depending if in a truck or passenger vehicle. This time savings translates directly to larger accessible markets into and out of the area.

The next map shows the current and future accessible markets based on typical travel times: 1, 2 4, and 6-hour travel times. Jasper was used as the center point.

Figure 6-13



As shown, the increased market access means that new markets are now accessible within standard drive times. For example:

- Evansville and Louisville will be easily accessible within an hour,
- Indianapolis, Lexington and Terre Haute will be accessible within a two-hour drive time,
- The time to Nashville, TN and St. Louis, MO will be reduced by approximately 15 minutes,

- Chicago, Fort Wayne, and Columbus, Peoria and Springfield will be newly accessible within a four-hour drive time, and
- Atlanta, Birmingham, Memphis, Cleveland-Akron, Detroit, Grand Rapids, Milwaukee, the Quad Cities, Springfield (MO) and nearly to Kansas City will be newly accessible within a six-hour drive time.

Each of these incremental improvements, whether 15+/- minutes to the south, east and west or nearly 30 minutes to northern destinations, bring markets, talent and customers within the reach of these two counties. The opportunity for manufacturing, distribution centers and tourism attractions all increase due to this accessibility.

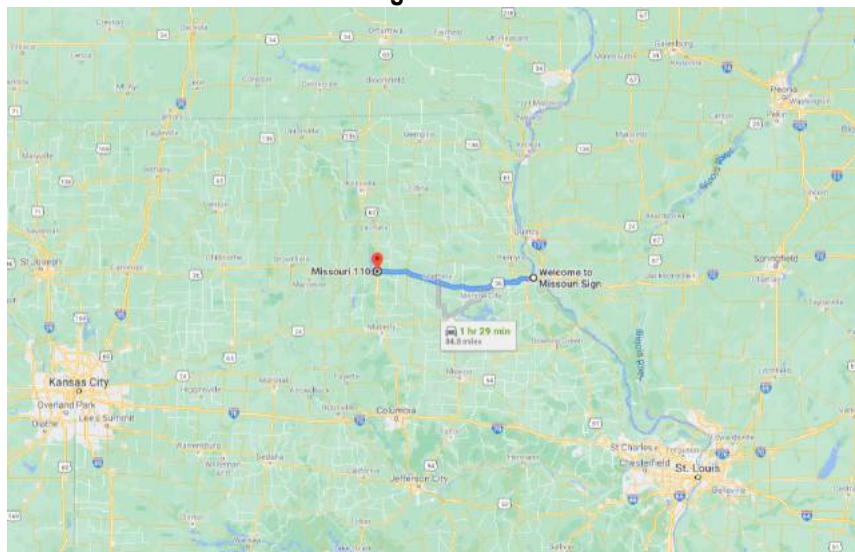
The next chapter will show the economic, jobs and tax impacts to the counties of the Mid-States Corridor Project, as well as the one-time tax impact to the state of construction.

Comparable New Four-Lane Expressways in the Midwest

There are numerous two-lane highways in the surrounding states that have been upgraded to four-lane expressways. HSP specifically noted examples where a new high-speed highway with interchanges was built to connect other existing freeways and expressways, and where both prior construction and post-opening traffic statistics are available. In virtually every case, once a new expressway was opened and fully functioning for several years, traffic counts grew significantly and often dramatically. The following are some examples.

U.S. 36 between Hannibal and Macon, Missouri

Figure 6-14



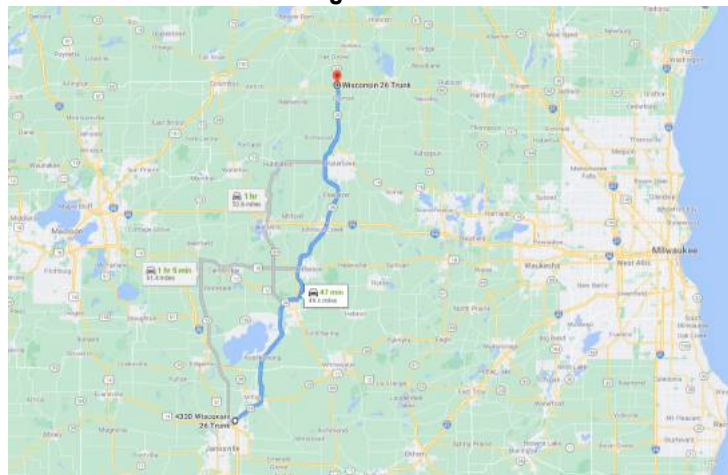
Similar to the proposed Mid-States Corridor in length, connectivity, and its rural, isolated positioning, this former two-lane section of highway was the missing link in an otherwise four-lane highway east and west across both Missouri and Illinois. The unfinished section was holding back the entire corridor, from several

cities in central Illinois, including the state capital of Springfield, Illinois, westward to St. Joseph, Missouri, from its potential viability as both an economic catalyst for local businesses, and as an alternative to busy Interstate 70. The eastern portion of the expanded highway, as of its completion in 2010, links to I-72 in Illinois, which until this expansion, ended at the Mississippi River (with a short segment extending northward to Quincy, IL). It was part of an overall Chicago-to-Kansas City highway corridor that is now essentially complete. Since opening, traffic counts across the main rural sections have increased by 50 percent, from around between 5,000 and 7,000 daily vehicles to between 7,500 and 11,000 in 2019. Truck traffic makes up about 20 to 25 percent of the total traffic flow.

Of particular note is the method of financing for the construction. A Transportation Development District (TDD), consisting of the four counties the highway travels through, financed \$34.4 million of the \$75.5 million total with a ½ cent regional sales tax beginning in 2006, and is slated to finish making payments in 2021.

Wisconsin Highway 26 from Janesville to Watertown

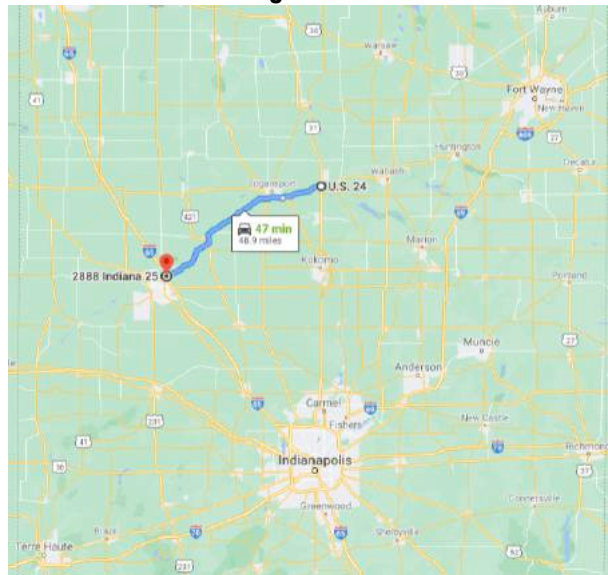
Figure 6-15



Completed in 2015, the 48-mile expansion from two to four lane combination expressway and limited access highway bypasses three cities similar in size to Jasper: Watertown, Jefferson, Fort Atkinson, and Milton, all in southern Wisconsin. The highway connects I-39/90 at Janesville to I-94 at Johnson Creek, creating a vital high-speed link between interstate highways and connecting south central Wisconsin to the Lake Winnebago cities of Fond du Lac and Oshkosh. Traffic counts since opening have increased overall by about 60 percent along most of the highway, resulting in total traffic counts of between 10,000 and 17,600 in 2018-19, up from about 6,500 to 8,000 prior to construction in most rural locations.

