

State of the Economy

*Noble County, Indiana
June 2021*



Be Noble
Noble County Economic Development



Summary

Noble County, Indiana, in 2021, faces a shortage of workers. Not unlike others in the region, the county has struggled to maintain and grow the workforce adequately to fill employer needs. Despite notable resiliency, as illustrated by the rapid recovery of the labor force during the COVID-19 pandemic, stagnant population growth, an aging population, and slow housing growth continue to plague employers and the local economy.

Noble County, one of 92 counties in the Hoosier State, has deep roots in manufacturing. The county ranks fourth in the nation for concentration of jobs in manufacturing. Nearly four of every ten jobs are in the manufacturing sector.

Though manufacturing continues to be the largest contributing sector, Noble County's economy is supported by employers working across 20 sectors, plus gig workers and sole proprietors. More than eight of every ten businesses in Noble County employ fewer than 20 people. Small businesses, driven by an entrepreneurial spirit, have helped Noble County see a steady rise in personal per capita income over the past 20 years. It is not unusual in Noble County for individuals to have multiple income streams.

Household income in Noble County has also risen, despite a loss of manufacturing jobs, with a sharp increase seen from 2017 to 2018. Job growth has occurred in non-manufacturing sectors, perhaps helping wages, overall, rise at a greater pace than some neighboring counties.

Despite a decrease in the number of manufacturing jobs in Noble County in recent years, a growing diversity of industries and occupations has arguably helped manage volatility. While some might attribute jobs lost in manufacturing to emerging technologies, a report by the World Economic Forum published in October 2020 estimates a loss of 85 million jobs by 2025 due to machine technologies. During the same period, however, they also estimate 97 million new roles may emerge during the same period¹.

Half of all job sectors experienced growth, notably in Construction, Wholesale Trade, and Administrative and Support and Waste Management and Remediation Services. In those sectors, job growth in Noble County outpaced that of Indiana and the U.S.

The number of commuters from neighboring counties who work in Noble County substantiates the lack of housing available and presents significant opportunity to grow the resident population. A growing number of Noble County residents commute to jobs outside of Noble County, perhaps illustrating an appreciation for the comparatively high quality of life and low cost of living. Median property tax rates in Noble County have remained below the state average during the past five years yet remained consistently the second highest in the four-county region.

Noble County saw the fourth highest unemployment rate in Indiana when the number rose to 28.7 percent in April 2020, as a result of the pandemic. Workers began returning to jobs

¹ The Future of Jobs Report 2020, World Economic Forum.

relatively quickly, however, bringing unemployment rates back to pre-pandemic levels by the end of 2020. Growth in the county's labor force, during the pandemic, suggests a resiliency in Noble County. Prior to COVID-19, Noble County was experiencing some of the lowest unemployment rates ever recorded in the region.

Noble County has seen a trend of declining enrollment in K-12 schools over the past three years. While educational attainment in Noble County continues to lag behind average attainment rates for Indiana and the U.S., statistics show local school districts achieving high marks for career readiness, with curriculums closely tied to local workforce needs. The county's workforce development and adult education providers continue to deliver critical training programs to meet employer needs and to upskill the workforce.

A report released in August 2018, upon completion of a housing study in Noble County, revealed that from 2010 to 2017 the county lagged behind others in northeast Indiana for new housing units added (homes built in 2000 or after). Furthermore, Noble County had more old homes (built in or prior to 1939) than any other county in the region.

In response, Noble County's communities announced multiple new annexations and housing developments over the past three years. Home builders have been notably busy across the county developing over 165 newly platted properties and completing dozens of private builds. Still others are busy rehabbing existing homes. Home sales and prices have been steadily rising, reflective of a demand that continues to exceed supply.

Noble County, like Indiana, is well poised to maintain and grow a healthy local economy, thanks to a business-friendly regulatory environment and low property tax rates². The number of site selector inquiries Noble County Economic Development received from January through May 2021 was up 150 percent over the same period in 2020. Several commitments already announced, and expected soon, place Noble County on track to exceed private industrial investments of \$18 million made in 2020, as well as any other recent year.

Indiana, lauded as the nation's top ranked state for manufacturing³, is also on track to set another record in economic development in 2021, exceeding records set in 2020 that occurred despite the COVID-19 pandemic.

In order to continue economic expansion, Noble County's development strategies must include expanding and upgrading infrastructure, specifically water, wastewater treatment, and high speed internet. Economic growth is likely to rely on continued collaborations to execute strategic plans that also focus on:

- Support of existing businesses large and small
- Development of industrial sites and buildings that can meet today's workplace needs
- Enhanced workforce development initiatives incorporating Industry 4.0 technologies
- Development of an entrepreneurial ecosystem to launch and grow more new businesses
- Aggressive new home construction and renovation projects

² Forbes, Chief Executive, Tax Foundation, cited by Indiana Economic Development Corporation at iedc.in.gov.

³ Business Facilities, cited by Indiana Economic Development Corporation at iedc.in.gov.

- Development of more, enhanced, and affordable child care options

The data used to develop this report was provided, in part, by Northeast Indiana Works and Indiana Department of Workforce Development and is the most recent data available. Their contributions are greatly appreciated. Data was compiled, analyzed, and presented by the staff of the Noble County Economic Development Corporation in June 2021.

