

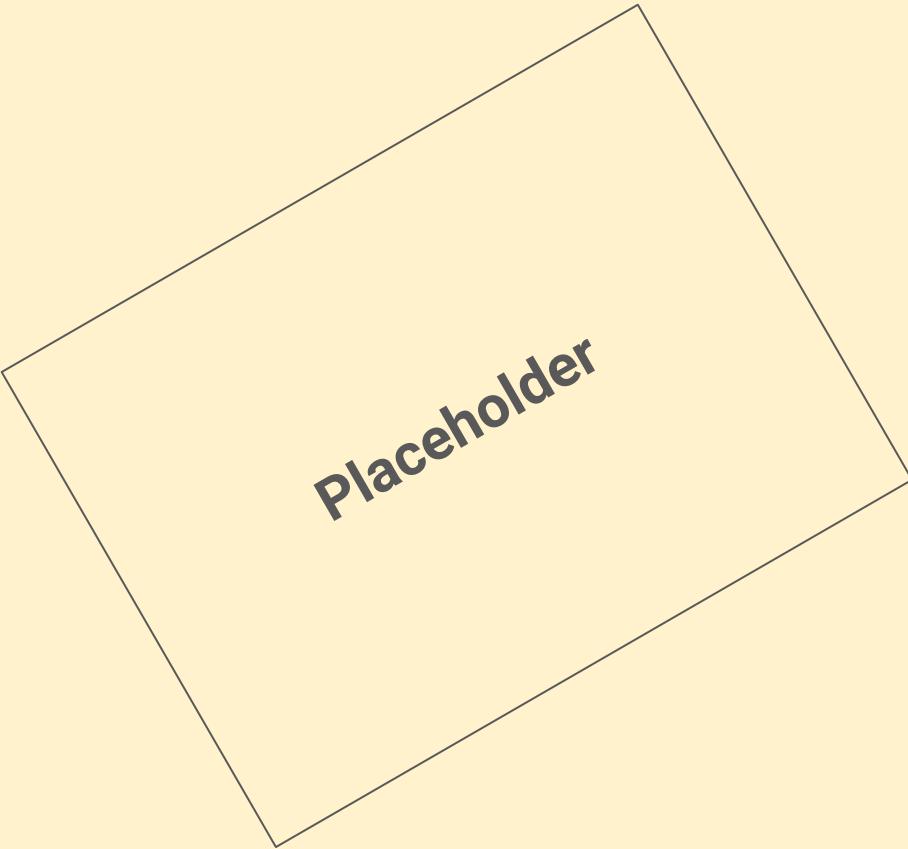
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Elkhart County Housing Needs Assessment

2024

Introduction

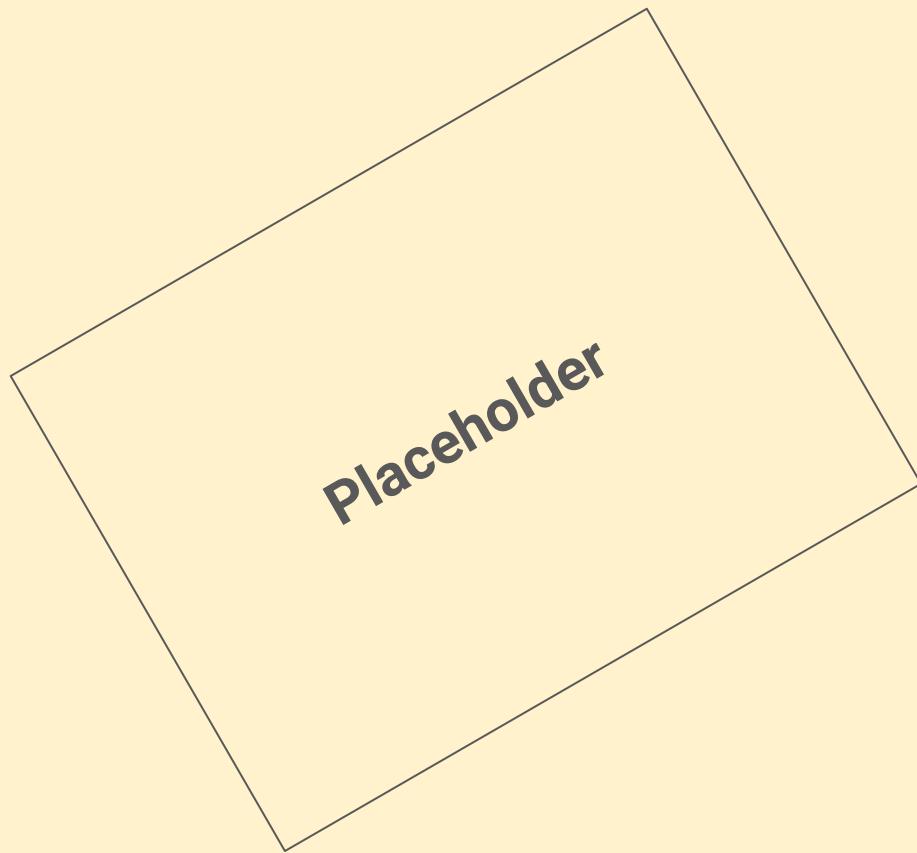
Letter from MACOG?



Placeholder

Regional housing plan process

Overview of the process...



Introduction

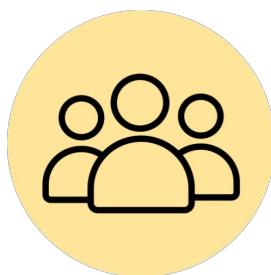
Overview

This report profiles the local community's people and housing stock, establishes an approach to meeting projected demand, and recommends the new housing mix best suited to meet local and expected need through 2034.

The study consists of the following sections:



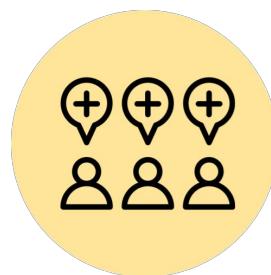
Overview, introducing the purpose of this report and key findings from the analysis.



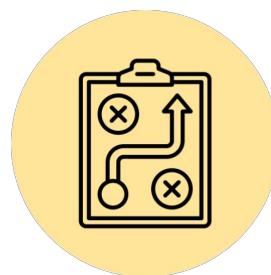
People, profiling characteristics such as income, employment, household structure, and cost burden.



Place, detailing characteristics such as job locations and existing housing.



Demand, including how many units are needed in total and what is the optimal mix of unit types and prices.



Results, summarizing the housing production volume and mix needed to capture growth and close attainability gaps.



This housing needs assessment combines extensive quantitative data analysis with consideration of the community's goals for its future to produce a 10-year housing production target.

Overview

Placeholder

The analysis detailed in this report results in a housing production target that balances extensive data analysis with consideration of the community's long-term policy goals and priorities. This product target constitutes the future housing needs that the community should plan for over the next 15 years.

sights gained throughout the study, especially from community members interviewed during the process.

community's stated goals around growth, and the context for this report's analysis and conclusions. The report's culminating housing production target, which synthesizes data analysis results with community economic development priorities.

Community goals

Market trends overview

The following observations were identified as key housing market trends by local leaders and stakeholders interviewed during this HNA process. These trends help shape the study's analysis and recommendations within local context.



Placeholder

Community goals

Elkhart County housing principles and goals

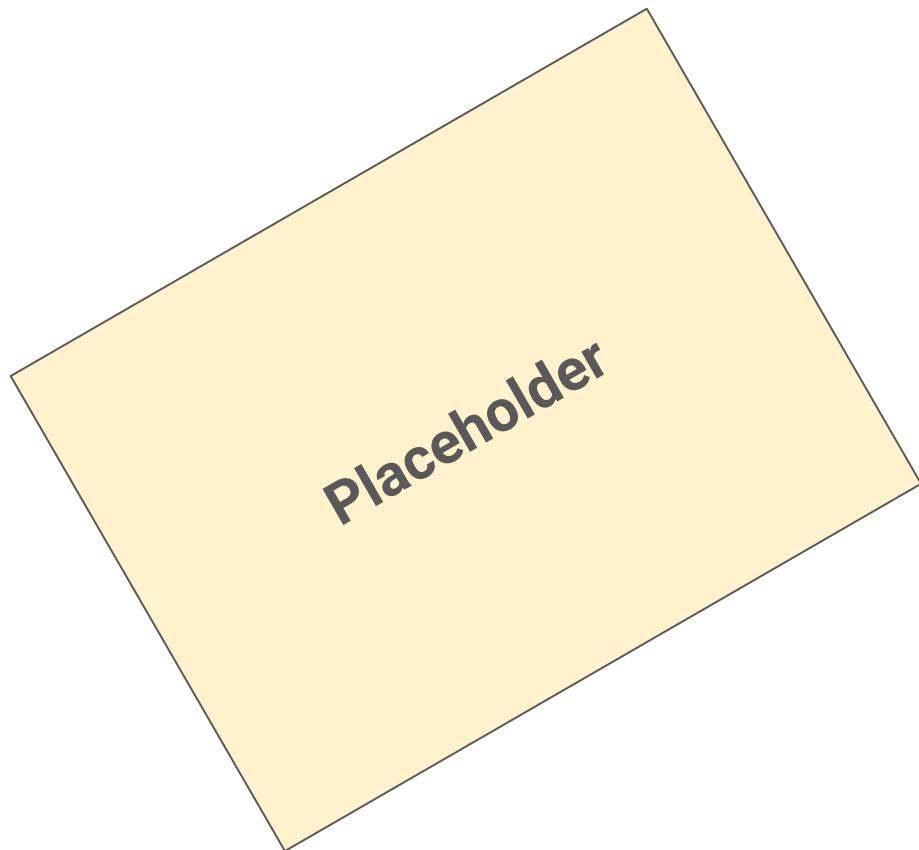
The following observations were identified as key housing market trends by local leaders and stakeholders interviewed during this HNA process. These trends help shape the study's analysis and recommendations within local context.



Placeholder

Key findings

Results summary





The following section profiles the people of Elkhart County, detailing characteristics such as income, employment, household structure, and cost burden. These indicators combine to describe the local population's housing needs and preferences which inform this report's recommended strategies for new housing production to meet demand and fill gaps in affordability and attainability.

People

Demographic profile. Understanding the demographic composition of a community and changes over time sheds light on likely housing needs today and into the future. Key demographic indicators include racial makeup, household types, and population age trends.

Socioeconomic profile. Analyzing a community's demographic and housing characteristics by income level provides insight into the range of housing types and costs that might best meet local needs and ability to pay. Key household socioeconomic indicators include incomes, cost burden by tenure (rent/own), household size, number of bedrooms, age, number of children, number of earners, and housing structure type - all broken down by income level for comparison between higher- and lower-income households.

Employment patterns. Evaluating the local jobs mix and changes over time suggest what income levels and housing values employers within the area are able to support. Key indicators include employment change over time by sector and the geographic distribution of jobs by sector in and around the area.