Hoosier Heartland Highway – Indiana State Road 25

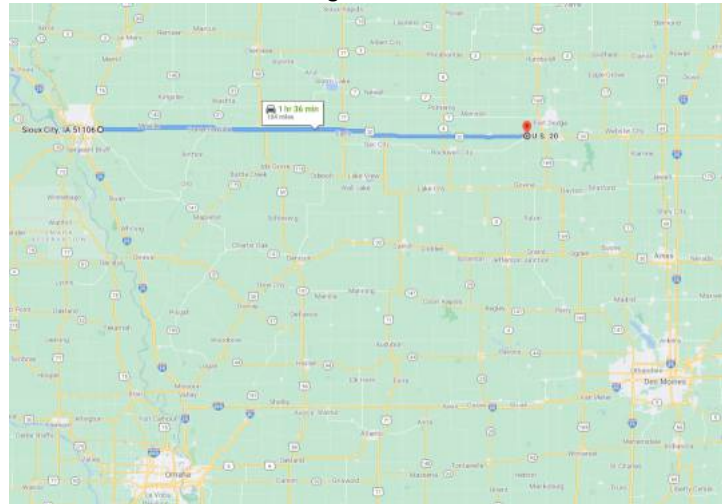
Figure 6-16



The former 1930s-era two-lane, narrow, curvy (poor visibility due to hillsides and heavily wooded sections), busy highway between Lafayette and Peru, Indiana, was replaced by a four-lane expressway that has both at-grade intersections and is limited-access in other segments. Its 48 miles opened completely in October 2013, allowing for a fast and safe connection from I-65 to U.S. 31 near Peru, merging with the already-existing four-lane U.S. 24, eastward to Fort Wayne and Toledo, Ohio. Lafayette and West Lafayette, one of the state’s fastest-growing metro areas and home to Purdue University, had only poor and unsafe road access to South Bend, Fort Wayne, and the populated and industrial metropolises of Detroit, Toledo and Cleveland before this new highway build opened the doorway to future economic expansion. Traffic volumes have increased from 2,000 to 4,000 vehicles per day along the corridor since the highway opened, to a range between 6,500 and 12,200 in rural areas in 2019.

U.S. 20 across western Iowa, Fort Dodge to Sioux City

Figure 6-17



This highway took sixty years to transform into a complete four-lane expressway (with some portions acting as a limited access interstate-type highway, and other segments allowing at-grade crossover traffic at little-used intersections) from opening its first four-lane segment in 1958 to the last sixty-mile segment in 2018. The western portion of the two-lane highway had never accumulated busy-enough traffic counts to justify a four-lane expressway, however, Iowa had no four-lane east-west alternative to I-80, which is a heavily traveled Interstate, similar to I-65 in Indiana and Kentucky, as one of the nation’s busiest cross-country highways. The expansion of U.S. 20 across the state from Dubuque to Sioux City is 302 miles long and was already posting high traffic counts in the eastern third of the state from near Waterloo east to Dubuque, across the Mississippi River (where U.S. 20 quickly reverts back to a narrow two-lane roadway for the next 46 miles. This part of northern Illinois is now the only two-lane segment of U.S. 20 between the Chicago area and Nebraska.)

Since opening only months ago, highway traffic counts spiked immediately. Traffic counts in 2019 report that the same sections that could barely muster 2,000 cars per day, now carry no less than 5,000, an increase of 150% and 3,000 vehicles per day. Most of the western 100-mile segment of new highway lanes carry an AADT of between 5,100 and 6,000, and segments east of Fort Dodge carry an average of 10,500. The link is now highly prized by local and regional business and see the new modern highway as a necessity to serve the northern half of Iowa and bring new life, in the form of new or expanding business and supplies lines, restaurants, hotels, gas and convenience stores, not to mention some measure of community pride, to places not having witnessed any new local growth in decades.

East Side versus West Side Corridor Route Location

The importance of connecting Jasper and Dubois County to the larger regional expressway network cannot be understated with regard to the business and manufacturing community. Many of the largest local employers are no longer owned by families or corporations with ties to Dubois County, thus, their loyalty to the community is weaker. If access to the outside world is not made more efficient, the area, Jasper in particular (because it is the farthest and largest employment center from any existing expressway) is in a position to lose corporate

manufacturing facilities to other competing cities and towns outside of the region or state, and its ability to attract new facilities and the pool of good employees is greatly inhibited.