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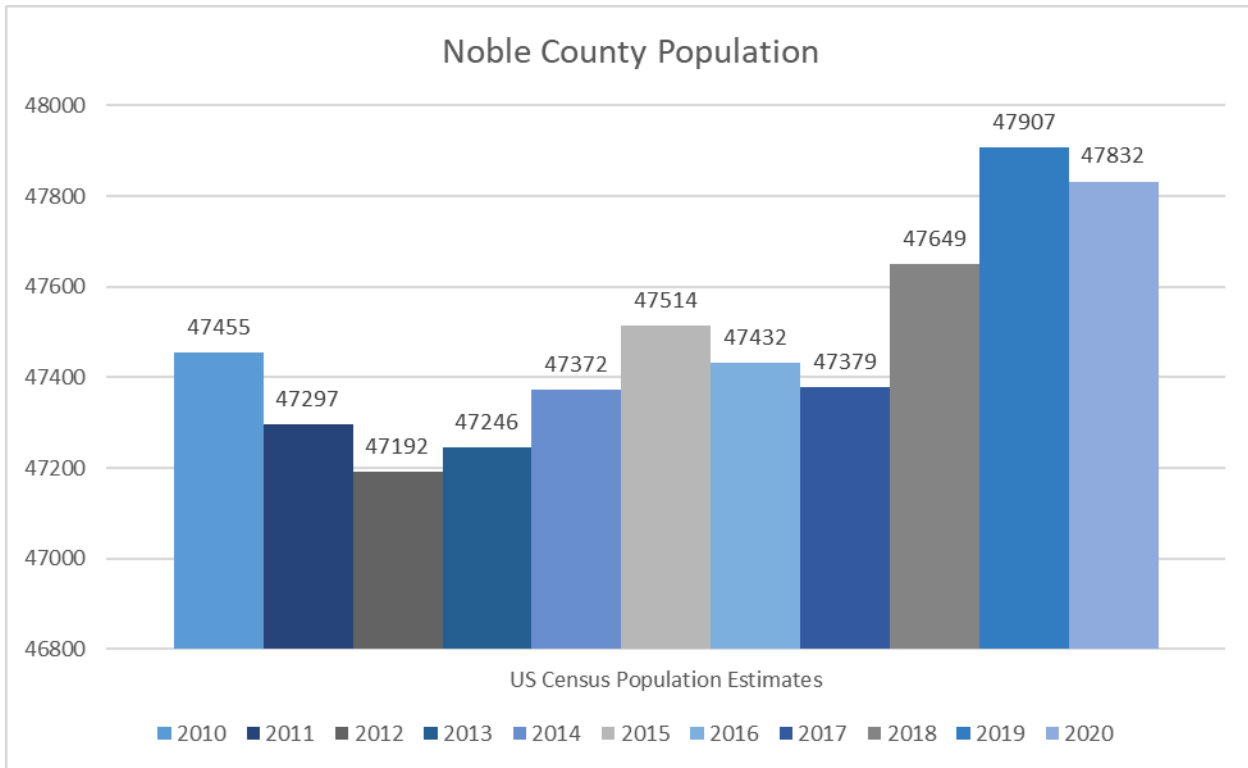
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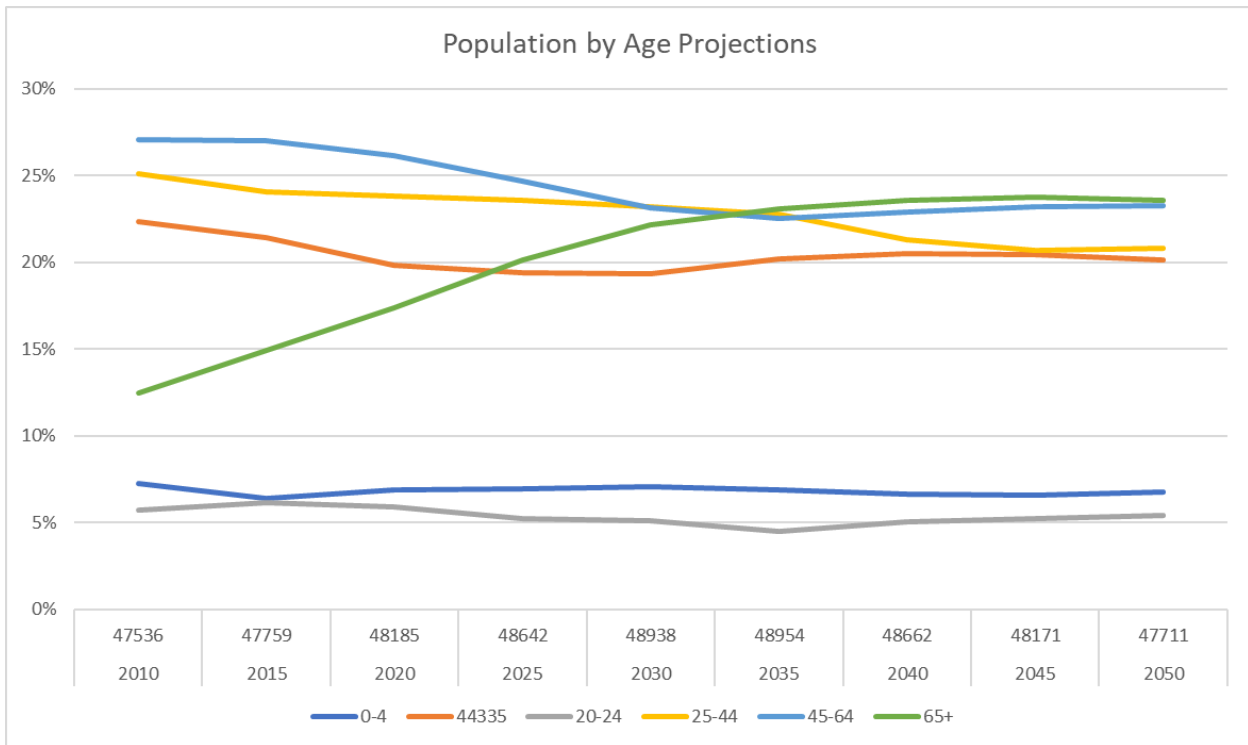
Population

In late 2015, Northeast Indiana was awarded \$42 million in Indiana Economic Development Corporation Regional Cities funding to execute a development plan⁴ aimed at increasing the population in the region from 789,015 to 1,000,000. In Noble County, the goal set forth was to increase population by 12,775 by year 2031. Since 2015, population estimates show growth of about 400 people in Noble County through 2019. The latest Census Bureau estimates show a projected decline in population in the county from 2019 to 2020.



Source: 1 US Census Bureau

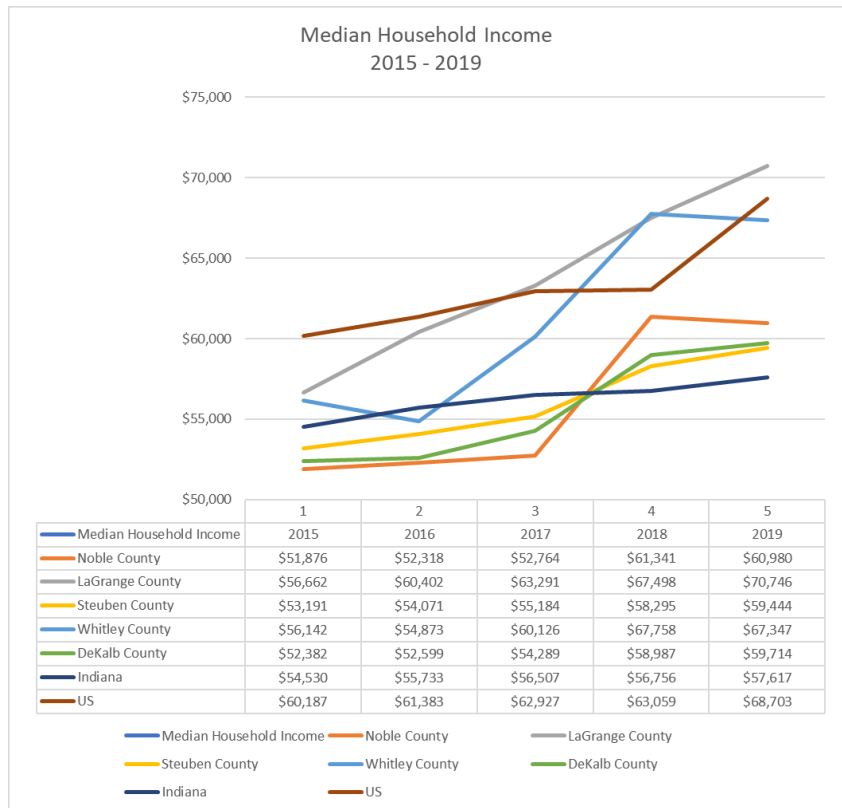
⁴ <https://neindiana.com/the-partnership/regional-vision/road-to-one-million>



Source: 2 US Census Bureau

Income

Noble County saw an increase in the number of jobs that provide average earnings of less than \$50,000 per year over the past five years. Median household incomes rose sharply from 2017 to 2018 and grew 18 percent from 2015 to 2019, outpacing the rate of increase for Indiana (at six percent) and the U.S. (at 14 percent).⁵