Demographic profile

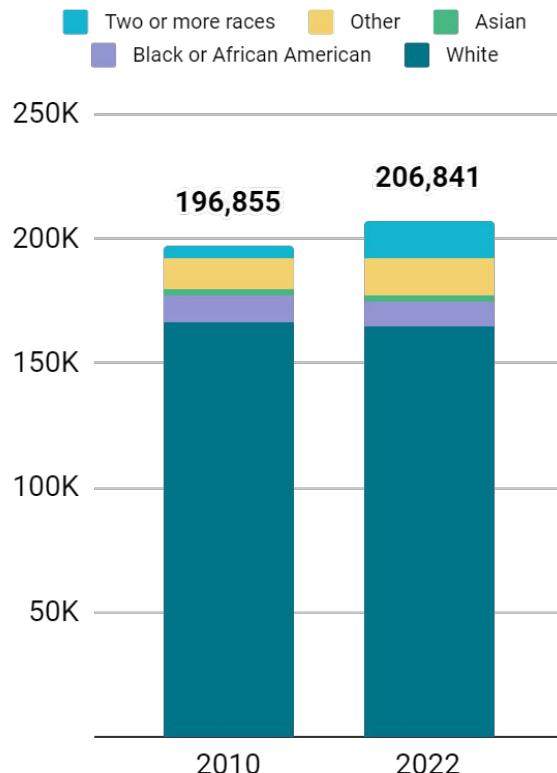
Race and ethnicity

Source: ACS 5-Year, 2010 and 2022

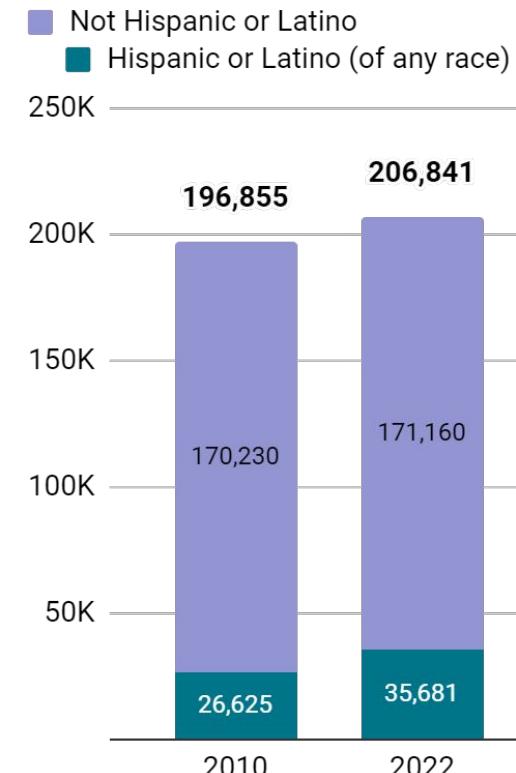
These demographic trends provide insights into how Elkhart County is or is not changing over time and what that means for current and future housing demand:

A community's racial and ethnic composition may be correlated to need regarding affordability and access to capital needed for homeownership. Also, more diverse communities may need more housing options to reflect more diverse preferences.

Population by race



Population, Hispanic/Latino



Demographic profile

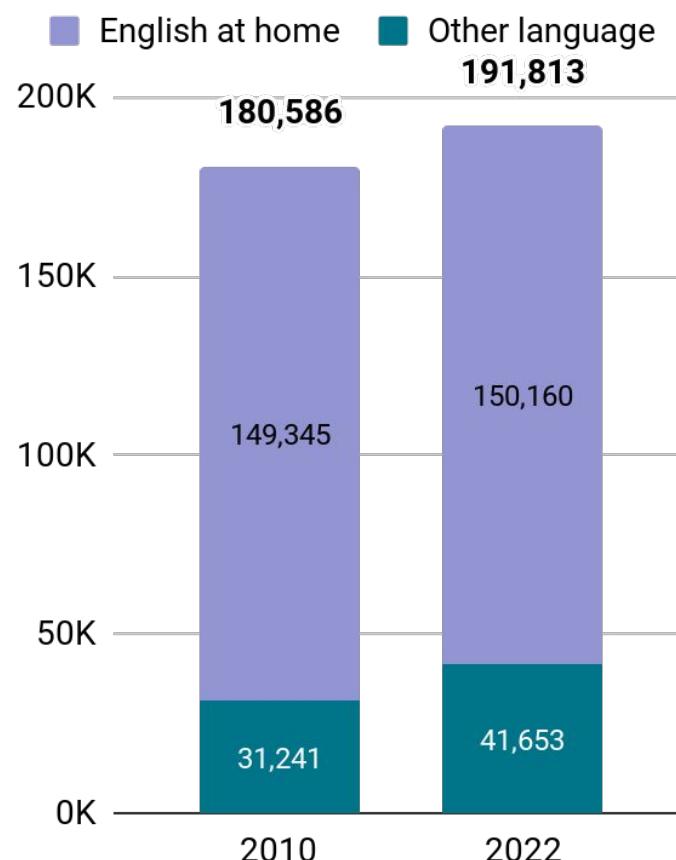
Language spoken at home

Source: ACS 5-Year, 2010 and 2022

These demographic trends provide insights into how Elkhart County is or is not changing over time and what that means for current and future housing demand:

One measure of cultural diversity is the proportion of households speaking a language other than English at home. Elkhart County has seen this population rise since 2010 but the large majority of households are English speakers. That said, it appears most net growth over this timeframe consisted of non-English speakers.

Population older than 5, by primary language spoken at home



Demographic profile

Family and non-family households

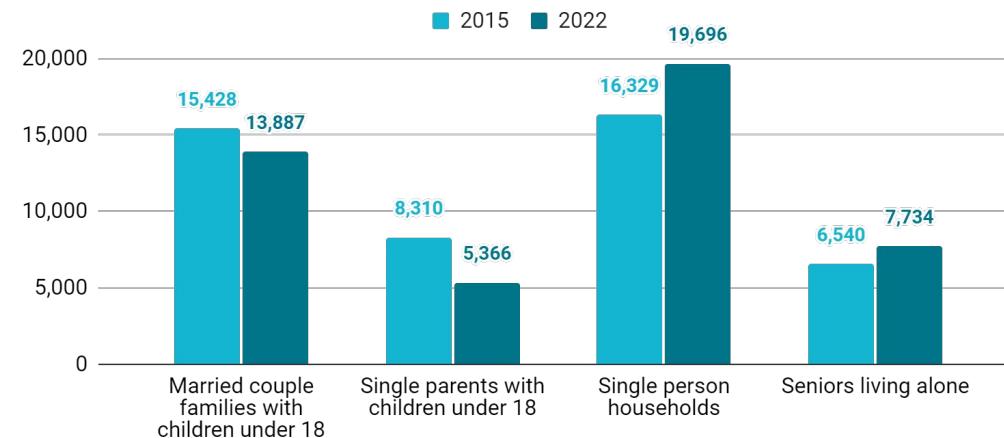
Source: ACS 5-Year, 2015 and 2022

These demographic trends provide insights into how Elkhart County is or is not changing over time and what that means for current and future housing demand:

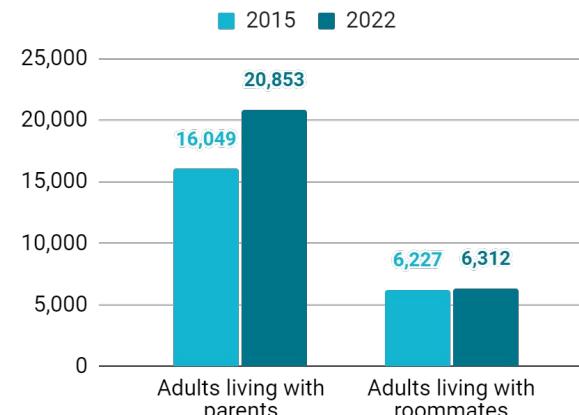
Different family types have different housing needs, such married couples with children needing extra bedrooms, single parents needing lower costs, and single people needing less space or an option to downsize into.

Non-family households provide additional signals about the housing supply, from adult children living with their parents for lack of affordable local alternatives and roommates sharing larger units in ways that might differ from a conventional parents and their children (for example, preferring more bathrooms).

Households by selected family type



Population by selected non-family type



Demographic profile

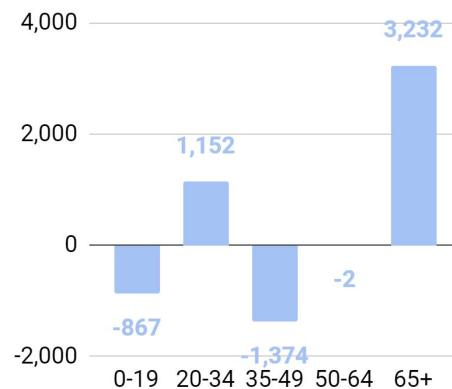
Population age trend and projection

Source: ACS 5-Year, CommunityScale

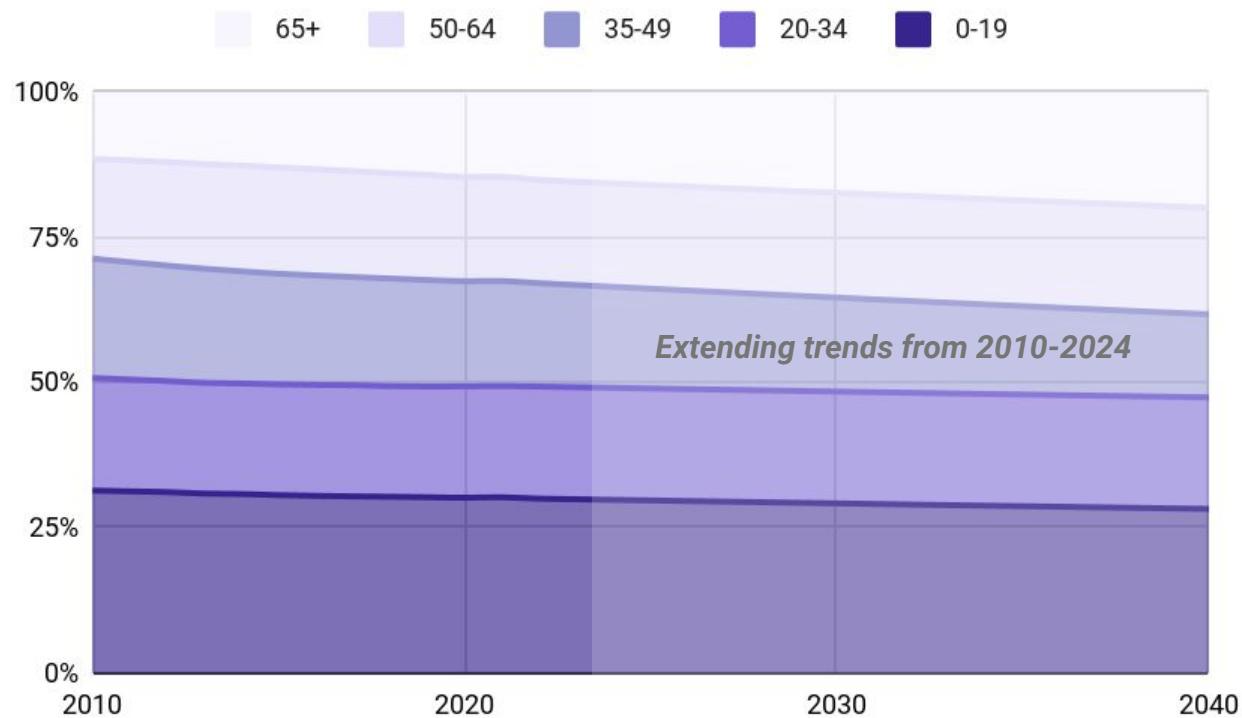
Elkhart County's population has been aging over the past decade, with the 65+ age group growing faster than other groups and projected to outpace others into the future.

In general, younger households are more likely to prefer family-oriented housing and neighborhoods where as older households may have a broader range of preferences and priorities, including senior options.

Net household change, 2024-34



Population by age cohort



This chart illustrates trends in population by age cohort, both historic and projected. The projection is based on recent trends extended. Depending on economic, policy, and other conditions, the future age distribution may vary over time.