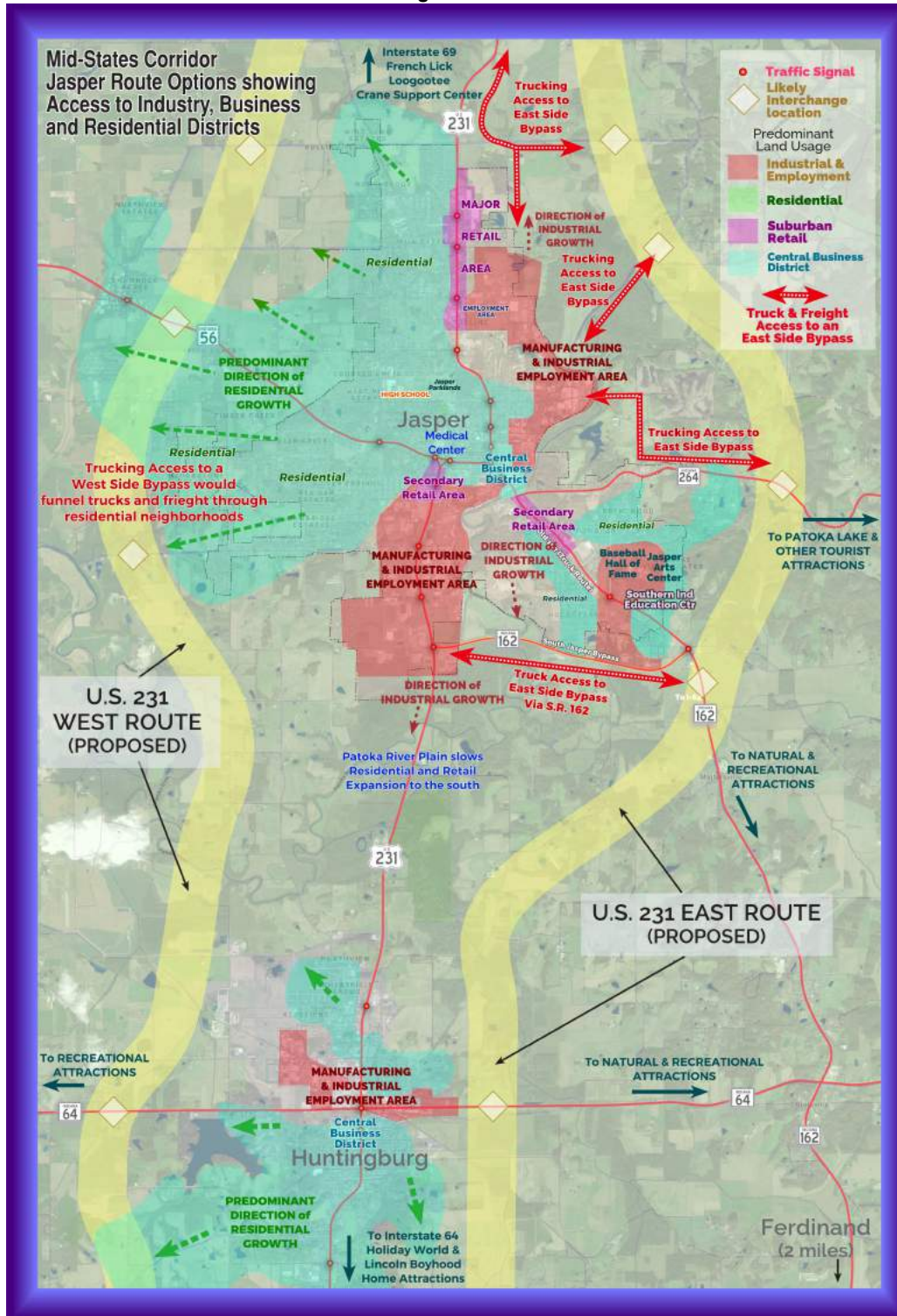
The geographic position of the new corridor route is important to the future growth in all aspects of Jasper and both Dubois and Spencer Counties, as well as other surrounding counties. However, it is **most** important to commerce and access to products and materials, both inbound and outbound, which is the heartbeat of any manufacturing and employment center. *Therefore, positioning the corridor route (and its interchanges with local access roads) in close proximity to the existing manufacturing and warehouse facilities is nearly as important as the very existence of the proposed expressway.* It is not hyperbole to express that the future of Jasper and Huntingburg's ability to compete for employers and employees rests largely in conveniently accessing the nation's highway network with the proposed Mid-States Highway, for without vastly improved transportation infrastructure, commerce could stall or recede, while other better-connected locations prosper.

There are advantages of an east-side U.S. 231 corridor route around Jasper and Huntingburg, rather than a western corridor route. In short, these are:

- Industries and manufacturing clusters, which rely on a constant flow of supplies and product transport, are located primarily on the east and south sides of Jasper;
- Significantly less cost for fuel and vehicle maintenance, especially regarding heavy and cumbersome freight-hauling trucks, due the convenient and closest access, free of most city traffic and other impediments between the highway and the manufacturing and warehouses in Jasper;
- Would create a separation between industrial and residential traffic that would keep the vast majority of trucks and other slow, oversized and heavy vehicles off the same main streets used by families, pedestrians and school children, which is a major safety risk;
- A faster, more reliable and safer link for thousands of daily employees to reach their jobs than a western corridor route would provide;
- Avoids the conflict of bringing twice-daily employee traffic from outside of Jasper through city streets during commuting times;
- Would bring tourist travelers closer to the array of unique, but somewhat under-visited recreational and natural assets of southern Indiana, without having to travel through the city streets of Jasper; and
- The noise of a major highway would be avoided near the predominantly residential districts on the west and north sides of Jasper.

The following map shows the general position of an east-side and west-side corridor route alignment, with respect to the proximity of residential and industrial districts in Jasper and Huntingburg.

Figure 6-18



As shown, the majority of the land dedicated to manufacturing is closer to, and has less constricted access to, an eastern corridor route. The majority of the residential districts, including many of the newest, are shown to be situated west of US 231 in both Jasper and Huntingburg, although not entirely. The trend in Jasper is for residential development to continue filling land to the west and northwest of the city's core. Truck traffic traveling to and from the city's warehouses and manufacturing facilities would need to use the same roads as the residential population, eliminating the benefit of establishing safer in-town roads for families and pedestrians.

In Jasper's case, it is more sensible for a major interstate-style highway, which will be heavily traveled by truck transport, to be built adjacent to, or within a short and easily accessible distance of the industrial zones to serve the freight traffic, which are located on the southern edge and the eastern edges of town along the Patoka River. River lowlands in Jasper on the east and south side of town are flat and less expensive, making it unattractive to home developers and residential lots, and thus, more available for large-scale industrial and warehouse expansion. Flooding is no longer an issue, due to Patoka Lake's dam, so industry can, and will continue to cluster on the east and south side's lowlands.

Cities cannot expect to grow or flourish without modern, fast, easy and convenient transportation connection to the outside world, as well as to a larger geographic area of available employees. The single greatest advantage of a new north-south divided highway to Jasper and Huntingburg is fast and reliable access for business and manufacturing growth, including entities already in existence, as well as the prospects of attracting future businesses and manufacturing facilities, hence, a stronger and growing residential community. Many of the largest employers are now owned by outside interests who have little-to-no local family or community connections, and therefore, have fewer reasons to be loyal to the area despite the lack of good highway infrastructure. Corporate decisions to relocate facilities to other areas has become a more distinct possibility and threat to the area.

Additionally, the eastern corridor route alignment also opens land for development along the periphery of the Huntingburg Regional Airport and brings a much safer and faster travel link in closer proximity to the more rugged, isolated communities and attractions in Orange County. This affects both the employee base and tourism potential.

An east-side corridor route will also better serve the residential and business community by alleviating local city thoroughfares of semis and heavy trucks, as well as employees on their way to work and back home, especially those living outside of Jasper and Huntingburg. The large employer nodes will rely heavily on the new Mid-States Corridor to increase their ability to attract a wider set of employees and supplies from outside of the area.