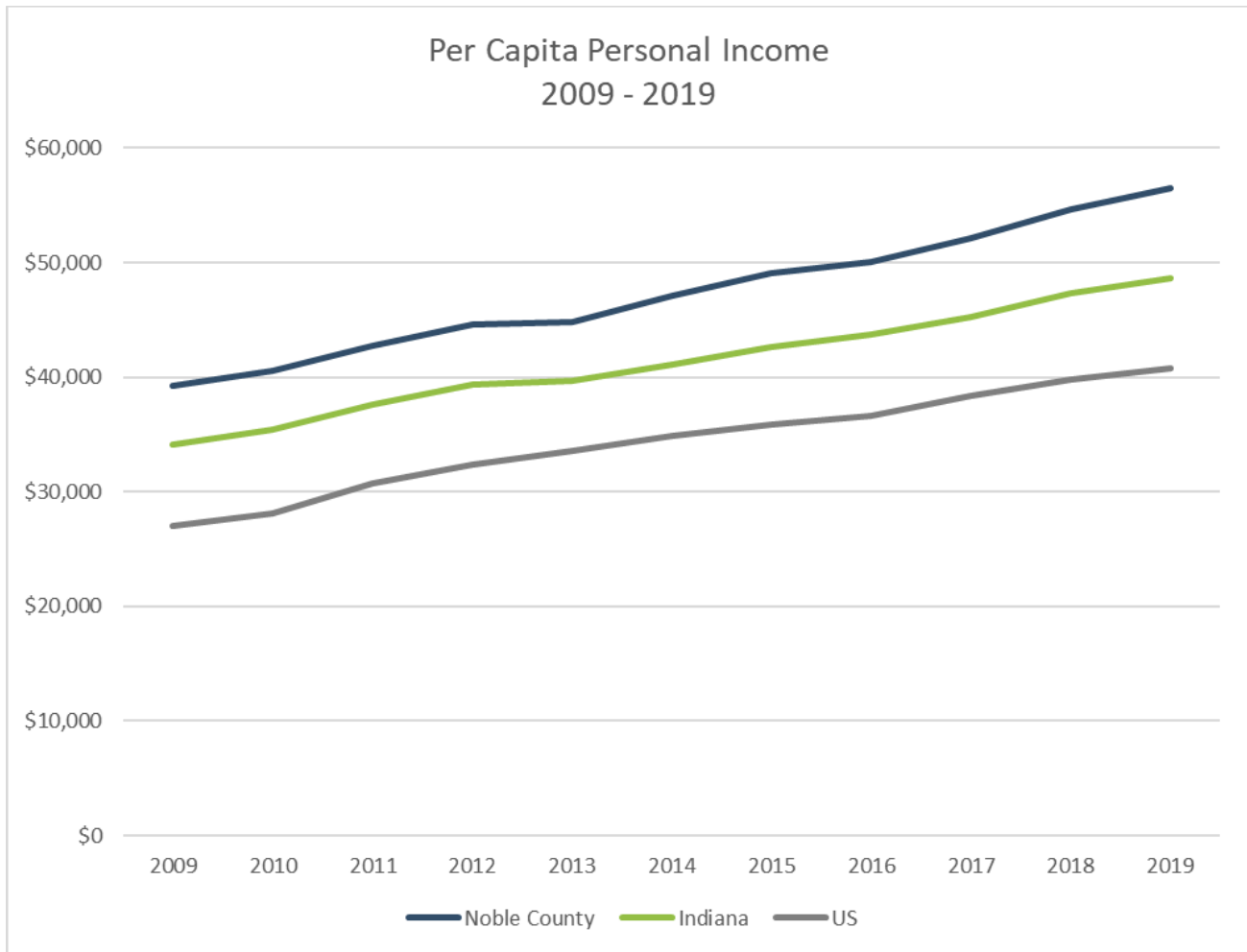
Source: 3 US Census Bureau

⁵ US Census Bureau, Small Area Income and Poverty Estimates.

Per Capita Personal Income

The majority of businesses in Noble County are considered “small businesses”, a vital segment of the local economy and a primary driver of personal wealth. Per Capita Personal Income (PCPI) is based on the sum of all income including all wages, commissions, bonuses, tips, self-employed income, interest, dividends, rental income, income from estates and trusts, retirement income, social security income, welfare, and other income sources. PCPI is calculated by taking the sum of all income in a geographic area and dividing it by the number of people who live in that area.

PCPI is sometimes used as a measure of economic well-being and to compare geographic areas’ “standard of living”. Noble County has maintained a higher than average PCPI than Indiana and the U.S. over the past ten years.⁶



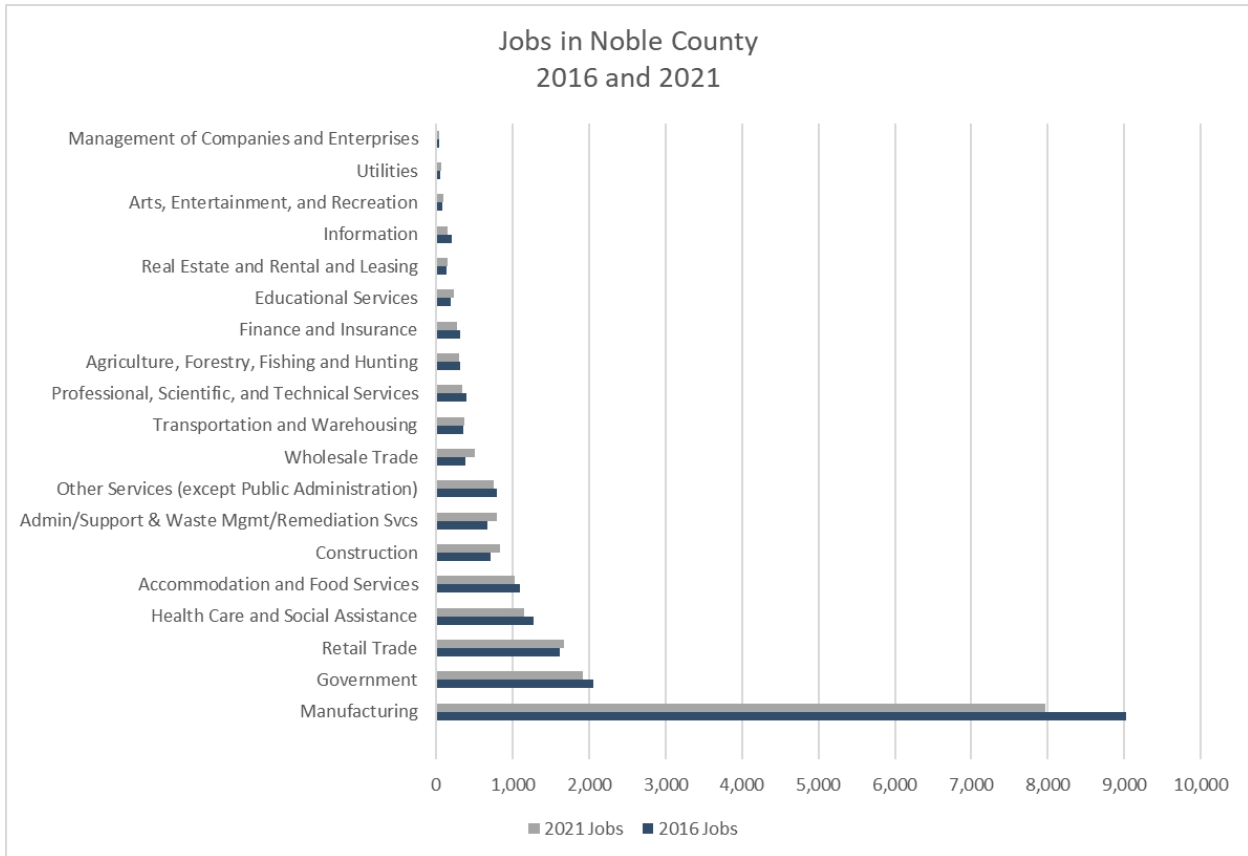
Source: 4 US Census Bureau

⁶ Census Bureau midyear population estimates as of March 2020. Not adjusted for inflation.

Jobs

Noble County’s economy is bolstered by 900 employment locations engaged in 20 business sectors. These employers currently provide 18,633 jobs⁷, the vast majority in manufacturing. Noble County has experienced a decline in the number of manufacturing jobs in recent years, but growth in the diversity of jobs.

The number of manufacturing jobs in Noble County fell 12 percent from 2016 to 2021. This reduction outpaced that of Indiana, which lost 2 percent of all manufacturing jobs during the same period. Jobs in manufacturing in the U.S. during the same period remained flat.



Source: 5 Emsi Q2 2021

⁷ Emsi Q2 2021.