Elkhart County's median age:
2022: 35.4 years old
2010: 35.1 years old

Demographic profile

Household profiles by income group

Source: ACS 5-Year, CommunityScale

The following analysis examines household characteristics and housing need in terms of household incomes relative to the local Area Median Income (AMI). For example, households within the "60-80%" group earn between 60% and 80% of the HUD-established AMI for the metro area. Each household AMI group has a different need for monthly housing costs.

The table at right profiles Elkhart County's population by AMI level to illustrate how many people fall into each group, their income, and the range they can affordably pay for housing.

Household financial characteristics by income

AMI level	Total households	Household income range	Monthly affordable housing costs
<30%	10,226	<\$24,600	<\$600
30-60%	14,146	\$24,600-\$49,200	\$600-\$1,250
60-80%	8,753	\$49,200-\$65,600	\$1,250-\$1,650
80-100%	7,204	\$65,600-\$82,000	\$1,650-\$2,050
100-120%	6,291	\$82,000-\$98,400	\$2,050-\$2,450
>120%	25,325	>\$98,400	>\$2,450

Monthly cost	Max price	Max rent
<\$627	\$53,053	\$504
\$628-\$1254	\$124,799	\$1,108
\$1255-\$1672	\$172,629	\$1,510
\$1673-\$2090	\$220,460	\$1,912
\$2091-\$2508	\$268,176	\$2,314

Socioeconomic profile

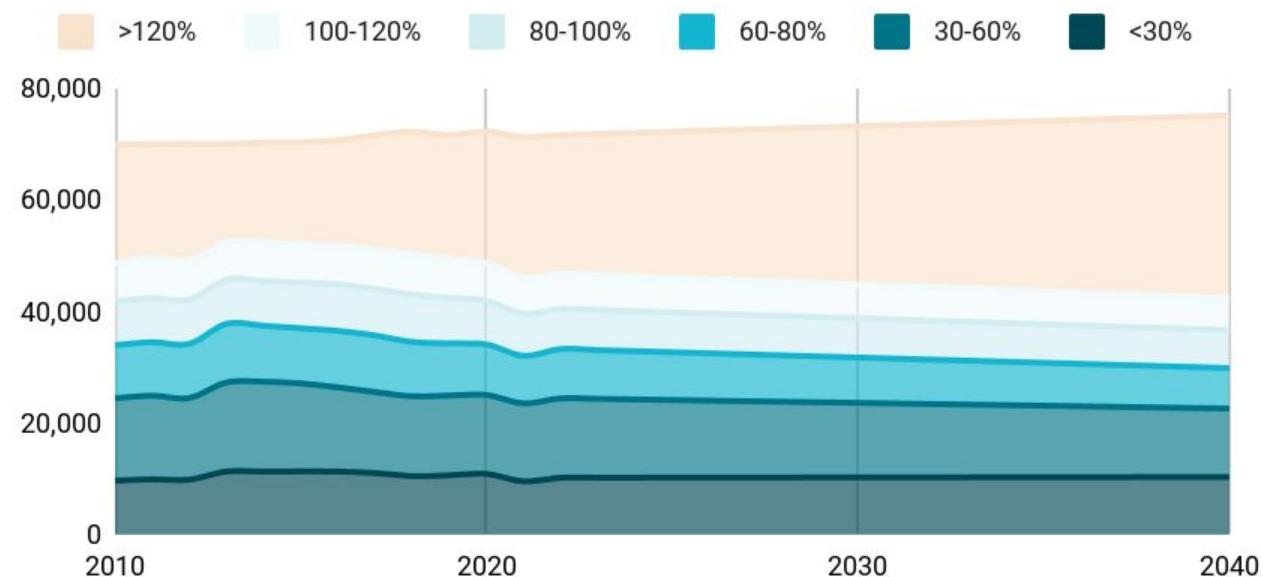
Households by AMI group

Source: ACS 5-Year, CommunityScale

Elkhart County's household population has grown slowly since 2010. In terms of relative income levels, most of the growth has been concentrated among higher-income households, especially the >120% AMI group.

In the Demand section of this report, these recent growth trends will be compared with future projections to estimate household populations and income distributions to 2034.

Household change by AMI group



AMI group	2010	2022	2034
<30%	16,465	17,090	17,319
30-60%	22,569	21,886	20,799
60-80%	12,404	12,855	12,740
80-100%	10,331	10,701	10,850
100-120%	8,789	9,120	9,572
>120%	29,983	35,815	41,329

Elkhart County's median income:
2022: \$61,922
2010: \$41,748 (\$54,167 in 2022 dollars)

Socioeconomic profile

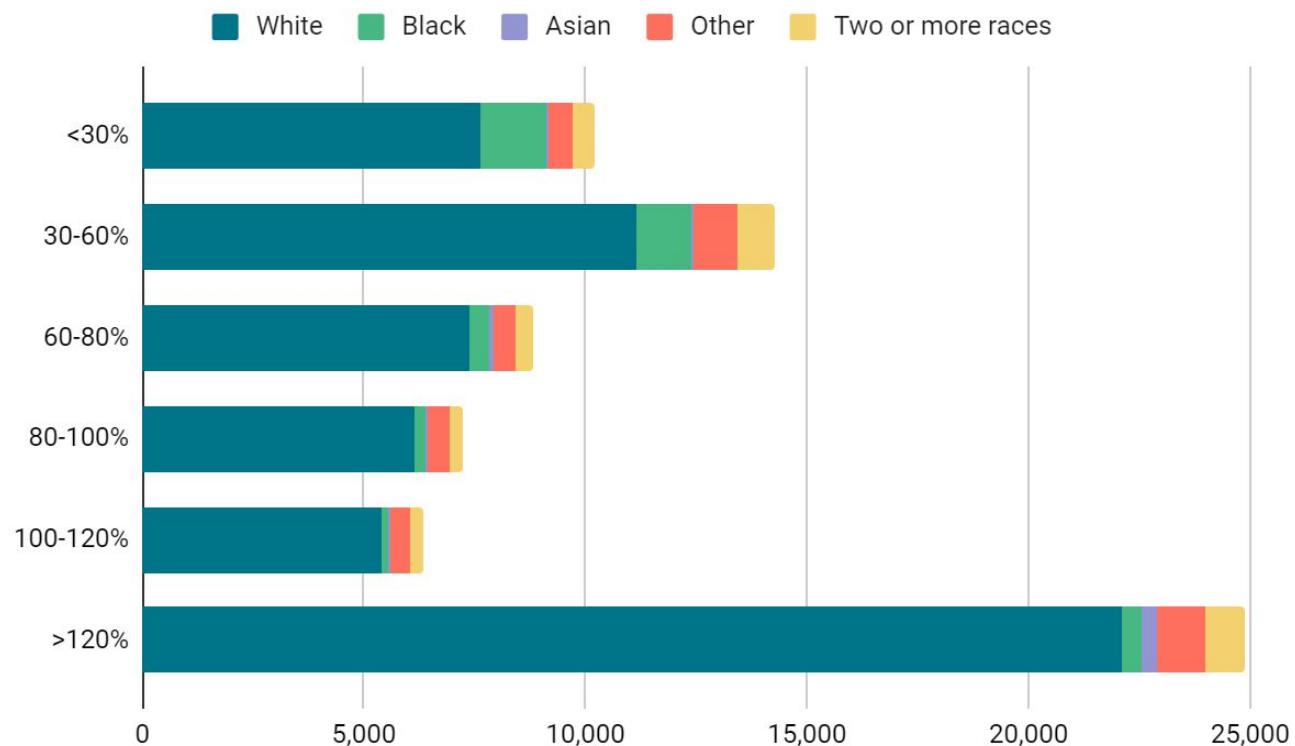
AMI groups, by race of householder

Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

Elkhart County's lowest income groups are its most racially diverse, especially the <30% and 30-60% AMI groups. Other income levels are relatively consistent in their proportional ratios of white and non-white households.

Number of households in each AMI group, by race



Socioeconomic profile

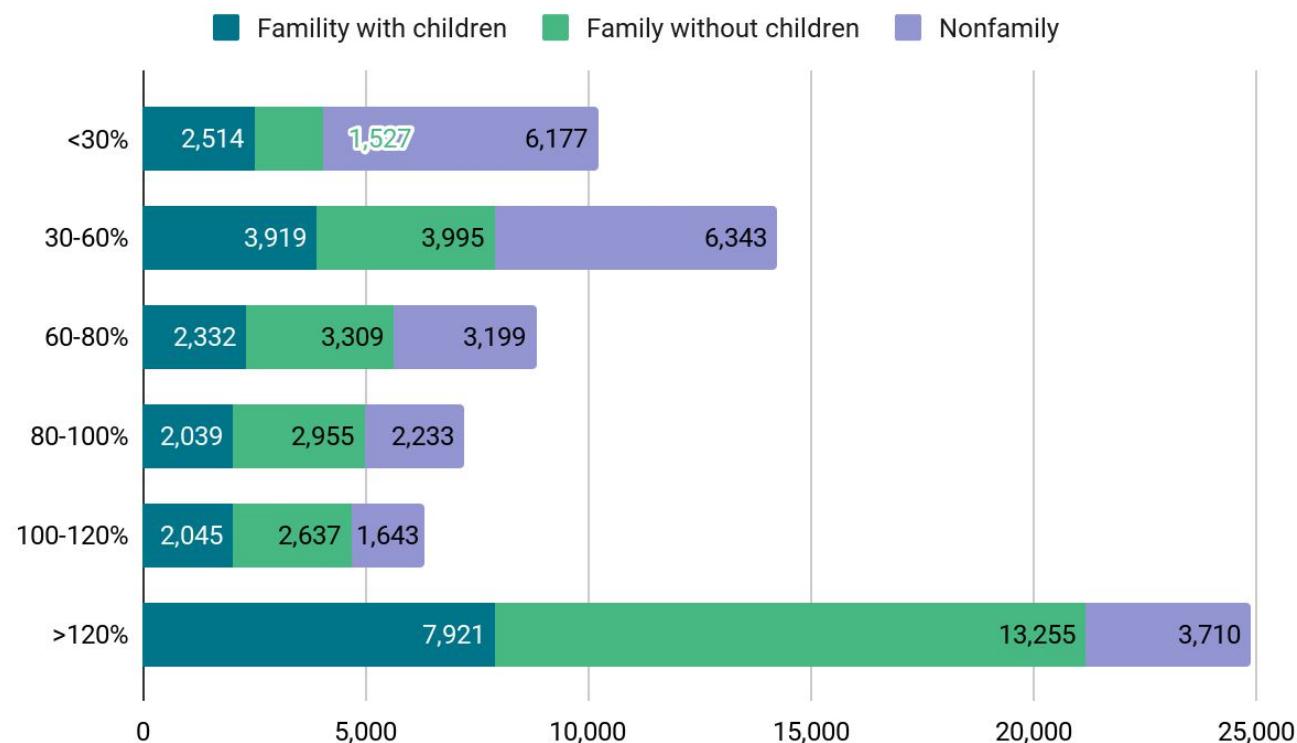
AMI groups, by household type

Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

Elkhart County's families with children are most prevalent in the >120% AMI group. Nonfamily households are predominantly low-income (this group includes one-person households). Families without children (such as couples) are most common at the >120% AMI level.