By alleviating the city's two-lane thoroughfares, particularly North Newton Street, of slow-starting and moving truck traffic, the streets are made safer and less congested, with smoother flow. Interchanges along the highway would most likely be placed at State Highway 162 (the more-recently constructed two-lane southern bypass), State Highway 164, Kellerville Road, at 47th Street (also called County Road 400 North), and U.S. 231 at the north end of Jasper. The southernmost four interchanges would serve the industrial and central business district without the need for trucks to travel the same city streets as the residential, retail district, and school pedestrian areas. The east-side route would also provide access to more available open land already earmarked for industrial use, particularly southeast of Jasper near State Road 162.

Residential development on Jasper's west side near the town of Ireland, State Road 56, and along Division Road will be allowed to continue development with more of a rural and agrarian sensibility, without a potentially noisy expressway enclosing the residential neighborhoods, and avoiding the "not-in-my-backyard" complaints that frequently accompany such highway proposals.

Finally, and possibly most importantly to the state and more distant residents, traveler and tourist access to the state highways on the east side of Jasper provides easier and closer access to Southern Indiana's wealth of natural, historic, and scenic tourist attractions, nearly all of which lie to the east of Jasper. Highways 64, 164, and 56 are the most direct and important arteries in and out of the Patoka Lake region and French Lick's/West Baden Springs' casino and resorts. If the highway were positioned on the west side of Jasper, it would be necessary to thread traffic through the school zones, residential areas, and the downtown district.

A west-side location would also change the character of the landscape near this route, inviting new industrial and warehouse land uses near existing quiet residential neighborhoods, a typically unpopular scenario among current residents.

The potential advantages of a west-side corridor route include flatter, easier terrain on which to build the expressway, resulting in an initially less expensive construction expense. Some farm-based businesses towards the county's west side would prefer a western alignment, while other farms would lose land to its development. The eastern portion of Jasper has slightly hiller terrain, to which environmental and visual aesthetic concerns can arise. However, proper and sensitive highway design can minimize those issues, no matter which alignment is chosen. Choosing a less expensive route may not serve the needs of the community as well, costing the state more in terms of lost potential in the long run. There is no doubt that some residents, farmers and business leaders will prefer a west-side alignment, however, the advantages of an eastern alignment are more numerous and mesh well with the highway's most important purposes.

The Mid-States Corridor is necessary, not only for Jasper and Dubois County's future business growth, but also for Southern Indiana's tourism economy, which, due to its nature as a getaway retreat area, is nestled in the hilliest, lushest and among the most endearing landscapes, far from any major expressway. In order for these natural attractions to be enjoyed, stay in business and flourish, access must be within reach of the largest populations in the region. At this time, the largest population center in the state, Indianapolis, with over two million people, is not within an easy or a reasonably convenient drive of these resources, and the residents of central and northern Indiana, as well as those in surrounding states, choose other destinations instead.

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ECONOMIC, EMPLOYMENT AND FISCAL IMPACT ANALYSIS

The Mid-States Corridor Project will create regional and statewide economic impact that can be grouped into the following categories:

- Travel Efficiency Impacts,
- Increased Tourism Impacts,
- Induced and Redirected Traffic/Spending Impacts,
- Accident Reduction/Safety Impacts
- New Employment Impacts
- New Resident Growth and
- County and State Fiscal Impacts

Travel Efficiency and Cost Savings

The Mid-States Corridor Economic Area -- and specifically these two counties -- will benefit from the Project both from reduced travel costs and improved efficiency. This impact will vary depending on the type of trip purpose, distance and direction traveled, and will likely be maximized for those industries that require a significant amount of travel or movement of goods and supplies, especially to the north.

There are going to be significant additional time savings beyond the two counties that will benefit the entire State of Indiana. The focus of this report is on the time savings along the north-south corridor from the southern end of Spencer County to the northern end of Dubois County.

The current US 231 length is 52 miles (much of which is in the two counties), and the travel time in normal traffic is 69 minutes, although during afternoon commute times, this can expect an added 15-20 minutes. The travel time at 70 mph would be 46 minutes for the whole distance, I-64 to I-69, a savings of 23 minutes. During commuting times, the time savings could be 38 to 43 minutes or more.

From Jasper: Times savings to the south, east, and west is a 14-minute savings. Jasper to I-69 north at the current conditions is 47 minutes, but daytime traffic would add another 10-15 minutes HSP added 15 minutes and projects an average of 62 minutes total to get from Jasper to I-69.

Jasper to I-69 north with a *new* Mid-States highway is 32 minute (+ 5 minutes to get to the highway on the west side of town), or a total of 37 minutes, from Jasper's industries to I-69 at Crane. So the total travel time saves to the north is 69 minutes minus 37 minutes, or a 32-minute savings each way.

The total mileage of US 231 from I-64 to the Ohio River is 21.5 miles. The travel time is 20 minutes.

Since HSP is solely focused on the time savings for the two counties, the focus is the total distance of the corridor today and in the future. The total distance along US 231 in the two counties is 44 miles. The two-county time of travel on US 231 is 57 minutes currently, without typical traffic backups in Jasper and Huntingburg. As such, true travel times are an added 15 minutes, which totals 72 minutes. In the future with

the Mid-States Corridor, total travel time for a passenger vehicle will be 40 minutes, a savings of 22 minutes. For trucks, which travel at slightly slower speeds, total time saved is estimated to be 20 minutes along the route.

The reason HSP adds 15 minutes to the drive time during most of the daytime hours is because US 231 on the north side of Jasper routinely has a single lane that backs up sometimes as much as a mile each way. It is the only route through town and early every traveler, including long-distance trucks and cars, local traffic, school buses and everyone else is subject to that back up. It is a big problem for this small city and their ability to attract or grow more business and industry, as well as attract talent/employees.

Actual cost savings is calculated by estimating total time saved traveling on the proposed Mid-States Corridor instead of the current road system, specifically US 231. It is likely that traffic pulled off of US 231 and onto the new highway system would provide a significant time savings for businesses and residents in the region.

The following table shows the travel time and cost savings for the proposed Project, focused primarily on the north-south time savings that will be achieved by the existing traffic, and the resulting savings in gas and wear and tear.