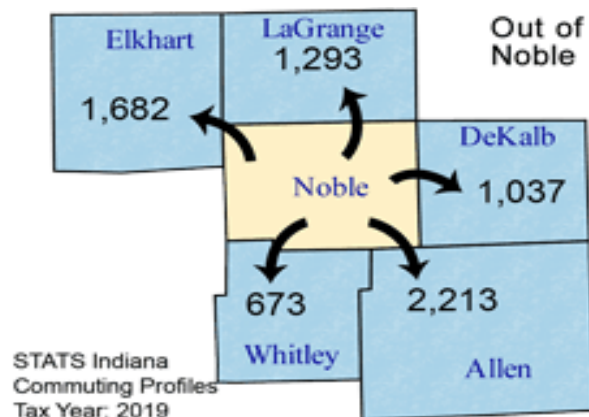
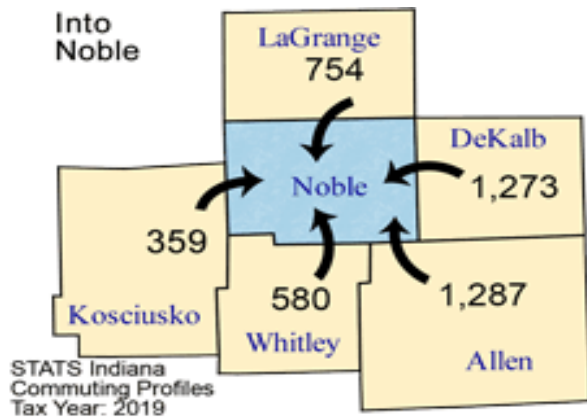
Notable job losses from 2016 to 2021 in Noble County came from:

	percent Change Noble County	percent Change Indiana	percent Change U.S.
Information	-30 percent	-19 percent	-1 percent
Professional, Scientific, and Technical Services	-13 percent	+11 percent	+9 percent
Finance and Insurance	-13 percent	+5 percent	+7 percent
Healthcare and Social Assistance	-9 percent	+6 percent	+7 percent

50 percent of all job sectors in Noble County had job losses from 2016 to 2021. Where jobs declined in Noble County, the state also had job loss in half of the same sectors. while the U.S. had job losses in 20 percent of the same sectors. ⁸

Commuting

The average travel time for people commuting to work in Noble County is 22.2 minutes⁹. 14.9 percent of Noble County’s workforce commuted into Noble County to work in 2019 while 21.8 percent of Noble County’s resident labor force commuted to jobs outside of the county in 2019¹⁰:



⁸ Emsi Q2 2021 Data – All Industries in Noble County, Indiana.

⁹ U.S. Census Bureau & American Community Survey 5 Year Estimates.

¹⁰ Indiana IT-40 returns for Tax Year 2019.

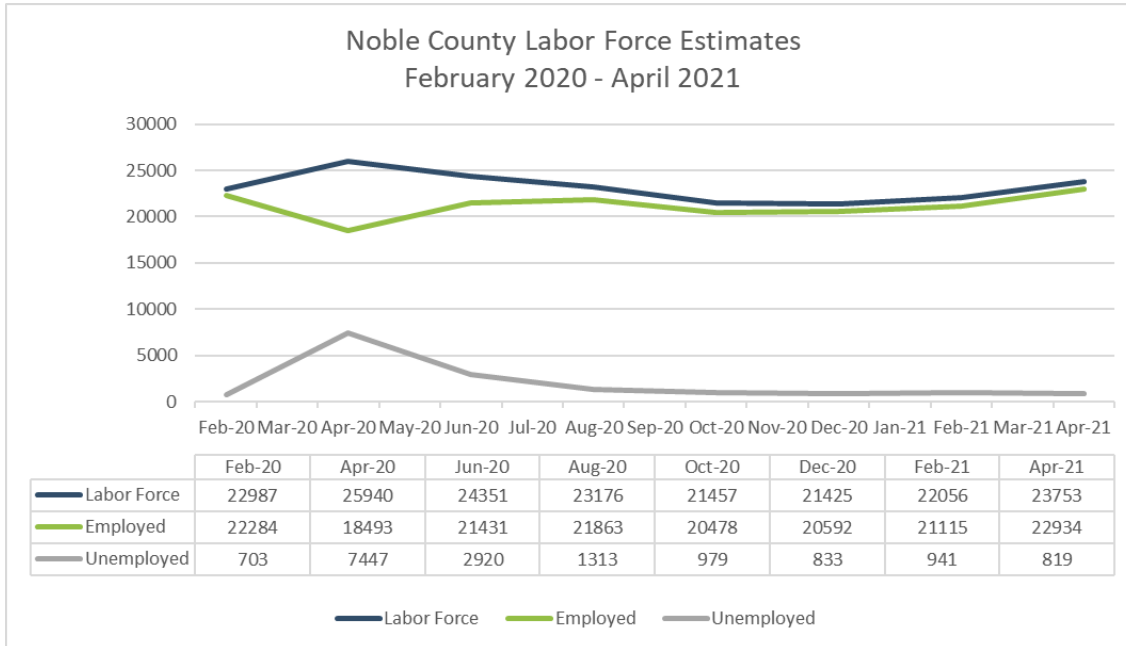
The largest number of commuters participating in Noble County’s workforce commute in from Allen and DeKalb Counties. The highest percentage of Noble County residents commuting outside the county to work travel to Elkhart County.

County Name	Commute INTO Noble County	percent of Noble County Workforce	Commute FROM Noble County To:	percent of Noble County Labor Force
Adams County	8	0	12	0
Allen County	1,287	4.5	2,213	7
DeKalb County	1,273	4.5	1,037	3.3
Delaware County	2	0	12	0
Elkhart County	231	0.8	1,682	5.3
Hamilton County	8	0	16	0.1
Huntington County	32	0.1	23	0.1
Illinois	8	0	11	0
Kosciusko County	359	1.3	598	1.9
LaGrange County	754	2.6	1,293	4.1
Marion County	9	0	33	0.1
Marshall County	7	0	14	0
Michigan	66	0.2	39	0.1
Out of State	31	0.1	211	0.7
St Joseph County	24	0.1	27	0.1
Ohio (State)	43	0.2	21	0.1
Steuben County	271	1	194	0.6
Tippecanoe County	1	0	12	0
Wabash County	14	0	13	0
Wells County	8	0	10	0
Whitley County	580	2	673	2.1

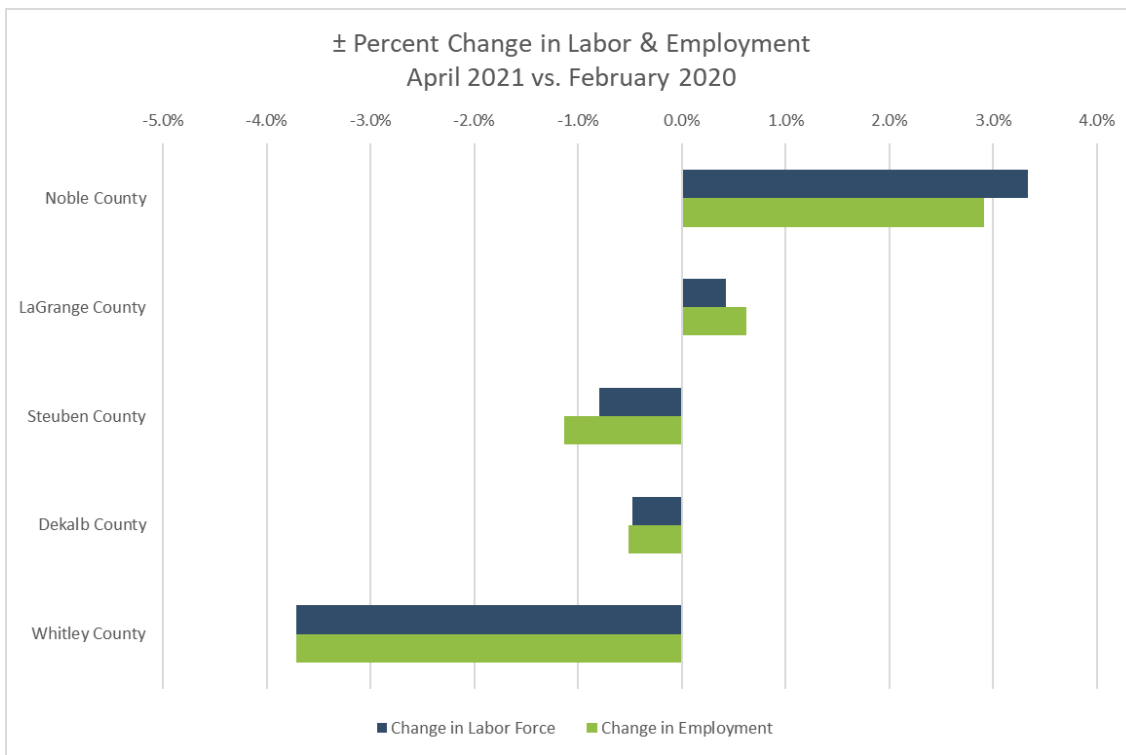
Table: IBRC, using Indiana Department of Revenue data

Unemployment trends

In the year since the pandemic began emerging in northeast Indiana, in March 2020, Noble County's unemployment rate recovered to pre-pandemic levels, after reaching a record high of 28.7 percent in April 2020. The labor force in Noble County during the same period grew, outpacing growth in neighboring counties.