Number of households in each AMI group, by household type



Socioeconomic profile

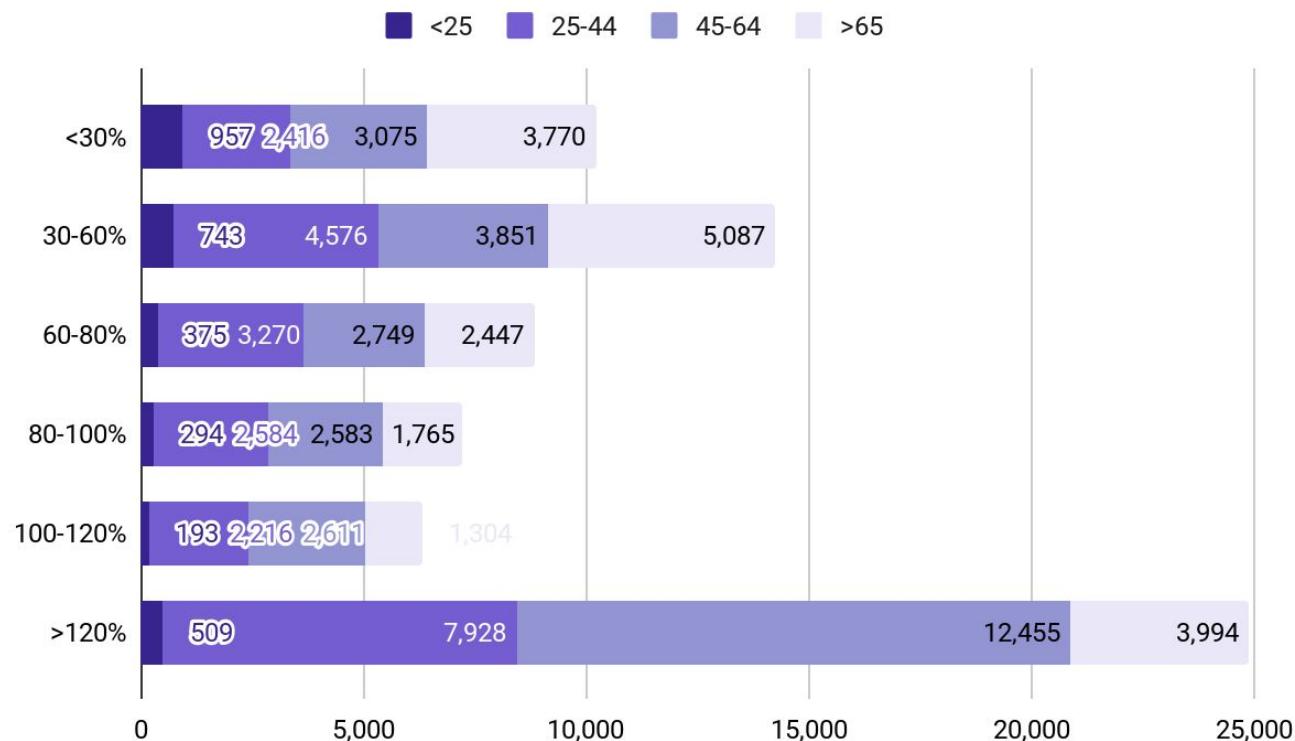
AMI groups, by age of householder

Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

Most households in the >65 age group have incomes below 60% AMI. Households between 25-64 are most prevalent in the >120% AMI but also particularly numerous in the 30-60% and <30% AMI groups. The small group of youngest households (<25 years) are somewhat more concentrated at lower income levels.

Number of households in each AMI group, by age of householder



Socioeconomic profile

AMI groups, by cost burden

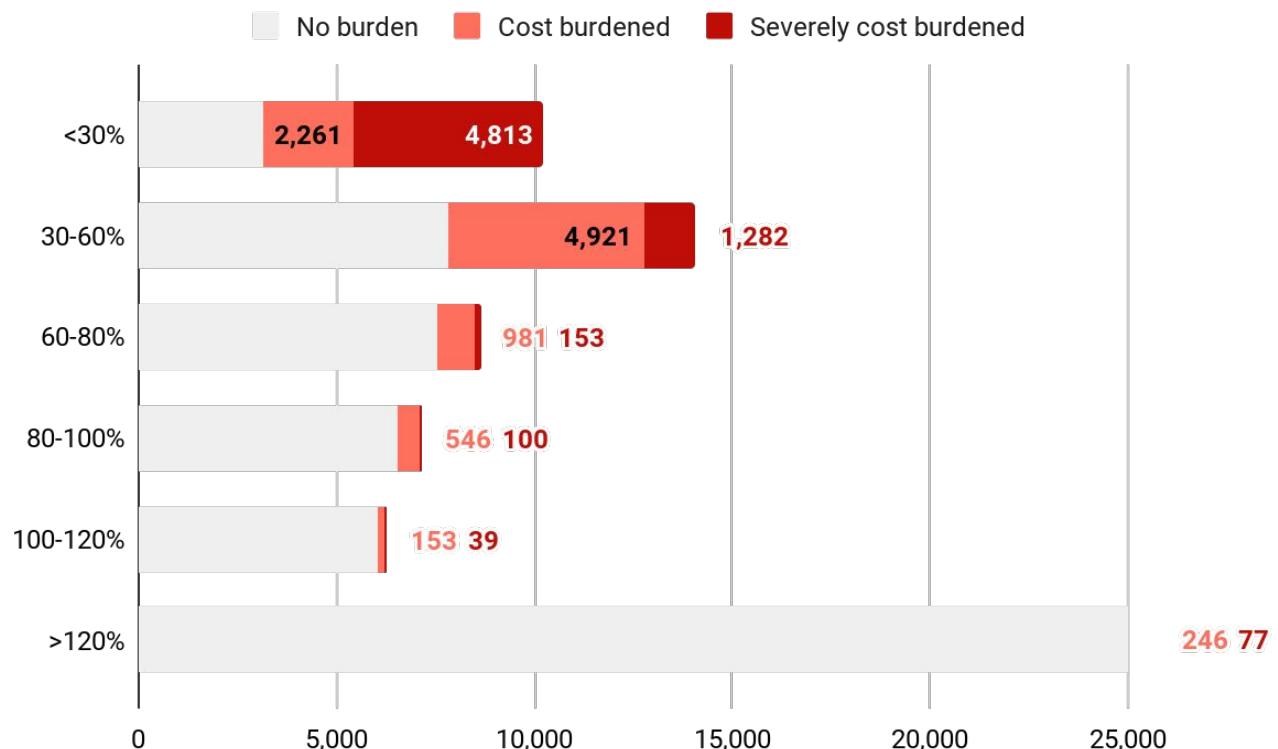
Source: ACS 5-Year, HUD, CPI

These slides break down socioeconomic and demographic indicators by income in terms of AMI level.

In Elkhart County, most low-income households are cost burdened. Most households earning >80% AMI are not cost burdened.

Households are cost burdened when paying more than 30% of their income on housing costs. They are considered severely cost burdened when these costs exceed 50% of their income. For renters, this includes lease rent and utilities. For homeowners, this includes mortgage costs, property taxes, insurance, utilities, and any condo fees.

Number of households in each AMI group, by cost burden



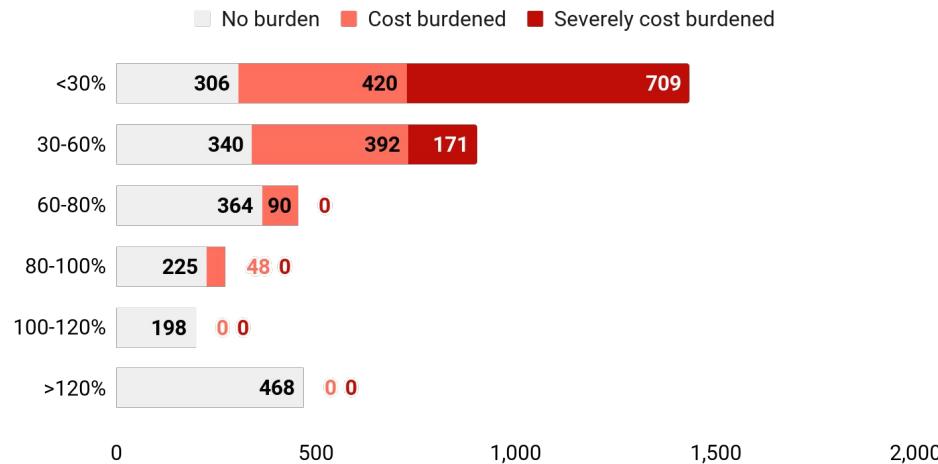
People: Socioeconomic

Cost burdened households by tenure and AMI group

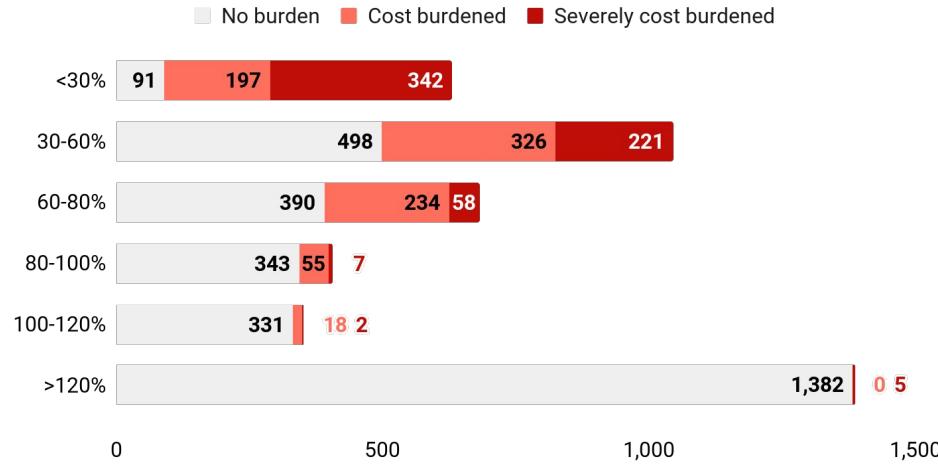
Source: ACS 5-Year, tables B25074, B25095, 2022

Many of Elkhart County's residents are experiencing cost burden, especially lower-income households. More than half of both renters and homeowners with incomes up to 60% AMI spend over 30% of their income on housing costs.

