

# Road to Success?

## Infrastructure, State Attention on Area's Agenda

By Tom Schuman

References to southwestern Indiana in recent years are more likely than not related to the long-talked about expansion of Interstate 69.

Those references are often framed around the phrase “a direct route to Evansville.” Coming in a distant second, at least in perception, is the potential economic impact in communities along that route.

In our three focus counties – Pike to the northwest of Evansville, Gibson to the north and Posey on the western edge of the state – I-69 is just one issue. Existing state roadways that must bear the brunt of coal trucks and other industrial traffic are a concern. Attention from state officials is a longstanding source of consternation for many.

Being located in a region in which Evansville is the lone major city has its advantages and disadvantages. Residents and businesses in Petersburg, Princeton, Mount Vernon and throughout the three counties are certainly impacted by the presence of Indiana's third most populated city.

### Sixty-nine and counting

No, the number 69 does not refer to the years the interstate expansion has been debated. Much of the dispute has focused around potential environmental impacts. But to Pike County's fewer than 13,000 residents (with their education and household income levels that rank in the 80's among Indiana's 92 counties), the mantra appears to be “let the building begin.”

Brian Simpson, a financial advisor with Citizens State Bank in Petersburg and president of the Pike County Chamber of Commerce, says people have been pretty quiet lately about the interstate.

“I take that as a positive,” Simpson reasons. “Go north to Daviess County and Washington and they're concerned. Here, it's can we get three exits instead of two.’ We're embracing it. We just want input on where things are at.”

As executive director of the Pike County Economic Growth & Development Council, Paul Lake sees public reaction turning overwhelmingly positive. He also envisions the north-south I-69 link complementing the existing east-west route of Interstate 64.

“Petersburg does not have a lot of existing infrastructure outside the incorporated area. (I-69) will allow some regional economic of scale, sharing of infrastructure,” Lake explains. “There are some niches in warehousing, distribution and logistics that we can take advantage of.”

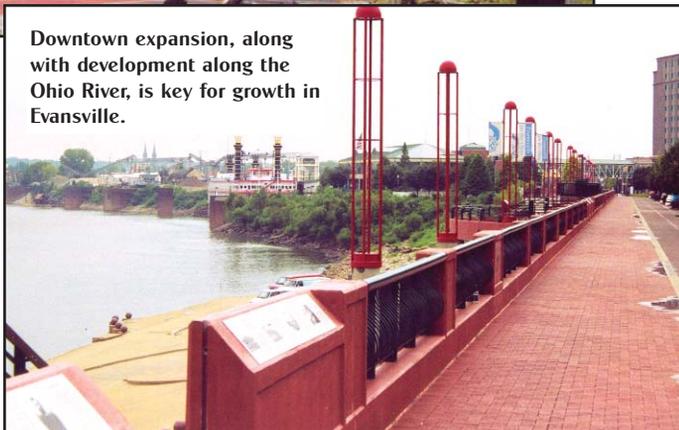
Simpson adds that services (motels, restaurants, gas stations) would be natural byproducts of the interstate, with I-69 making the area more attractive for manufacturing and warehousing operations.

Princeton is more closely aligned to the rejected I-69 route (Interstate 70 from Indianapolis to Terre Haute and State Road 41 south to Evansville). Dick Eykamp of Mid-States Rubber Products claims the interstate may actually hurt his business a little bit.

“We're on (U.S. 41) and the truck lines go right through here. The infrastructure is good enough that we aren't penalized,” he assesses. “I-69 might redirect some routes, but it will certainly be good for the area in general.”



Downtown expansion, along with development along the Ohio River, is key for growth in Evansville.



Michelle Hudson, a broker associate with the Shrode Agency in Mount Vernon says, "I-69 will definitely help us. What would be incredibly wonderful is if there was a western Evansville bypass. That would direct traffic out of the center of Evansville and help with the pollution from all the trucks that go through the city."

The interstate is still years away. Current attention must focus on the transportation paths already in place.

Although the coal industry is nowhere near as dominant as it once was, Lake notes the effects of 1,400 trucks a day going by his office in Petersburg. Routes 61 and 57 are two-lane roads for the most part. "Every day is a challenge. It's a true safety issue."

Simpson terms it a "constant state of repair" for the roadways despite some recent upgrades.