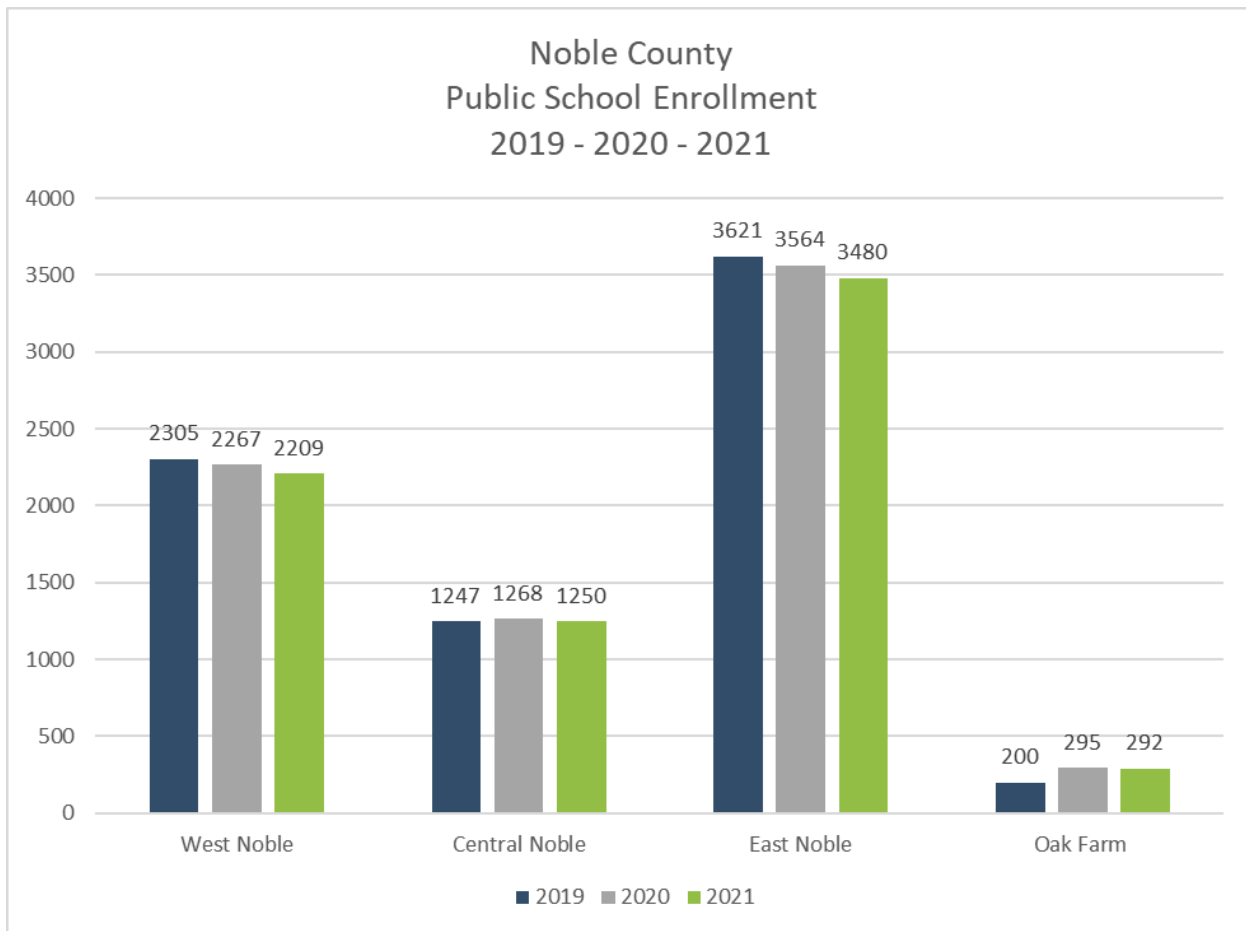
Source: 6 Indiana Department of Workforce Development



Source: 7 Indiana Department of Workforce Development

Education

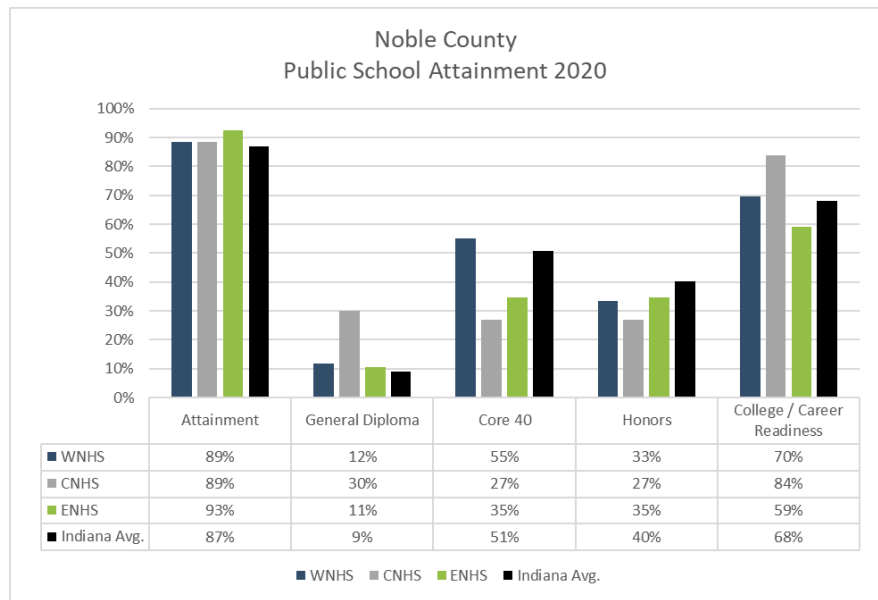
As the diversity in manufacturing has grown in Noble County, so too have occupational opportunities. Several industrial employers in the county have adopted, or plan to, new technologies as the world experiences the “fourth industrial revolution”, dubbed “Industry 4.0”. Noble County continues to lead the region in collaborations between public schools, workforce development organizations, and employers to enhance and create curriculums and hands-on training opportunities to meet current and emerging workplace needs.



Source: 8 Indiana Department of Education and Oak Farm Montessori School

Enrollment in Noble County’s public school districts declined 2.5 percent from 2019 to 2021. One district saw a slight uptick in enrollment from 2019 to 2020 and experienced a net gain over the three year period. Two private high schools serve Noble County, at least one of which experienced enrollment growth from 2019 to 2021.