Cost-burdened renters, by AMI group



Cost-burdened homeowners, by AMI group



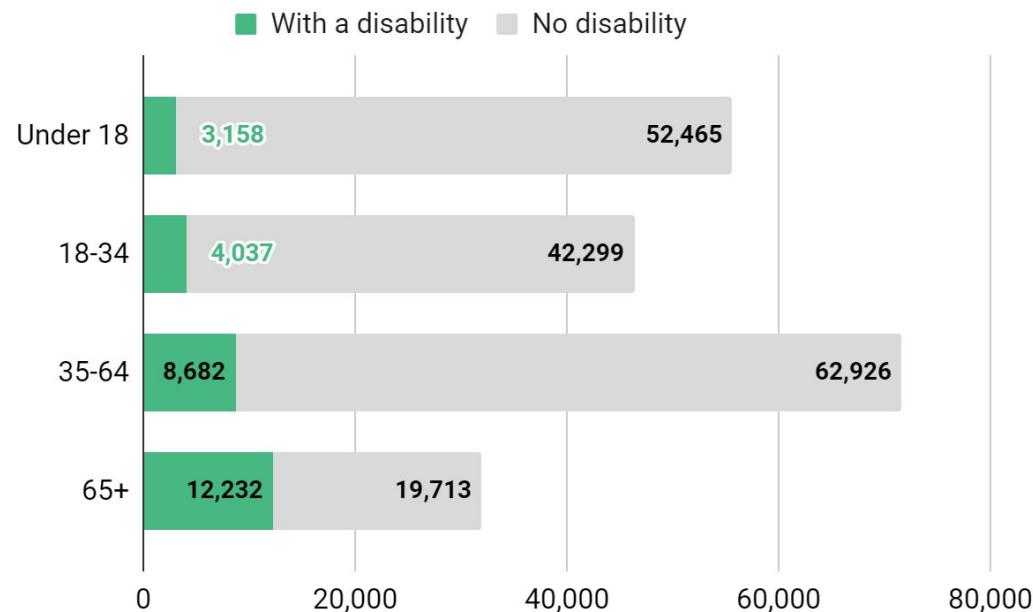
Tenure	Share of housing stock
Renter-occupied	32.4%
Owner-occupied	67.6%

Socioeconomic profile

People with disabilities

Source: ACS, 2022

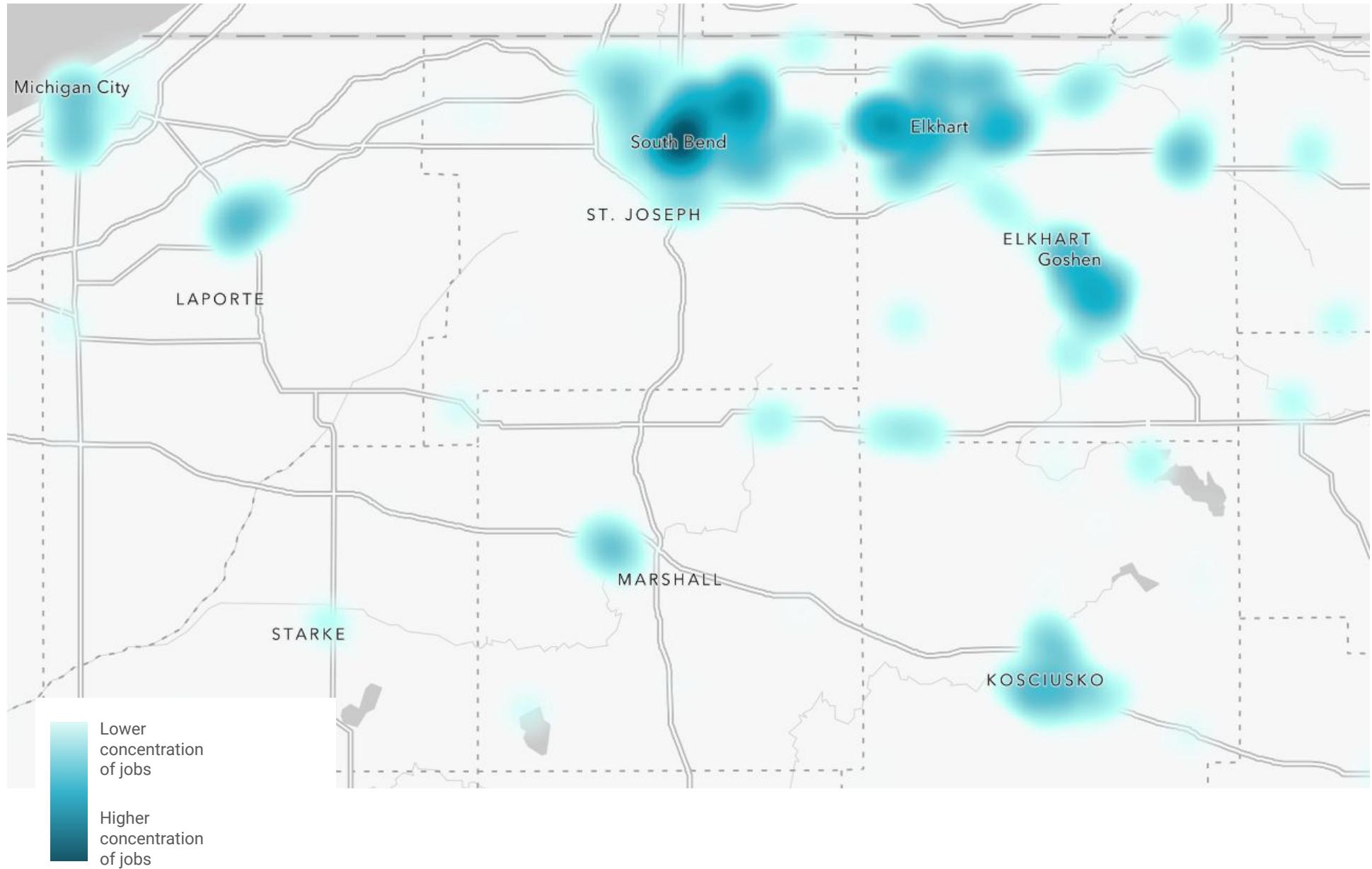
Elkhart County's resident population includes many people with disabilities that may restrict their housing choices. People with disabilities are most common in the 65+ age group but they are represented across all age groups at some level.

Population with selected disabilities, by age cohort

Employment patterns

Job clusters in and around Elkhart County

Source: US Census, Longitudinal Employer-Household Dynamics dataset, 2021

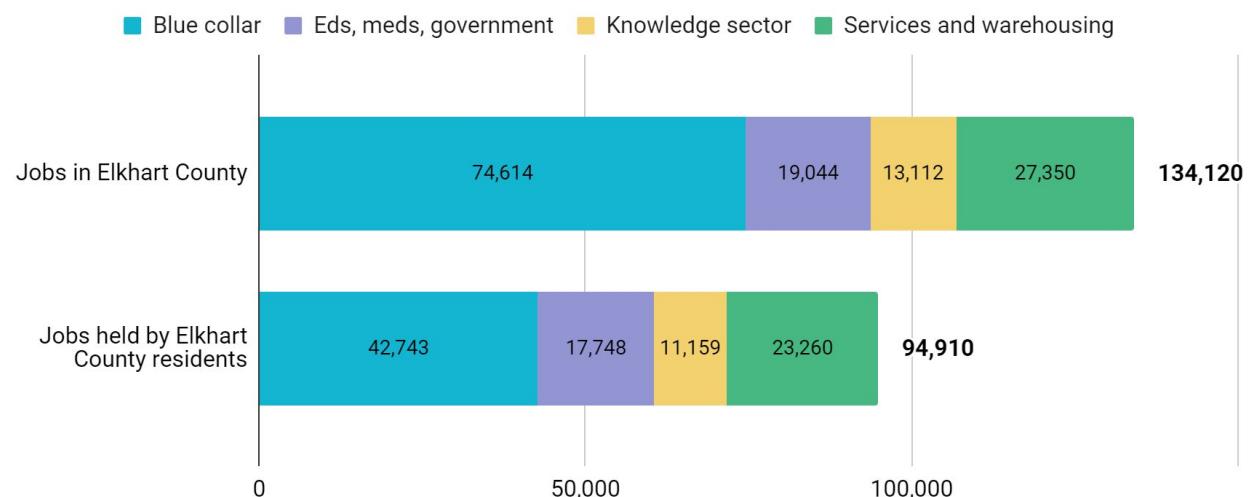


Employment patterns**Jobs located in the county compared to jobs held by residents, by sector**

Source: US Census, Longitudinal Employer-Household Dynamics dataset, 2021

Elkhart County contains more jobs than workers across all major employment sectors.

Employees of different sectors can represent different housing preferences, attainability thresholds, and job access considerations. “Jobs in the community” refers to the places of work located within its boundaries. “Jobs held by community residents” refers to the jobs local residents hold regardless of their place of work jurisdiction.

Jobs in Elkhart County and jobs held by Elkhart County residents, 2021**Examples of jobs by sector:**

- **Blue collar:** Jobs in construction, manufacturing, and natural resources
- **Eds, meds, and government:** Teachers, nurses, police officers
- **Knowledge sector:** Software engineer, financial manager
- **Services and warehousing:** Warehouse workers, retail salespeople



The following section profiles Elkhart County's housing stock and affordability, detailing characteristics such as structure type, bedroom count, and development timeframe as well as household costs and market pricing for local rental and ownership units.

Place

Current housing mix. A community's housing stock varies in terms of several variables that are important to gauging how well local residents' needs are being met, including the unit's structure type and number of bedrooms. Organizing units by year of construction helps identify the relative pace of development over the years. Tabulating subsidized units within the community indicates how many of the lowest income households are likely to find units they can afford.

People in place. Mapping key socioeconomic characteristics can reveal potential geographic disparities within the community, such as neighborhoods with particularly high concentrations of cost burden.

Cost of housing. Housing prices can change much more rapidly than housing stock or the resident population. Tracking prices over time can indicate trends of higher or lower overall housing affordability and, as an extension, the degree of economic vulnerability households at lower income levels are likely to experience.

Current housing mix

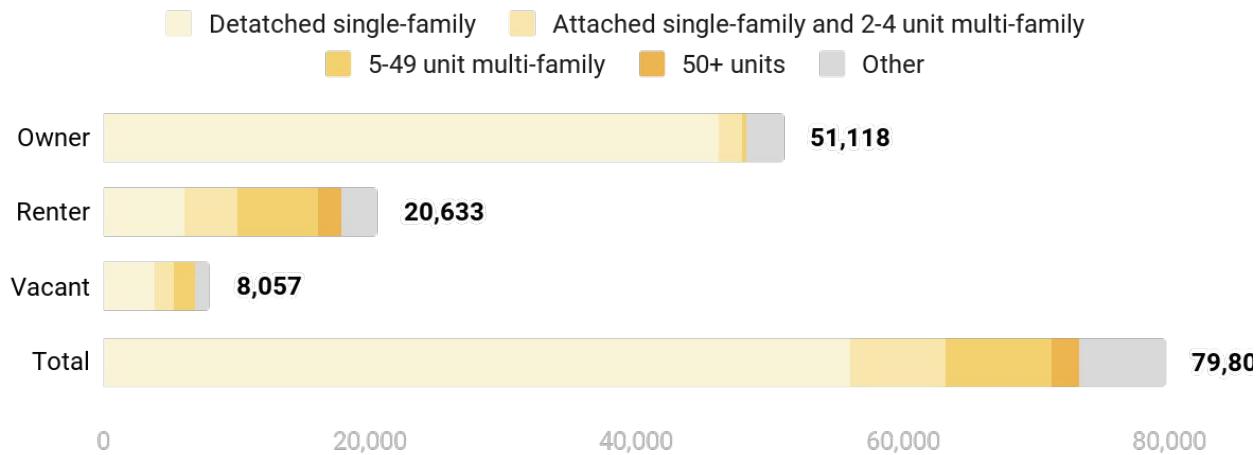
Existing units by structure type

Source:

This graph inventories the local housing stock in terms of each unit's structure type, a characteristic defined as the number of units in the building that contains a given unit.

Households may have different structure type preferences depending on characteristics such as household size, income, employment, presence of children, age of individuals, and lifestyle choices. Understanding the housing stock in corresponding terms helps assess how well existing units align with existing households' ideals.

Existing units by structure type



In most places, ownership units are predominantly single family detached. Rental units are typically more diverse, including small- and large-scale multifamily developments. While these trends might reflect market preferences to some degree, other non-market factors also influence what types of units are actually built, such as zoning ordinances, regulatory constraints, and community choices.