Table 7-1

Time & Economic Impact Savings Due to Mid-States Corridor						
	Cars/Day	Trucks/Day	Total/Day	Cars/Year	Trucks/Year	Total/Year
Present	8,327	1,658	9,985	3,039,337	605,188	3,644,525
Time Savings per (Minutes)	22.0	20.0	21.7	22.0	20.0	21.7
	Hours/Day	Hours/Day	Hours/Day	Days/Year	Days/Year	Days/Year
Total Time Saved	3,053	553	3,606	46,434	8,405	54,840
	Per Car/Day	Per Truck/Day	Total/Day	Per Car/Year	Per Truck/Year	Total/Year
Cost Savings per	\$ 10.84	\$ 31.94	\$ 14.35	\$ 3,958	\$ 11,658	\$ 5,236
	Per Day	Per Day	Per Day	Per Year	Per Year	Per Year
Cost Savings Total	\$ 90,288	\$ 52,956	\$ 143,243	\$ 32,955,094	\$ 19,328,782	\$ 52,283,876

Source: HSP

Based on the estimated time savings per passenger car and truck from the existing traffic counts, the gas and wear/tear savings on the cars and trucks is projected to be \$143,000 per day, or more than \$52 million per year (essentially \$1 million per week). Just this time and cost savings is a major impact for existing cars and trucks. This savings is included in the economic impact modeling shown in the remaining part of this chapter.

New Traffic and Passengers to the Counties

Based on the projections for new through traffic on the Mid-States Corridor, HSP then determined the likely split between passenger vehicles and trucks.

The projection of average daily traffic by segment by vehicle type is shown in the table below.

Table 7-2

Mid-States Corridor Avg. Daily Traffic by Segment by Type									
	Current			Future with Mid-States			Difference		
	Passenger Vehicles	Trucks	Total	Passenger Vehicles	Trucks	Total	Pass. Vehicle Change	Trucks Change	Change Total
Segment 1	4,914	486	5,400	6,675	2,225	8,900	1,761	1,739	3,500
Segment 2	8,004	696	8,700	9,760	2,440	12,200	1,756	1,744	3,500
Segment 3	18,492	1,608	20,100	20,232	3,768	24,000	1,740	2,160	3,900
Segment 4	13,964	2,087	16,050	15,756	4,444	20,200	1,793	2,358	4,150
Segment 5	5,920	2,080	8,000	7,820	3,680	11,500	1,900	1,600	3,500
Segment 6	6,525	2,175	8,700	8,296	3,904	12,200	1,771	1,729	3,500
Segment 7	5,244	1,656	6,900	6,968	3,432	10,400	1,724	1,776	3,500
Segment 8	5,621	1,679	7,300	7,344	3,456	10,800	1,723	1,777	3,500
Segment 9	6,630	1,870	8,500	8,400	3,600	12,000	1,770	1,730	3,500
Segment 10	7,956	2,244	10,200	10,290	4,410	14,700	2,334	2,166	4,500
Avg./Segment	8,327	1,658	9,985	10,154	3,536	13,690	1,827	1,878	3,705
	83.4%	16.6%	100.0%	74.2%	25.8%	100.0%	21.9%	113.3%	37.1%

	Current			Future with Mid-States			Difference		
	Passenger Vehicle %	Trucks %	Total	Passenger Vehicle %	Trucks %	Total	Pass. Vehicle Change	Trucks % Change	% Change Total
Segment 1	91%	9%	100.0%	75.0%	25.0%	100.0%	35.8%	357.8%	64.8%
Segment 2	92%	8%	100.0%	80.0%	20.0%	100.0%	21.9%	250.6%	40.2%
Segment 3	92%	8%	100.0%	84.3%	15.7%	100.0%	9.4%	134.3%	19.4%
Segment 4	87%	13%	100.0%	78.0%	22.0%	100.0%	12.8%	113.0%	25.9%
Segment 5	74%	26%	100.0%	68.0%	32.0%	100.0%	32.1%	76.9%	43.8%
Segment 6	75%	25%	100.0%	68.0%	32.0%	100.0%	27.1%	79.5%	40.2%
Segment 7	76%	24%	100.0%	67.0%	33.0%	100.0%	32.9%	107.2%	50.7%
Segment 8	77%	23%	100.0%	68.0%	32.0%	100.0%	30.7%	105.8%	47.9%
Segment 9	78%	22%	100.0%	70.0%	30.0%	100.0%	26.7%	92.5%	41.2%
Segment 10	78%	22%	100.0%	70.0%	30.0%	100.0%	29.3%	96.5%	44.1%
Average	83.4%	16.6%	100.0%	74.2%	25.8%	100.0%	21.9%	113.3%	37.1%

Source: HSP, Placer.ai, INDOT, various

As shown, currently the breakdown of passenger vehicles versus trucks is 74 percent to 26 percent. HSP projects that the number of passenger vehicles will increase by about 1,800 on average over the segments, or about 22 percent. Trucks are suggested to increase by nearly 1,900 per segment on average, or an increase of more than 100 percent. In total, the number of vehicles is expected to increase by 37 percent.

As a basis for determining impact of the corridor to the two counties' economies, HSP then estimated the number of new drivers/passengers to the two counties, based on the number of people per vehicle type.

The next table shows the number of people per vehicle, current totals and future expected totals at stabilization, and the difference from today.

Table 7-3

Net New Vehicles & Passengers (Stabilized Year)										
	People Per Vehicle	Current Passengers per Day	Future Passengers per Day	Difference: Passengers per Day	Difference: Passengers per Year	Current Vehicles per Day	Future Vehicles per Day	Current Vehicles per Year	Future Vehicles per Year	Difference: Vehicles per Year
Passenger Vehicles	2.07	17,225	21,004	3,780	1,379,550	8,327	10,154	3,039,337	3,706,247	666,910
Trucks	1.03	1,708	3,642	1,934	705,978	1,658	3,536	605,188	1,290,604	685,415
Total	1.90	18,933	24,646	5,714	2,085,528	9,985	13,690	3,644,525	4,996,850	1,352,325

Source: HSP, NHTSA

The number of people per vehicle is a weighted average of cars, SUVs and minivans and is 2.07, while the number of people per truck is estimated at 1.03. Currently there are nearly 19,000 passengers per day, whereas in the future with the corridor, the figure is expected to increase to nearly 25,000 per day. This translates into ~5,700 more per day and nearly 2.1 million new passengers per year. The number of *new* vehicles per year is projected to be 1.35 million, nearly evenly divided by passenger vehicles and trucks.

Economic Impact of Service Businesses

The majority of immediate new job creation will be at new businesses that develop along the highway to serve motorists. Gas stations, hotels, retail, and restaurants will be developed at the various interchanges along the Corridor, providing jobs to residents and fiscal benefit to the county and state. Additional economic impacts from such spending will occur in communities in these counties as well. Tourism will also flourish, with places like Holiday World and other attractions able to reach and attract many more visitors. All of these will synergize with the Corridor for new spending and jobs.