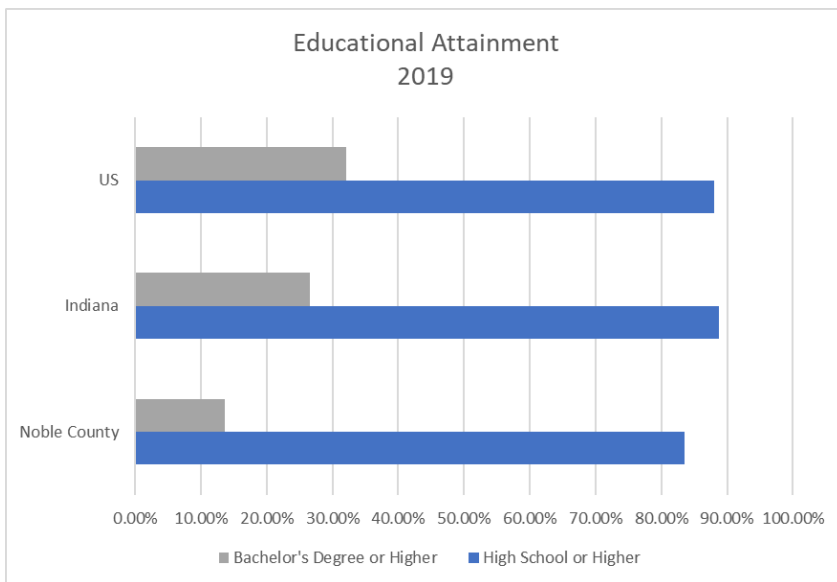
As workforce and talent development initiatives evolve, changes in curriculums at individuals schools may account for the variation types of diplomas awarded and college and career readiness scores. These variations are not unanticipated as schools have adopted different philosophies, bringing further diversity to the county.



Source: 9 Indiana Department of Education

Attainment

Noble County’s public school districts achieved graduation attainment rates in 2020 that exceeded Indiana’s average rate of 87 percent. Two of the three schools also exceeded Indiana’s average college and career readiness rates.¹¹ Noble County lagged behind Indiana and the U.S. in educational attainment in 2019.

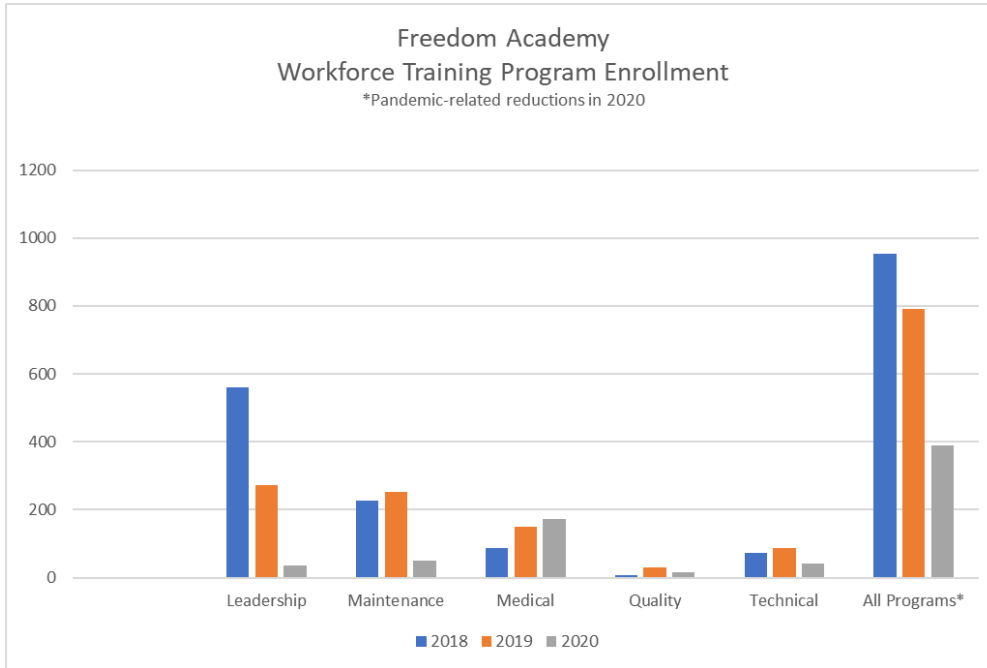


Source: 10 Indiana Department of Education and US Census Bureau

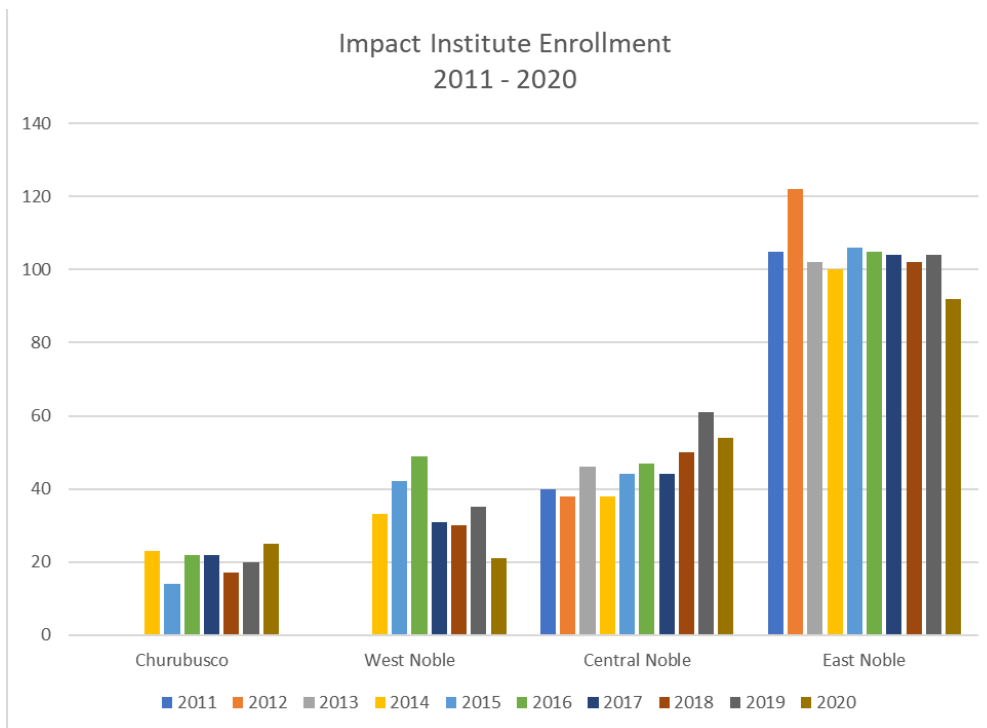
¹¹ Indiana Department of Education.

Talent Pipeline

It is worth noting that data is not collected by state or federal authorities to measure workforce certification attainment or other workforce readiness training programs. Serving employers and the workforce in Noble County, the Freedom Academy provides a variety of individual and workforce training programs. Impact Institute provides high school and adult education programs, many aligned with local workforce needs.