Current housing mix

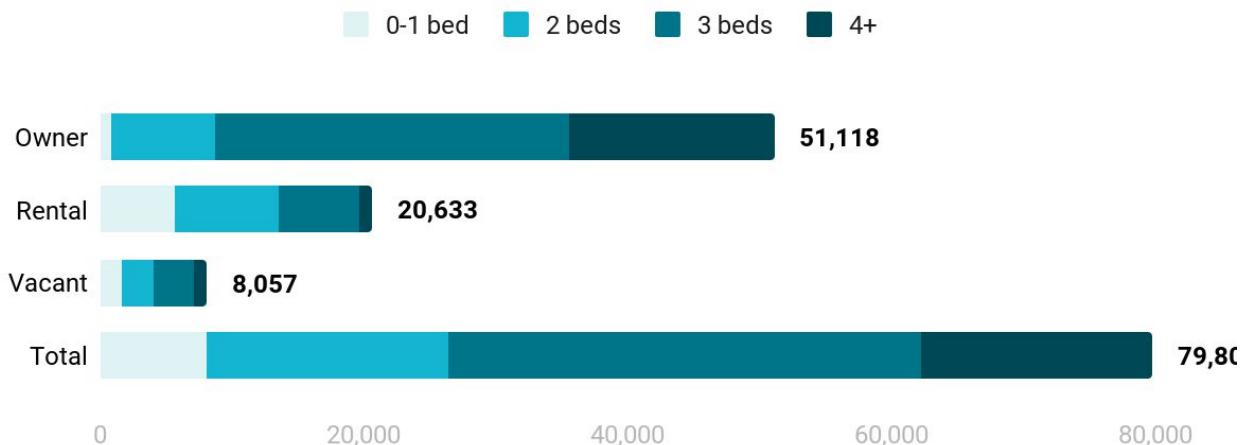
Existing units by bedroom count

Source:

This graph inventories the local housing stock in terms of bedroom count by unit by tenure. The majority of Elkhart County's housing units are two bedroom or larger, especially among ownership units.

Household size and the presence of children are primary drivers for bedroom count with, as expected, larger families desiring more bedrooms than smaller households. However, other factors such as income and the incremental cost of extra bedrooms also influence these preferences. In most places, ownership units are generally offer more bedrooms than rental units. As above with structure type, this is not exclusively a result of the market reflecting household preferences.

Existing units by number of bedrooms



Few single family houses contain less than three bedrooms so, if they dominate the local ownership supply, there will not many small ownership units available. Conversely, most rental units contain fewer than three bedrooms so households interested in renting a larger unit may have limited options to choose from. This misalignment is at least somewhat driven by the fact that it is less capital efficient to build small houses and large apartments even if there may be some demand for them.

Current housing mix

Age of existing housing

Source: Census ACS 2022 1-Year; Census Building Permit Survey 2020-23

The figure at right tabulates the age of local housing units in terms of when they were built. Elkhart County saw relatively consistent housing production for most of the 20th century but the pace has slowed considerably in the past two decades.

This table chronicles the community's development history, indicating decades with relatively more or less construction activity. 2020 or later is approximate as new housing units are completed.

Age of existing units

Year built	Units	Share	Cumulative share
2020 or later	1,365	1.7%	1.7%
2010 to 2019	4,730	6%	8%
2000 to 2009	9,280	11%	19%
1990 to 1999	12,932	16%	35%
1980 to 1989	9,130	11%	46%
1970 to 1979	11,460	14%	60%
1960 to 1969	8,222	10%	71%
1950 to 1959	7,883	10%	80%
1940 to 1949	3,747	5%	85%
1939 or earlier	12,200	15%	100%

Current housing mix

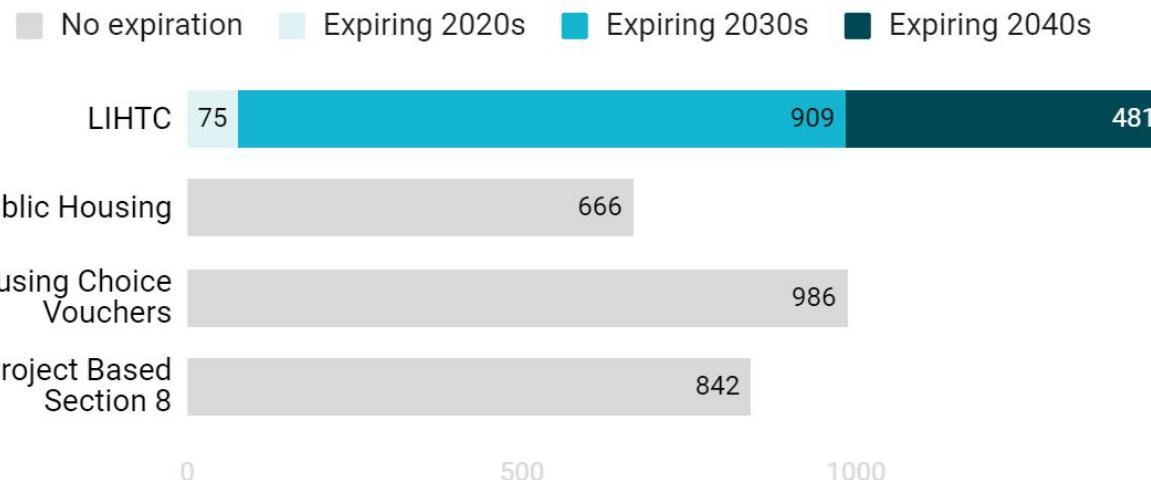
Committed affordable housing units

Source: HUD, Elkhart County Housing Authority

The local housing stock includes a mix of committed affordable housing supported by federal programs such as Low Income Housing Tax Credits (LIHTC) and Housing Choice Vouchers. For households with particularly low incomes, these units can represent one of the only housing options available to them.

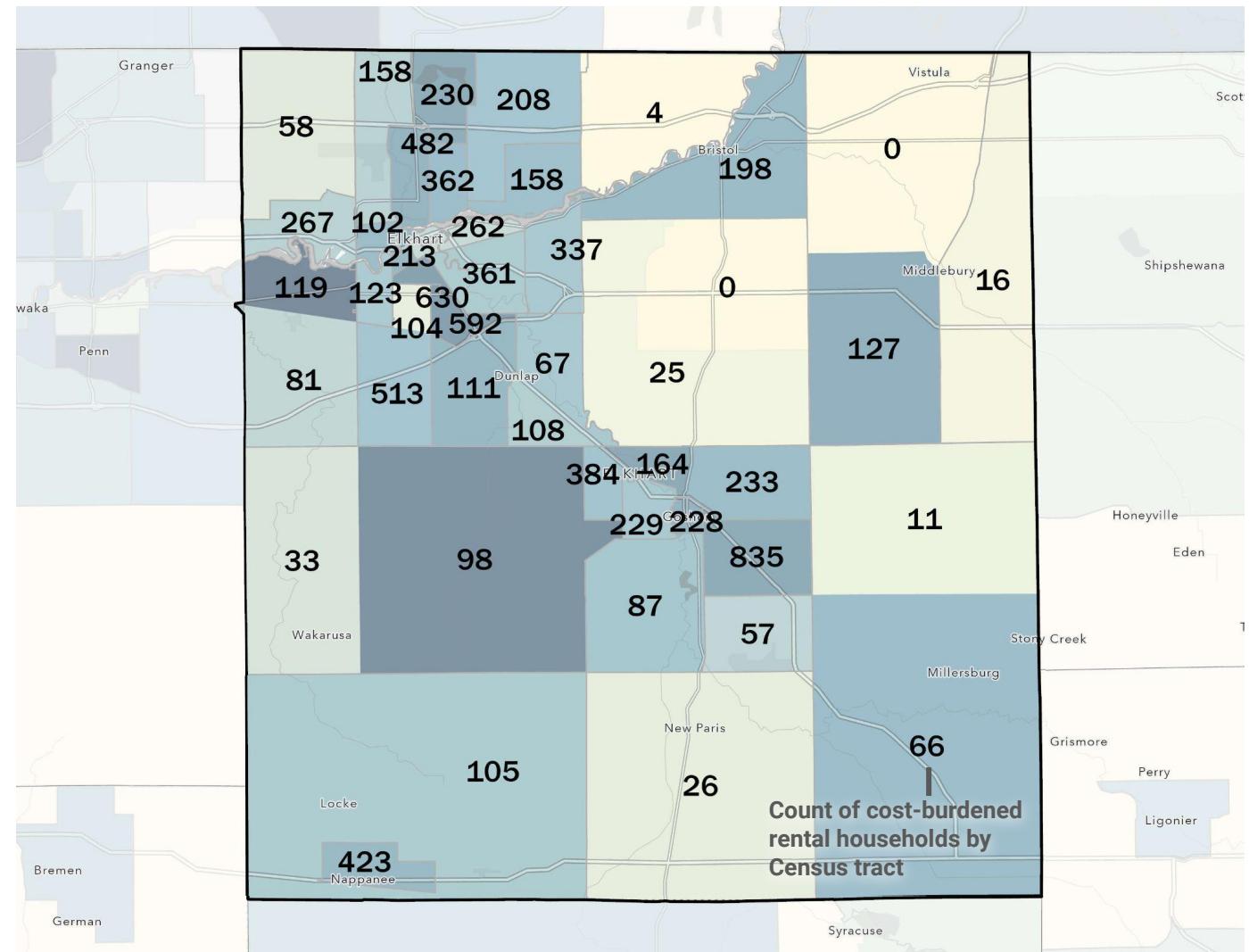
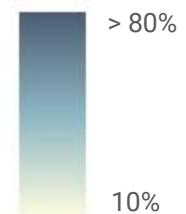
While most of these programs are funded indefinitely, LIHTC units are only required to remain cost-restricted for up to 30 years. After that "expiration" date, the units may convert to market-rate costs, effectively ending their affordability for these low income households.