The development of service businesses at rural interchanges along an interstate highway are dependent on the average daily traffic (ADT) on both the interstate and intersecting roads, the distance to the nearest metro center, and the distance to the next interchange.

The types of businesses depend on the location of each interchange and the factors listed above. For instance, light tourist service interchanges usually have gas stations, fast food restaurants and a single hotel, while those located close to a major metro may have a critical mass of dining, entertainment and other attractions. However, for places that are already generating traffic, like Holiday World (and is in need of at least one hotel already), the opportunity to develop more, larger and better hotels will be present. Also, more full-service restaurants will be supported.

The following table shows the estimated breakdown of new passengers and truckers and the split of daytrips and overnights by each.

Table 7-4

Projection of New Traffic and Spending to Spencer & Dubois Counties (Stabilized Year, Constant Dollars)								
		Stabilized Year	5 Years	10 Years	15 Years	20 Years	25 Year	30 Years
New Passenger Cars	49%	666,910	3,334,549	6,669,098	10,003,646	13,338,195	16,672,744	20,007,293
New Trucks	51%	685,415	3,427,076	6,854,153	10,281,229	13,708,305	17,135,381	20,562,458
Total New Annual Vehicles	100%	1,352,325	6,761,625	13,523,250	20,284,875	27,046,500	33,808,125	40,569,750
New Annual Passengers								
New Passengers (non-Truck)	66%	1,379,550	6,897,752	13,795,505	20,693,257	27,591,009	34,488,761	41,386,514
New Truckers	34%	705,978	3,529,889	7,059,777	10,589,666	14,119,554	17,649,443	21,179,331
Total New	100%	2,085,528	10,427,641	20,855,282	31,282,922	41,710,563	52,138,204	62,565,845
Daytrips								
New Passengers (non-Truck)	93.5%	1,289,880	6,449,398	12,898,797	19,348,195	25,797,593	32,246,992	38,696,390
New Truckers	87.5%	617,730	3,088,652	6,177,305	9,265,957	12,354,610	15,443,262	18,531,915
Total	91.5%	1,907,610	9,538,051	19,076,102	28,614,153	38,152,203	47,690,254	57,228,305
Overnights								
New Passengers (non-Truck)	6.5%	89,671	448,354	896,708	1,345,062	1,793,416	2,241,769	2,690,123
New Truckers	12.5%	88,247	441,236	882,472	1,323,708	1,764,944	2,206,180	2,647,416
Total	8.5%	177,918	889,590	1,779,180	2,668,770	3,558,360	4,447,950	5,337,540

Source: Hunden Strategic Partners, Various

HSP’s model shows that the number of new passengers will make up nearly two-thirds of the new travelers, while truckers will make up about one-third. In terms of the division of daytrippers versus overnighters, HSP estimates that 93.5 percent of new passengers will either be traveling through or will just stop for the day, while 87.5 percent of truckers will be daytrippers. Daytrippers have less of an economic impact than overnighters.

In total, 1.9 million new daytrips are expected and nearly 180,000 overnighters are expected per year in the stabilized year.

The next table shows the new hotel room nights generated by those spending the night (both passengers and truckers).

Table 7-5

Projection of New Hotel Room Nights	
	Stabilized Year
New Hotel Room Nights	118,612
Supported New Hotel Rooms	560

Source: Hunden Strategic Partners, Various

- HSP projects that nearly 120,000 new hotel room nights will be generated per year, eventually supporting the development of 560 hotel rooms in the two counties.
- For gas stations, HSP estimates nearly 60 million new miles traveled on the Corridor resulting in nearly \$9 million per year in gasoline consumed alone.

- For restaurants, HSP estimates that nearly \$19 million in new restaurant spending will occur each year, supporting more than 37,000 square feet of new restaurants.
- For retail, HSP estimates that nearly \$20 million in new retail spending will occur, supporting more than 65,000 square feet of new retail space.

The next table shows the total spending by category.

Table 7-6

Net New Economic Activity/Spending (000s) from New Daytrippers & Overnighters

<i>Daytrip Impact by Passenger Vehicles</i>	Stabilized Year	5 Years	10 Years	15 Years	20 Years	25 Year	30 Years
Retail	\$14,189	\$70,943	\$141,887	\$212,830	\$283,774	\$354,717	\$425,660
Food & Beverage	\$11,609	\$58,045	\$116,089	\$174,134	\$232,178	\$290,223	\$348,268
Transportation	\$15,776	\$78,880	\$157,761	\$236,641	\$315,522	\$394,402	\$473,283
Other/Recreation/Entertainment	\$9,029	\$45,146	\$90,292	\$135,437	\$180,583	\$225,729	\$270,875
Total	\$50,603	\$253,014	\$506,028	\$759,043	\$1,012,057	\$1,265,071	\$1,518,085
<i>Daytrip Impact by Truckers</i>	Stabilized Year	5 Years	10 Years	15 Years	20 Years	25 Year	30 Years
Retail	\$1,235	\$6,177	\$12,355	\$18,532	\$24,709	\$30,887	\$37,064
Food & Beverage	\$2,471	\$12,355	\$24,709	\$37,064	\$49,418	\$61,773	\$74,128
Transportation	\$45,652	\$228,260	\$456,521	\$684,781	\$913,042	\$1,141,302	\$1,369,562
Other/Recreation/Entertainment	\$618	\$3,089	\$6,177	\$9,266	\$12,355	\$15,443	\$18,532
Added Avg. Value of Load to Economy	\$276,331	\$1,381,657	\$2,763,314	\$4,144,972	\$5,526,629	\$6,908,286	\$8,289,943
Total	\$326,308	\$1,631,538	\$3,263,076	\$4,894,615	\$6,526,153	\$8,157,691	\$9,789,229
<i>Overnight Impact by Passengers Vehicles</i>	Stabilized Year	5 Years	10 Years	15 Years	20 Years	25 Year	30 Years
Lodging	\$3,425	\$17,123	\$34,246	\$51,369	\$68,492	\$85,615	\$102,737
Retail	\$1,255	\$6,277	\$12,554	\$18,831	\$25,108	\$31,385	\$37,662
Food & Beverage	\$1,345	\$6,725	\$13,451	\$20,176	\$26,901	\$33,627	\$40,352
Transportation	\$1,206	\$6,032	\$12,064	\$18,096	\$24,128	\$30,160	\$36,192
Other/Recreation/Entertainment	\$1,255	\$6,277	\$12,554	\$18,831	\$25,108	\$31,385	\$37,662
Total	\$5,062	\$25,311	\$50,622	\$75,934	\$101,245	\$126,556	\$151,867
<i>Overnight Impact by Truckers</i>	Stabilized Year	5 Years	10 Years	15 Years	20 Years	25 Year	30 Years
Lodging	\$840	\$4,198	\$8,396	\$12,595	\$16,793	\$20,991	\$25,189
Retail	\$3,398	\$16,988	\$33,975	\$50,963	\$67,950	\$84,938	\$101,926
Food & Beverage	\$7,104	\$35,520	\$71,039	\$106,559	\$142,078	\$177,598	\$213,117
Transportation	\$45,652	\$228,260	\$456,521	\$684,781	\$913,042	\$1,141,302	\$1,369,562
Other/Recreation/Entertainment	\$927	\$4,633	\$9,266	\$13,899	\$18,532	\$23,165	\$27,798
Added Avg. Value of Load to Economy	\$78,952	\$394,759	\$789,518	\$1,184,278	\$1,579,037	\$1,973,796	\$2,368,555
Total	\$136,032	\$680,160	\$1,360,319	\$2,040,479	\$2,720,639	\$3,400,798	\$4,080,958
Total Spending/Direct Impact							
Lodging	\$4,264	\$21,321	\$42,642	\$63,963	\$85,284	\$106,605	\$127,926
Retail	\$19,688	\$98,442	\$196,884	\$295,325	\$393,767	\$492,209	\$590,651
Food & Beverage	\$18,733	\$93,664	\$187,327	\$280,991	\$374,655	\$468,319	\$561,982
Transportation	\$69,877	\$349,386	\$698,771	\$1,048,157	\$1,397,543	\$1,746,928	\$2,096,314
Transportation Time Savings Value	\$52,284	\$261,419	\$522,839	\$784,258	\$1,045,678	\$1,307,097	\$1,568,516
Other/Recreation/Entertainment	\$56,505	\$282,527	\$565,054	\$847,581	\$1,130,108	\$1,412,634	\$1,695,161
Added Avg. Value of Load to Economy	\$355,283	\$1,776,416	\$3,552,833	\$5,329,249	\$7,105,666	\$8,882,082	\$10,658,498
Total	\$576,635	\$2,883,175	\$5,766,350	\$8,649,525	\$11,532,700	\$14,415,874	\$17,299,049