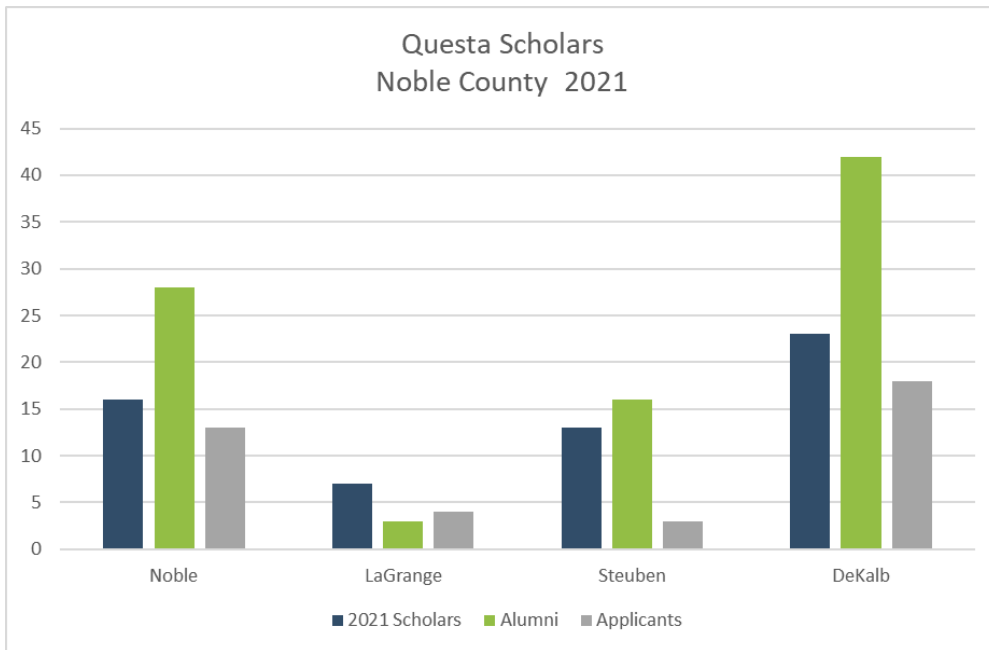


Source: 11 Freedom Academy



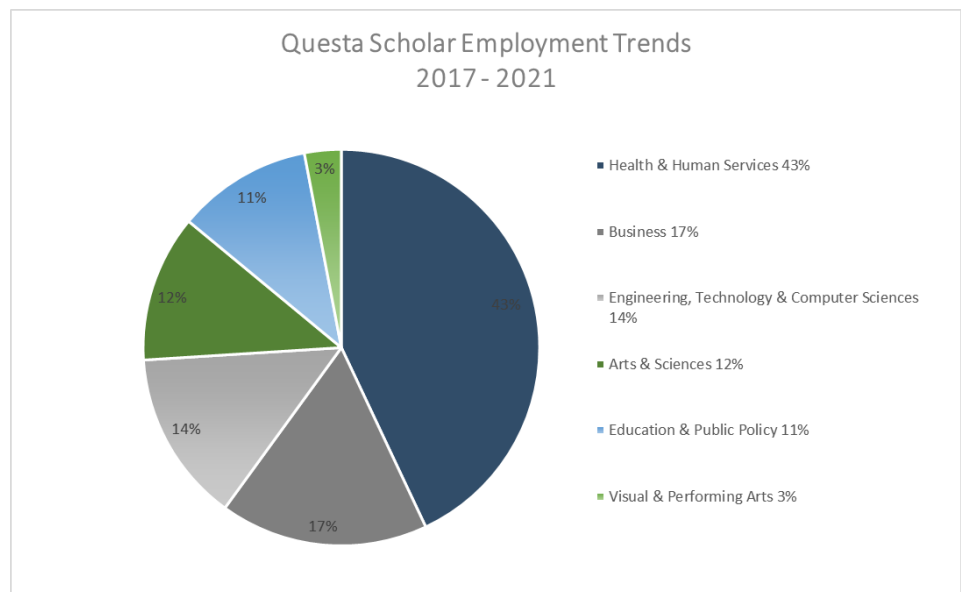
Source: 12 Impact Institute

Questa Foundation, an organization that provides affordable and up to 75 percent forgivable student loans, and scholarships, to support local students and provided funding to 44 scholars from Noble County in 2021.



Source: 11 Questa Foundation

When graduates of the program live and work in Northeast Indiana, 50 percent of loans are forgiven. Attending a partner institution, which includes all schools in the 11-county region, an additional 25 percent of their loans are forgiven. Questa scholars graduate at rates significantly higher than average – 85 percent within five years or less, compared to a national average of 60 percent within six years. About two thirds of



Source: 12 Questa Foundation

Northeast Indiana’s program graduates remain in the region after graduation. 62 percent of Noble County program participants have graduated and 94 percent live and work in Northeast Indiana. Four graduates from outside the county now live in Noble County.

Housing

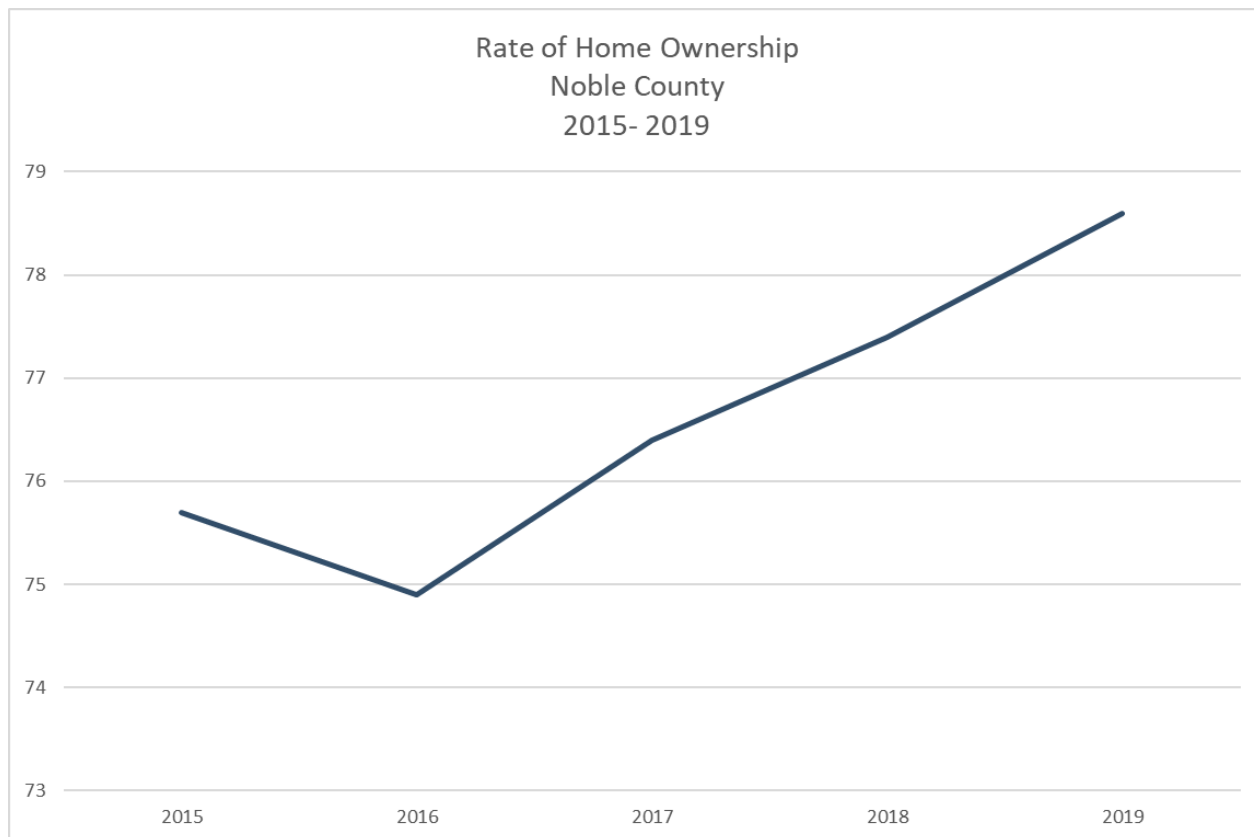
Multiple planning activities have taken place in Noble County since 2017, including the development of a new, county-wide comprehensive plan and a housing study¹².

2020 was reportedly a boom year for new housing construction regionally, and in Noble County. Several housing developments underway could see 2021 shape up to be one of the county's best years for new home construction in decades.

Housing growth may also help offset the overall decline seen in public school enrollment in Noble County over the past three years.

Home Ownership

The five-year rate of home ownership in Noble County grew overall from 2015 to 2019, with a drop from 2015 to 2016.