HUD-subsidized affordable units by program and expiration date



People in place**Cost-burdened renters, by Census tract**

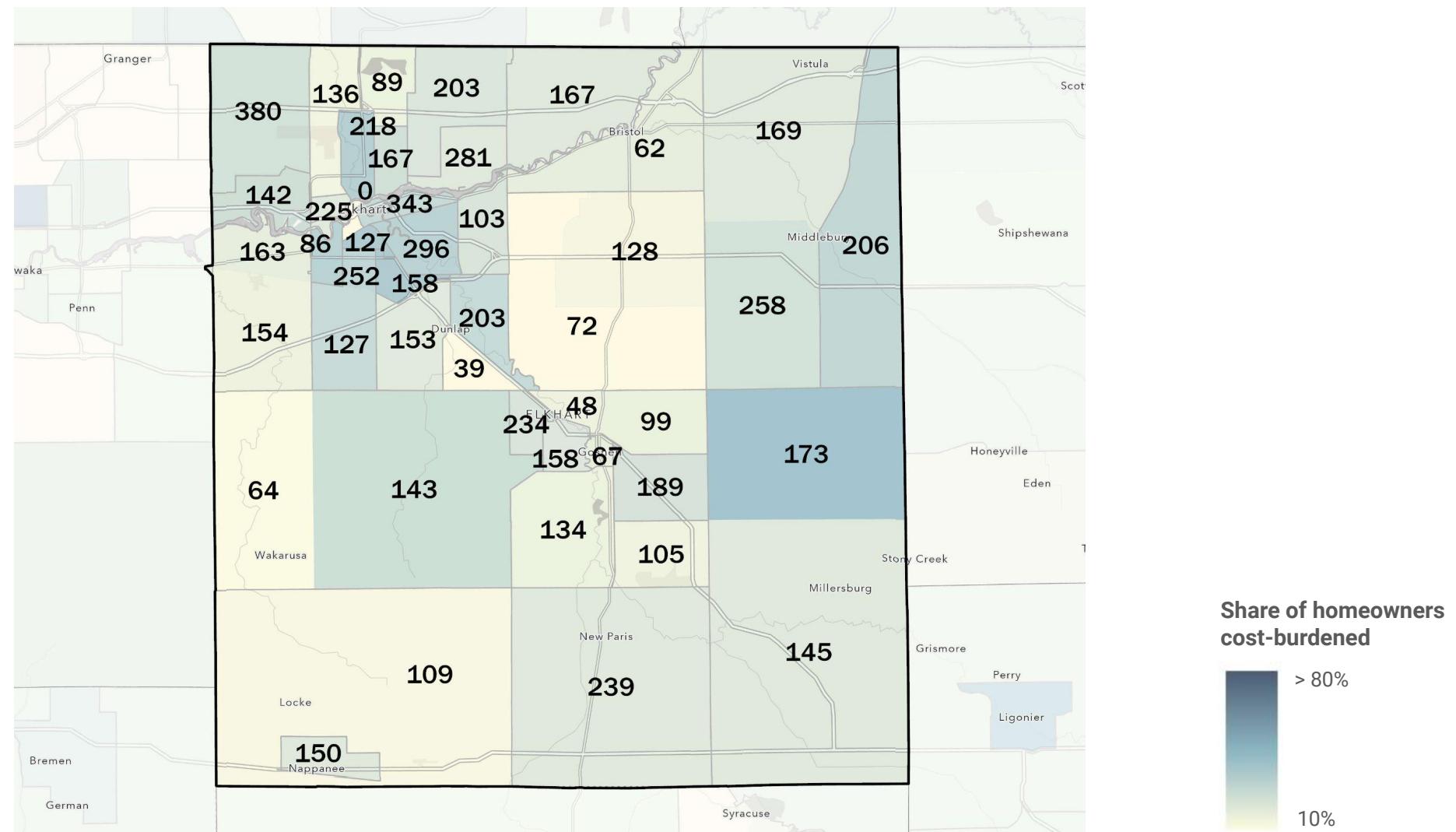
Source: ACS 5-Year, 2022

**Share of renters
cost-burdened**

People in place

Cost-burdened homeowners, by Census tract

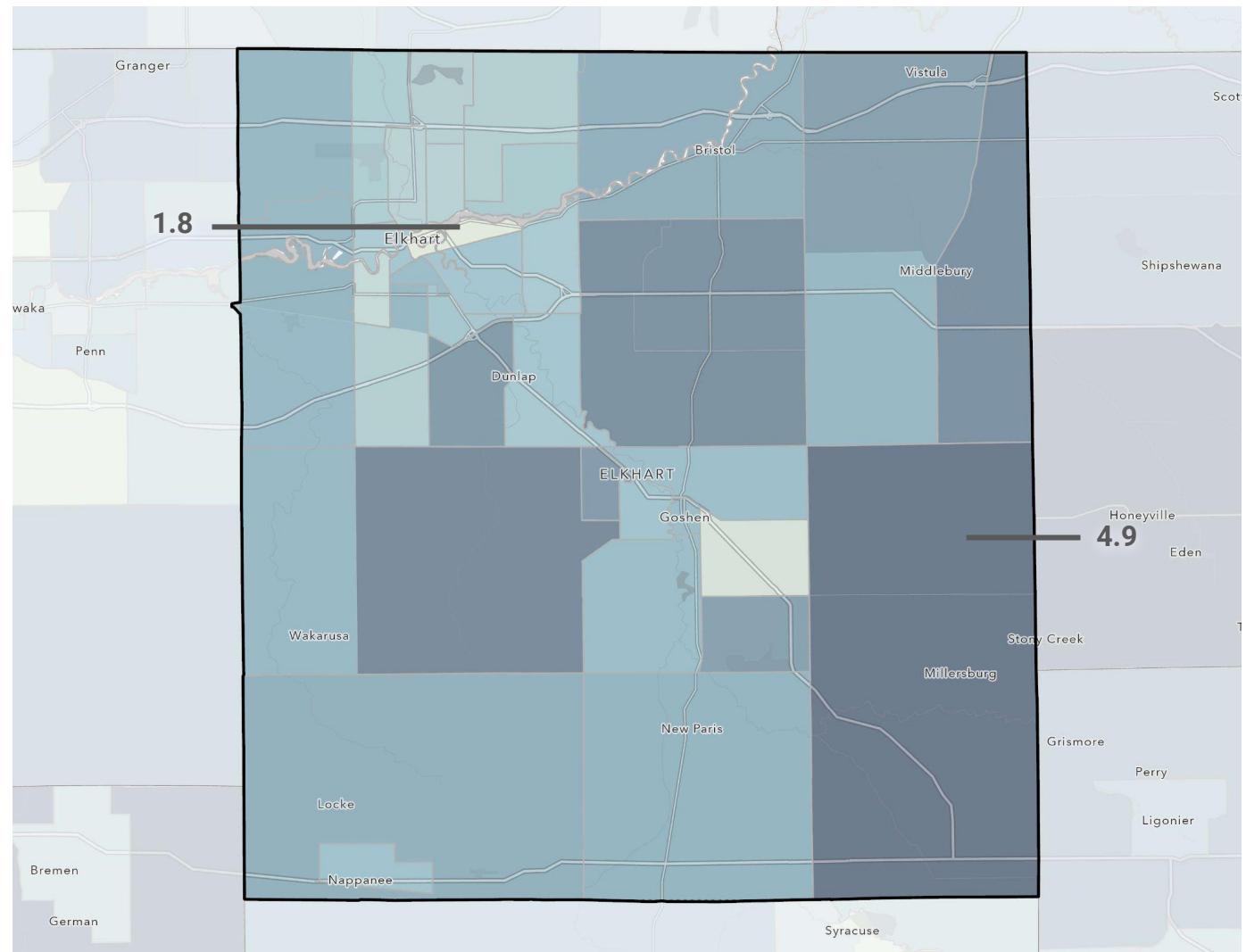
Source: ACS 5-Year, 2022



People in place

Household size, by Census tract

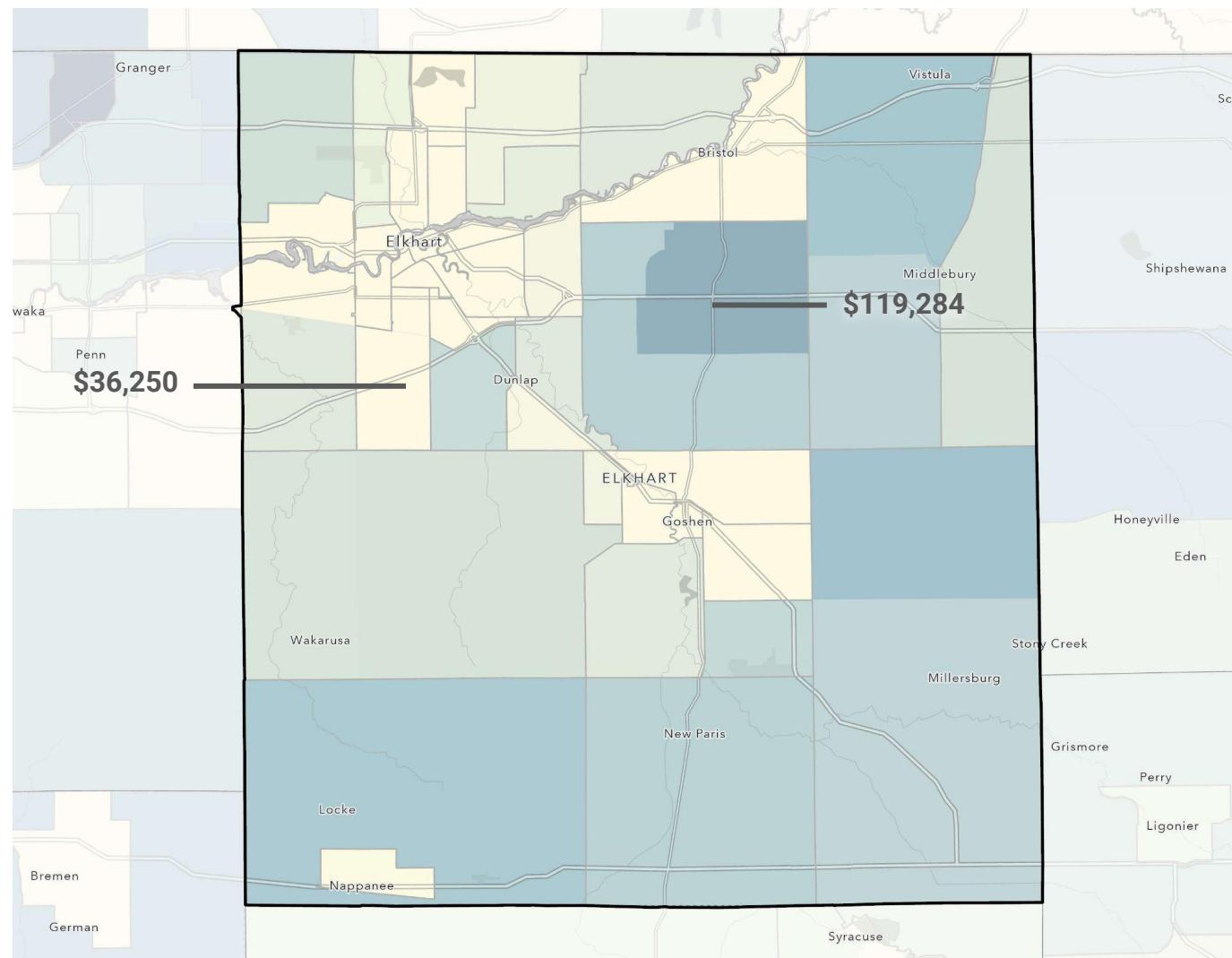
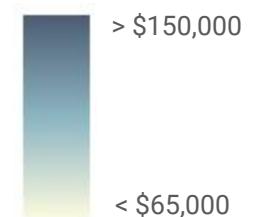
Source: ACS 5-Year, 2022