Source: Hunden Strategic Partners, Various

Daytrip economic impact by passengers in vehicles amounts to approximately \$39 per person per day, made up of retail, restaurant, gas/wear & tear and other, which includes spending on attractions and other categories. For truckers the spending is lower, but transportation impacts are much greater and the value/impact of the loads they are carrying is high. As such, truckers will have a much greater economic impact on the economy. In reality, it will be the accessibility that allows for businesses that need trucks/loads that will result in the trucks, especially those that will now have new business locally.

The overnight figures are much higher per passenger or trucker, although spending by caterogy is different between trucks and passenger vehicles, as one would expect.

In total, annual new spending/economic direct impact is expected to be more than \$576 million per year by stabilization, with the majority coming from the economic value of industry via the new trucks and loads.

The savings and positive impact from existing cars and trucks' ability to save time and money by traveling the length of the two counties 20-22 minutes faster than today was then added to the new traffic spending impact. The total net new direct spending is shown below.

Table 7-7

Direct Net New/Recaptured Spending (000s) - Constant 2020 Dollars							
	Stabilized Year	5-Yr Total	10-Yr Total	15-Yr Total	20-Yr Total	25-Yr Total	30-Yr Total
Food & Beverage	\$ 18,733	\$ 93,664	\$ 187,327	\$ 280,991	\$ 374,655	\$ 468,319	\$ 561,982
Lodging	\$ 4,264	\$ 21,321	\$ 42,642	\$ 63,963	\$ 85,284	\$ 106,605	\$ 127,926
Retail	\$ 140,388	\$ 701,942	\$ 1,403,884	\$ 2,105,827	\$ 2,807,769	\$ 3,509,711	\$ 4,211,653
Transportation	\$ 59,164	\$ 295,820	\$ 591,641	\$ 887,461	\$ 1,183,281	\$ 1,479,102	\$ 1,774,922
Other	\$ 414,447	\$ 2,072,237	\$ 4,144,474	\$ 6,216,710	\$ 8,288,947	\$ 10,361,184	\$ 12,433,421
Total	\$ 636,997	\$ 3,184,984	\$ 6,369,968	\$ 9,554,952	\$ 12,739,937	\$ 15,924,921	\$ 19,109,905

Source: Hunden Strategic Partners

The net new and recaptured spending to the two counties' economies is projected to total nearly \$640 million each year at stabilization.

Economic Impacts

HSP uses the IMPLAN input-output multiplier model, which determines the level of additional activity in the Kentucky economy due to additional inputs. For example, for every dollar of direct new spending in the two counties, the IMPLAN model provides multipliers for the indirect and induced spending that will result.

The net new and recaptured direct spending discussed earlier in the chapter is considered to be the **Direct Impact**.

From the direct spending figures, further impact analyses will be completed.

- **Indirect Impacts** are the supply of goods and services resulting from the initial direct spending. For example, a visitor's direct expenditure on a cabin or onsite store causes the cabin to purchase items from suppliers. The portion of these purchases that are within the local economy is considered an indirect economic impact.

- **Induced Impacts** embody the change in spending due to the personal expenditures by employees whose incomes are affected by direct and indirect spending. For example, a waitress at a restaurant may have more personal income as a result of the visitor’s visit. The amount of the increased income that the employee spends in the area is considered an induced impact.
- **Employment Impacts** include the incremental employment due to the spending associated with the ongoing activation of the highway. For example, the direct, indirect and induced impacts generate spending, support new and ongoing businesses, and ultimately result in ongoing employment for citizens.
- **Fiscal Impacts** represent the incremental tax revenue collected by the counties due to the net new economic activity. The fiscal impact represents the government’s share of total economic benefit. Fiscal impacts provide an offset to the potential public expenditures required to support the development.

The following table shows the direct, indirect and induced spending from the development of the Mid-States Corridor.

Table 7-8

Direct, Indirect & Induced Spending - Constant 2020 Dollars							
	Stabilized Year	5-Yr Total	10-Yr Total	15-Yr Total	20-Yr Total	25-Yr Total	30-Yr Total
Direct	\$ 613,452	\$ 3,067,260	\$ 6,134,520	\$ 9,201,780	\$ 12,269,040	\$ 15,336,300	\$ 18,403,560
Indirect	\$ 241,746	\$ 1,208,728	\$ 2,417,457	\$ 3,626,185	\$ 4,834,914	\$ 6,043,642	\$ 7,252,371
Induced	\$ 180,277	\$ 901,384	\$ 1,802,769	\$ 2,704,153	\$ 3,605,538	\$ 4,506,922	\$ 5,408,307
Total	\$ 1,035,475	\$ 5,177,373	\$ 10,354,746	\$ 15,532,119	\$ 20,709,492	\$ 25,886,865	\$ 31,064,238

Source: Hunden Strategic Partners

The total of direct, indirect and induced spending/impact to the two counties’ economies is projected to be \$1.035 billion per year by stabilization. Given that the size of the GDP of the two counties is just over \$4 billion, the direct new spending represents a 15 percent increase and the total of direct, indirect and induced impact is a ~26 percent increase over today’s GDP.