**Toyota has brought thousands of jobs and a large supplier network to southwestern Indiana with its Princeton operation.**

## Working world

Low unemployment in the area has been a given in recent years. While Evansville's Whirlpool, General Electric and others were past industry leaders, much of today's activity revolves around Princeton's Toyota plant. The presence of Toyota and numerous suppliers has put a new kind of pressure on the labor market.

"Toyota changed the pool from which we can draw," explains Eykamp, whose company is about one mile from the expansive Toyota facility. "It's been less of a factor on the wage rates of existing employees than we anticipated. We've had some people go, more so to the satellite plants than to Toyota."

Mid-States Rubber Products does extensive automotive and appliance industry work. It does not work directly with Toyota, "although we sell parts that end up at Toyota by working with their Tier 1 suppliers."

Posey County is also an industry leader, with Hudson noting that there is not enough housing to support the needs. The lack of housing extends to the west side of Evansville, which Hudson terms the slowest area of that community to develop

Pike County is playing catch-up in the industrial game, with the Petersburg area struggling somewhat to develop a new industrial park. The lack of existing infrastructure, according to Lake, makes it a requirement that the incorporated areas and the county work closely on the project.

Although the reliance on coal is not as prevalent in the past, Simpson says the fluctuation in that industry remains an economic factor. Agriculture is also important, he adds, but overall Pike County remains an exporter of employees to other counties.

## On the same page

Do the counties work together in the effort to move forward or are territorial approaches still in place? Judy Weatherholt is executive director of the Southwest Indiana Regional Development Commission (SWIRDC), seeking cooperation in Vanderburgh, Posey, Gibson and Warrick counties.

SWIRDC, formed in 2002, seeks to complement other organizations and projects. Its seven committees – including economic development, infrastructure, transportation, workforce development and training – attempt to meet challenges and create solutions from a regional perspective.

"One of the first things I was told was that getting people to work together was going to be tough," Weatherholt recalls. "It's been an education process, but I think more people think on a regional basis than we realize. Those include the many people who live in one county and work in another. We've not met a lot of resistance."

Increased business competition is forcing companies and individuals to look beyond their own community or county borders. Opportunities that may not exist at home could be found in an Evansville or elsewhere.

"People are becoming more aware. They're not thinking 'it's not provided in our county, we can't do it,'" Weatherholt notes. "People are more inquisitive about what's available. We're not competing just in the tri-state area, but competing globally."

**Michelle Hudson believes Mount Vernon is overlooked far away (in Indianapolis) and close to home.**



Lake says good regional relationships may have been lacking in the past. Today's environment is one of competition, but also cooperation.

"We all realize that ideally we'd like to have it (a new or expanding company) in our home county. But if we can't, we want it close by," he contends. "I think the focus on regionalization is going to do nothing but increase."



Coal trucks put a strain on roadways like Indiana 57 and Indiana 61 in Petersburg.

Hudson sees little direct competition between Evansville and Mount Vernon even though both have the river and rail access many industries seek. Vanderburgh County's growth, she says, has to go to the north.

Eykamp cites several advantages in Princeton's location on U.S. 41. "The common carrier freight is much more competitive because of the better volume. Evansville is important to be able to hire the people in upper-level jobs," due to cultural and retail amenities.

### Gaining attention

I-69 will eventually provide a direct route between central and southwestern Indiana. Maybe that connection will help eliminate the strong feelings about the area's stature within the state.

"To the extent that the Legislature pays any attention to this area at all, it's only because of Evansville," Eykamp remarks. "There's just not the density south of (U.S.) 40 to draw their attention. That's true as long as I've lived here. It's a pretty large area with no other big city except Evansville."

Hudson believes Evansville and the faster-growing Warrick County to the east receive all the attention. The problem, however, is not just recognition from outside the region.

"I have realtors in Evansville ask me for directions to Posey County. We're 12 minutes away from the west side, 30 minutes to the mall," she adds. "It's the same thing with the state. We're the lost stepchild down here."

Lake received a similar introduction to the area when he first arrived about seven years ago. He was asked whether he was one of those people who believed southern Indiana ended at State Road 46. Although admitting surrounding counties may be overlooked at times by companies focusing on Evansville, he doesn't consider location to be a handicap.

"I grew up on the west side of Indianapolis. I know what Avon, Brownsburg and Danville were like," he offers. Eventually, given enough time, development will work its way up State Road 57 and I-69."

Lake has nothing but good things to say about southwestern Indiana political representatives in Indianapolis and Washington. If there is any apathy in other parts of the state, "We have to do a better job of educating them about the unique circumstances that do exist here."