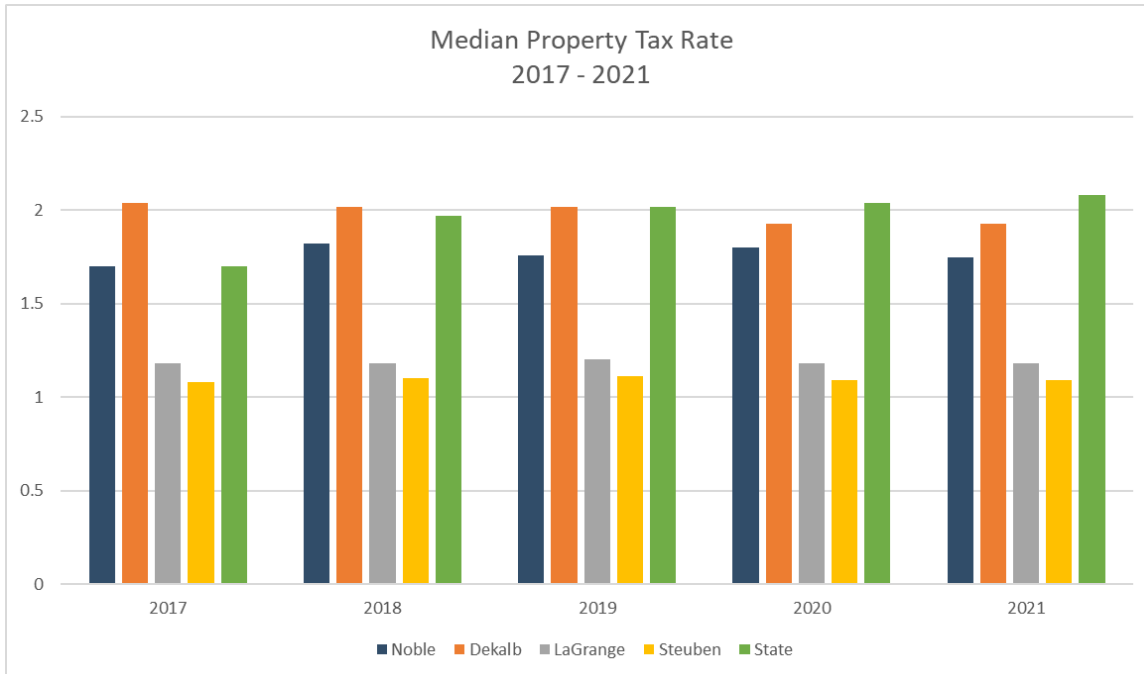


Source: 13 US Census Bureau

¹² Completed August 2018 by Purdue University Center for Regional Development.

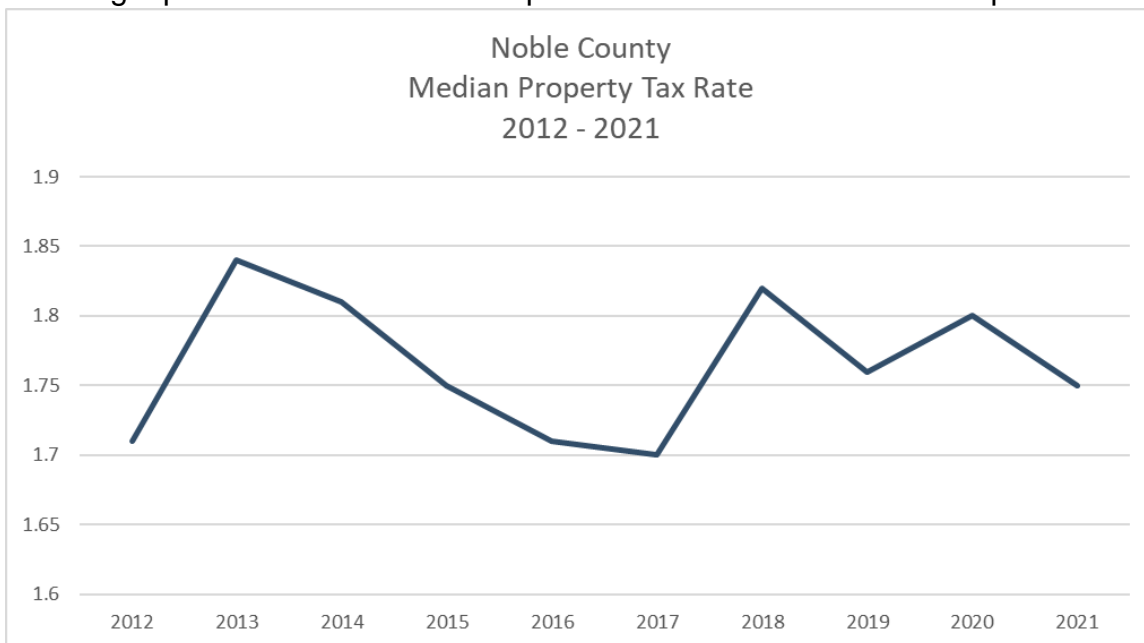
Taxes

The median 2021 property tax in Noble County is 1.75 percent. Swan Township currently has the lowest rate at 1.3535 percent. The highest current property tax rate in the county is in Cromwell at 3.4592 percent.



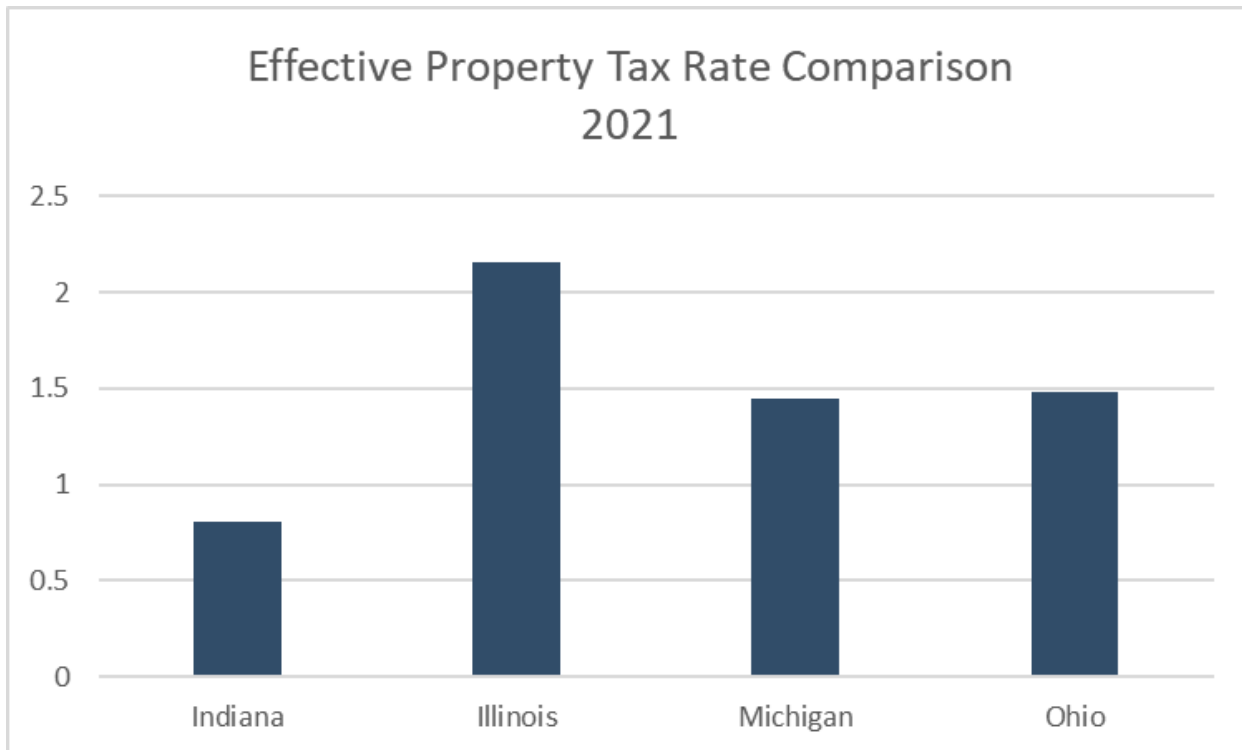
Source: 14 Indiana Department of Local Government Finance

Property tax rates have remained relatively steady in Noble County from 2012 to 2021 reaching a peak median rate of 1.84 percent in 2013 and a low of 1.7 percent in 2017.



Source: 15 Indiana Department of Local Government Finance

Each state calculates property tax bills differently, so a comparison of “effective tax rates” is useful. Comparatively, Indiana has the lowest effective property tax rate in the region at 0.81 percent¹³.



Source: 16 SmartAsset.com



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¹³ <https://smartasset.com/taxes/property-taxes>