Earning and Employment Impact

A large portion of the new spending locally will end up in an employee’s pocket as income. Based on the type of spending by industry, the dollars flow through the economy differently.

The table below shows the calculation of new earnings and resulting jobs in the two-county area. From a timing perspective, HSP does not expect all of these jobs to materialize immediately upon stabilization. It may take as many as 20 to 30 years to add these net jobs, but the demand and spending that will support the jobs will be there. These forces will also help support the inducement of new residents to the counties as well.

Table 7-9

Net New Earnings & FTE Jobs from Direct, Indirect & Induced Spending (000s) - Constant 2020 Dollars	
	Stabilized Year
Net New Earnings	
From Direct	\$ 180,741
From Indirect	\$ 86,323
From Induced	\$ 56,923
Total	\$ 323,987
Source: Hunden Strategic Partners	

New earnings from the new spending are expected to total nearly \$325 million in the stabilized year.

The next table shows the number of jobs supported by the new spending from the various industries.

Table 7-10

Net New Full-Time Equivalent Jobs from Direct, Indirect & Induced Earnings (000s)	
Net New FTE Jobs (ongoing)	30-Yr New
From Direct	4,374
From Indirect	1,484
From Induced	1,325
Total	7,184
Average Annual Wage (2020 dollars)	\$ 45,097
Source: Hunden Strategic Partners	

It will take some years for the spending to result in all of the supported earnings and jobs, but HSP projects that by Year 30, more than 7,000 jobs will be supported by the new Corridor. The annual average wage is projected to be ~\$45,000 in 2020 dollars.

Safety Impact

Federal highway studies have shown that there is a 50 percent reduction in accidents when moving from a two-lane divided highway with traffic lights and crossings to a four-lane, divided highway without stoplights. Even with a 37 percent long-term increase in traffic through the two-county portion of the corridor, expected accidents will decline by 32 percent, saving lives, lost work time, and overall economic and physical damage.

A comprehensive study by the U.S. Department of Transportation's National Highway Traffic Safety Administration (NHTSA) shows that the economic damage caused by each crash is approximately \$12,600

in 2020 dollars and is expected to exceed \$17,000 by 2035, when the Mid-States Corridor could be complete. Saving one crash per day will save the local, state and personal economies more than \$6.2 million per year.

Add calculation from before

Fiscal Impact of Ongoing Economic Benefit

For counties along the Mid-States Corridor, local tax revenue will be collected from hospitality and sales taxes at new and improved businesses.

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Table 7-11

Fiscal Impact - Tax Impacts from New Spending (000s) - Constant 2020 Dollars							
	Stabilized Yr	5-Yr Total	10-Yr Total	15-Yr Total	20-Yr Total	25-Yr Total	30-Yr Total
Capturable County Taxes							
Dubois Income Tax - Resident (1.0%)	\$ 1,762	\$ 13,152	\$ 26,304	\$ 39,456	\$ 52,607	\$ 65,759	\$ 78,911
Dubois Income Tax - Non-Resident (0.55%)	\$ 225	\$ 1,676	\$ 3,352	\$ 5,028	\$ 6,704	\$ 8,381	\$ 10,057
Spencer Income Tax - Resident (0.8%)	\$ 705	\$ 3,527	\$ 7,055	\$ 10,582	\$ 14,109	\$ 17,636	\$ 21,164
Spencer Income Tax - Non-Resident (0.58%)	\$ 109	\$ 543	\$ 1,087	\$ 1,630	\$ 2,173	\$ 2,716	\$ 3,260
Hotel Tax (5.0%)	\$ 214	\$ 1,066	\$ 2,132	\$ 3,198	\$ 4,264	\$ 5,330	\$ 6,396
Total	\$ 3,015	\$ 19,965	\$ 39,929	\$ 59,894	\$ 79,858	\$ 99,823	\$ 119,788
Capturable State Taxes							
Sales Tax (7.0%) - State	\$ 4,235	\$ 21,175	\$ 42,349	\$ 63,524	\$ 84,699	\$ 105,873	\$ 127,048
County & State Total	\$ 7,250	\$ 41,139	\$ 82,278	\$ 123,418	\$ 164,557	\$ 205,696	\$ 246,835

* Assumes 30% of new local impacts are new to Indiana
 Source: Hunden Strategic Partners

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Construction Impact (Jobs and Fiscal)

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Table 7-12

Construction Impacts - Mid-States Highway		
Development Cost (millions)		
Labor (60.6%)	\$	545
Materials (39.4%)	\$	355
Total	\$	900
Job-Years from Construction		7,321
Taxes Generated (millions)		
Dubois Income Tax - Resident (1.0%)		\$4.43
Dubois Income Tax - Non-Resident (0.55%)		\$0.56
Spencer Income Tax - Resident (0.8%)		\$3.60
Spencer Income Tax - Non-Resident (0.58%)		\$0.55
Hotel Tax (5.0%)		\$0.65
Sales Tax (7.0%) - State		\$21.10
Total		\$30.89
Source: Hunden Strategic Partners		

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Total Impact

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Table 7-13

30-Yr. Summary of Impacts	
Net New Spending	(millions)
Direct	\$18,404
Indirect	\$7,252
Induced	\$5,408
Total	\$31,064
Net New Earnings	(millions)
From Direct	\$5,422
From Indirect	\$2,590
From Induced	\$1,708
Total	\$9,720
Net New FTE Jobs (ongoing)	Actual
From Direct	4,374
From Indirect	1,484
From Induced	1,325
Total Ongoing Jobs	7,184
New Job-Years from Construction	7,321
Construction and Ongoing Jobs	14,505
New 30-Yr Taxes (incl. Construction)	(millions)
Dubois Income Tax - Resident (1.0%)	\$83.3
Dubois Income Tax - Non-Resident (0.55%)	\$10.6
Spencer Income Tax - Resident (0.8%)	\$24.8
Spencer Income Tax - Non-Resident (0.58%)	\$3.8
Hotel Tax (5.0%)	\$7.0
Sales Tax (7.0%) - State	\$148.1
Total	\$277.7
Source: Hunden Strategic Partners	

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