Weatherholt doesn't hear the "we're overlooked" comments as much as she used to. Like Lake, she says the onus is on the people and groups in southwestern Indiana to get others to listen.

"As a regional organization, we have to make our needs and wishes known to Indianapolis," she contends. "Some may view our location as isolation, but I see it as opportunity. It's an opportunity to be united. With our commuting patterns, we're one economy."

#### INFORMATION LINK

**Resources:** Dick Eykamp, Mid-States Rubber Products, at (812) 385-3473

Michelle Hudson, Shrode Agency, at (812) 838-4479

Paul Lake, Pike County Economic Growth & Development Council, at (812) 354-2271

Brian Simpson, Citizens State Bank, at (812) 354-8471

Judy Weatherholt, Southwest Indiana Regional Development Commission, at (812) 465-7067



## Gibson County

(State ranks in parentheses)  
 Population (1990) 31,913 (43)  
 Population (2002) 32,590 (50)  
 Population (2010 projected) 32,904 (52)

Adults (25+ in 2000 census) 21,694 (47)  
 Adults with high school diploma or higher 80.9% (45)  
 Adults with B.A. or higher degree 12.4% (51)

Per capita personal income (2001) \$26,100 (25)  
 Median household income (2000) \$37,515 (63)

### Cities and Towns – 2002 Population

Princeton – 8,433  
 Oakland City – 2,558  
 Fort Branch – 2,305  
 Owensville – 1,316  
 Patoka – 759  
 Francisco – 540

Somerville – 310  
 Hazelton – 289  
 Mackey – 139

### Commuting Patterns (2002)

	Number	Percent
Into Gibson County	6,301	27.4%
From Vanderburgh County	1,696	7.4%
From Illinois	1,447	6.3%
From Warrick County	840	3.6%
From Pike County	472	2.0%
From Knox County	423	1.8%
Out of Gibson County	5,347	24.2%
To Vanderburgh County	3,509	15.9%
To Warrick County	331	1.5%
To Knox County	279	1.3%
To Pike County	257	1.2%
To Dubois County	236	1.1%



## Pike County

(State ranks in parentheses)  
 Population (1990) 12,509 (85)  
 Population (2002) 12,908 (85)  
 Population (2010 projected) 13,317 (85)

Adults (25+ in 2000 census) 8,753 (85)  
 Adults with high school diploma or higher 75.6% (80)  
 Adults with B.A. or higher degree 8.4% (87)

Per capita personal income (2001) \$23,414 (53)  
 Median household income (2000) \$34,759 (81)

### Cities and Towns – 2002 Population

Petersburg – 2,527  
 Winslow – 867  
 Spurgeon – 222

### Commuting Patterns (2002)

	Number	Percent
Into Pike County	1,300	19.3%
From Gibson County	257	3.8%
From Daviess County	210	3.1%
From Knox County	158	2.3%
From Illinois	130	1.9%
From Dubois County	124	1.8%
Out of Pike County	3,356	38.2%
To Dubois County	1,653	18.8%
To Gibson County	472	5.4%
To Vanderburgh County	393	4.5%
To Daviess County	214	2.4%
To Knox County	159	1.8%



## Posey County

(State ranks in parentheses)  
 Population (1990) 25,968 (56)  
 Population (2002) 26,990 (60)  
 Population (2010 projected) 26,605 (60)

Adults (25+ in 2000 census) 17,671 (58)  
 Adults with high school diploma or higher 84.4% (18)  
 Adults with B.A. or higher degree 14.8% (27)

Per capita personal income (2001) \$29,246 (14)  
 Median household income (2000) \$44,209 (14)

### Cities and Towns – 2002 Population

Mount Vernon – 7,387  
 Poseyville – 1,172  
 New Harmony – 905  
 Cynthiana – 682  
 Griffin – 158

### Commuting Patterns (2002)

	Number	Percent
Into Posey County	3,084	20.5%
From Vanderburgh County	1,355	9.0%
From Illinois	1,106	7.4%
From Warren County	258	1.7%
From Gibson County	147	1.0%
From Kentucky	64	0.4%
Out of Posey County	6,423	34.9%
To Vanderburgh County	5,484	29.8%
To Gibson County	322	1.8%
To Warrick County	159	0.9%
To Kentucky County	111	0.6%
To out of state	93	0.5%

Honoring veterans in Princeton, coal traffic in Petersburg and river development in Mount Vernon.