**Average household size**

People in place

Median household income, by Census tract

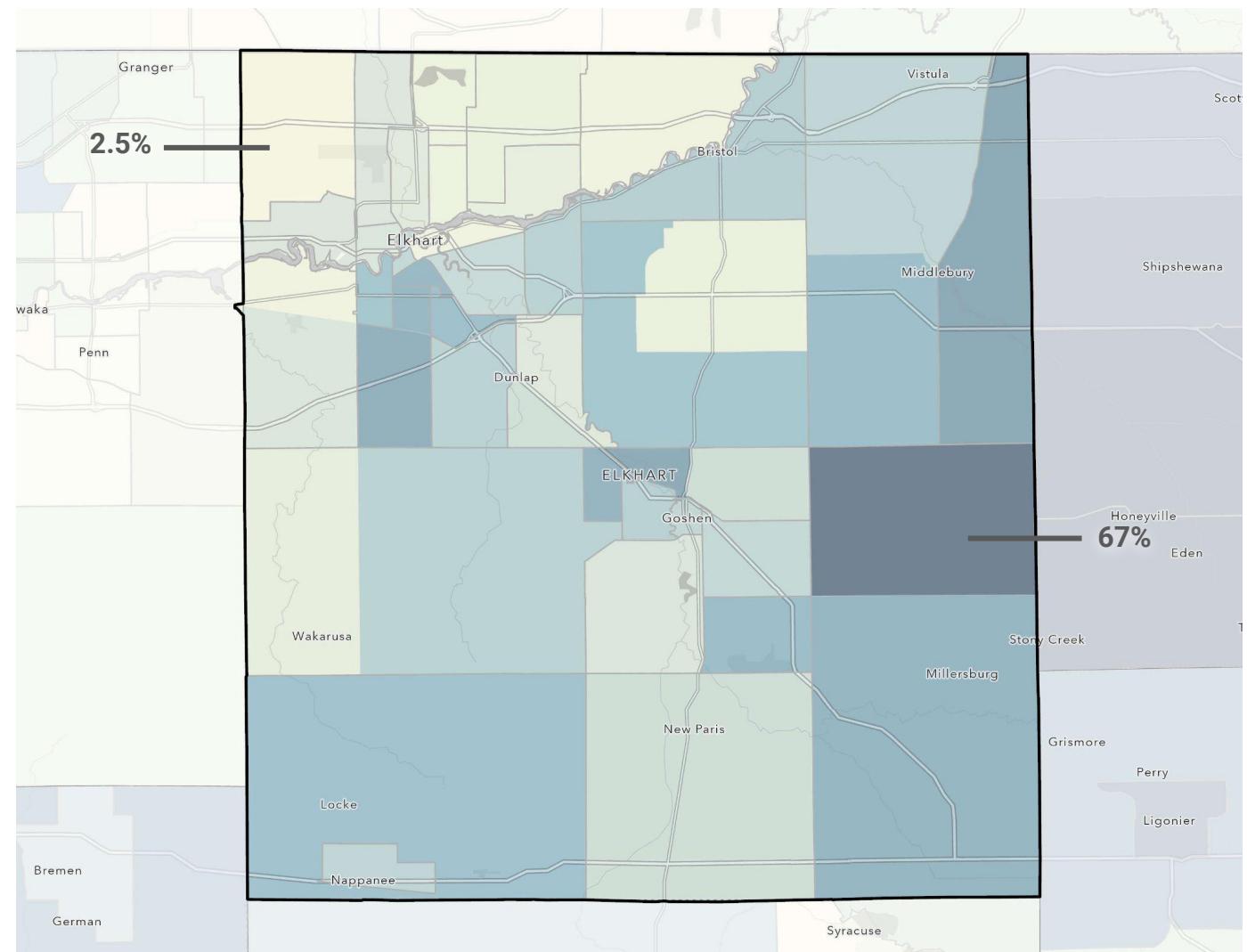
Source: ACS 5-Year, 2022

**Median income**

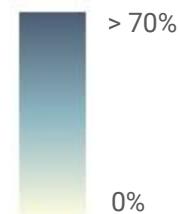
People in place

Language other than English spoken at home, by Census tract

Source: ACS 5-Year, 2022



Share of population age 5+
speaking language other
than English at home



Socioeconomic profile

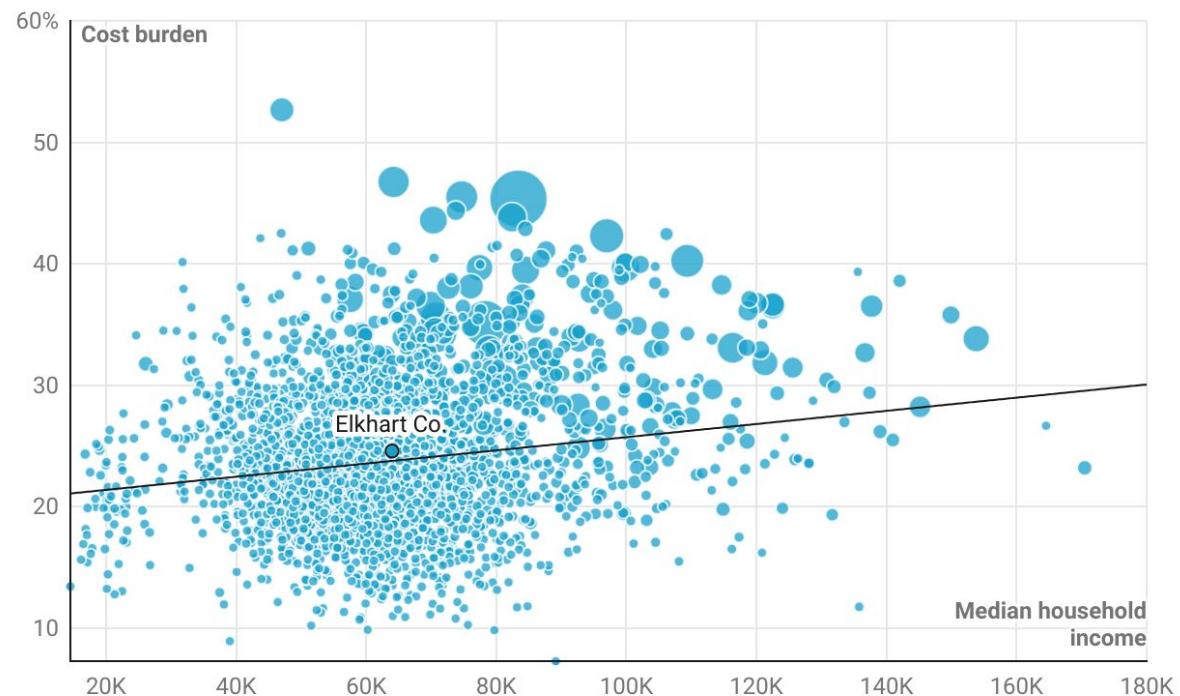
Cost burden in national context

Source: ACS 5-Year, 2022; CommunityScale

The chart at right compares average level of cost burden in US cities and counties scales with household income. The higher the median income, the higher the prevalence of cost burdened households. Dot sizes indicate relative population size.

Elkhart County closely reflects this trend, exhibiting a relationship between rates of cost burden and median household income that is consistent with the national average.

Relationship between median income and cost burden nationally, by county



Housing costs and affordability (Ownership)

The following pages examine housing costs, prices, and other measures of affordability. Combined with the indicators described in the report's People section, this data directly relates to the scope and scale of attainability problems such as cost burden and other misalignments between demand and supply.

How to estimate what's affordable? Variables and assumptions informing the affordability metrics featured on the following pages include:

30-year loan term: 90% of mortgages in the US are 30 year term loans.

Mortgage rates: Mortgage interest rates are a primary driver of affordability: lower rates amplify a household's buying power while higher rates can dramatically reduce it. In April 2024 the typical rate was 6.99%.

Down payment: While a 20% down payment is often considered standard, most households pay less. In Indiana, the average down payment is 12.2% of the purchase price.

PMI: Private mortgage insurance (PMI) is required by virtually all lenders when the down payment is less than 20% of the purchase price. Rates range widely due to a variety of factors but 0.5% approximates a typical rate.

Property tax: Property tax obligations reduce the amount of household income available for mortgage payments. The property tax rate in Elkhart County is .87%.

Homeowners insurance: Banks require homeowner insurance as part of the financing process.

Utilities: Homeowner costs include the basic utilities required to keep the property heated and operational.

Condo fees: Homeowners in condominium communities typically contribute a monthly fee plus periodic assessments to support the maintenance and management of common areas and the overall premises outside their unit.

Translating sale price to monthly cost. Even setting aside factors such as interest rates and down payments, changes in home sales prices - especially dramatic increases - can significantly limit households' ability to access the housing options they may need or prefer. First-time homebuyers are especially impacted by rising prices because they lack access to equity in the form of a prior home that they might otherwise be able to sell into the same market and derive extra value from. Here is how example sale prices translate into typical monthly costs based on current mortgage rates, down payments, property taxes, utility costs, and related factors:

\$200,000 home costs \$1,600/month

\$400,000 home costs \$3,100/month

\$600,000 home costs \$4,550/month

\$800,000 home costs \$6,050/month

Cost of housing

Homeownership costs

Source: Zillow ZHVI 2024, Census ACS 2022 5-Year

The top chart tracks the [typical market value](#) for single family homes and condos over the past several years.

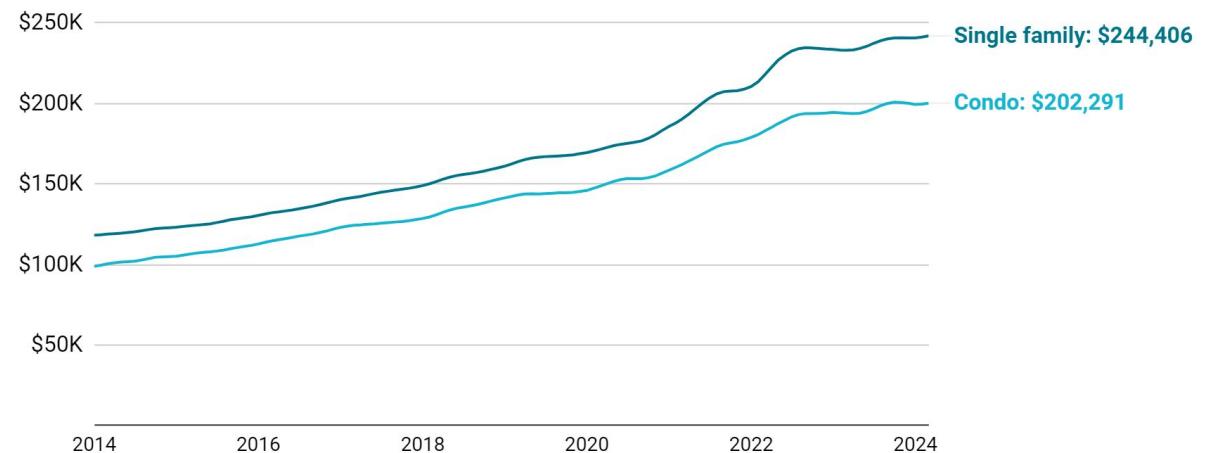
The adjacent table translates these values into monthly costs (mortgage + tax and other costs).

The bottom chart summarizes the distribution of costs across all ownership units in the area, most of which last transacted years ago.

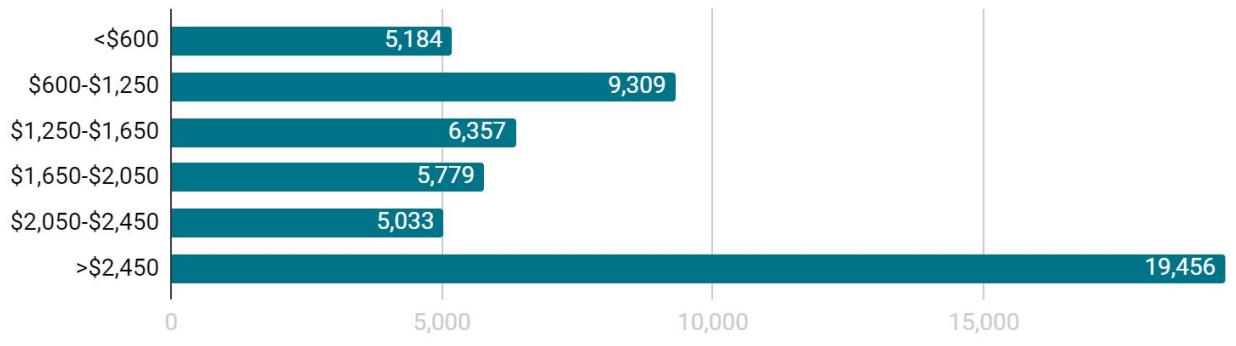
These charts reveal the difference between how much most homeowners currently pay per month (bottom) and it would cost per month to own a home purchased on today's market (top).

About 40% of Elkhart County homeowners pay below \$1,650/mo compared to the \$1,632 and \$1,945 required to afford a condo and single family on today's market.

Typical market value



Owner households by current monthly housing costs



Cost of housing

Can a household with a median income afford a median home price?

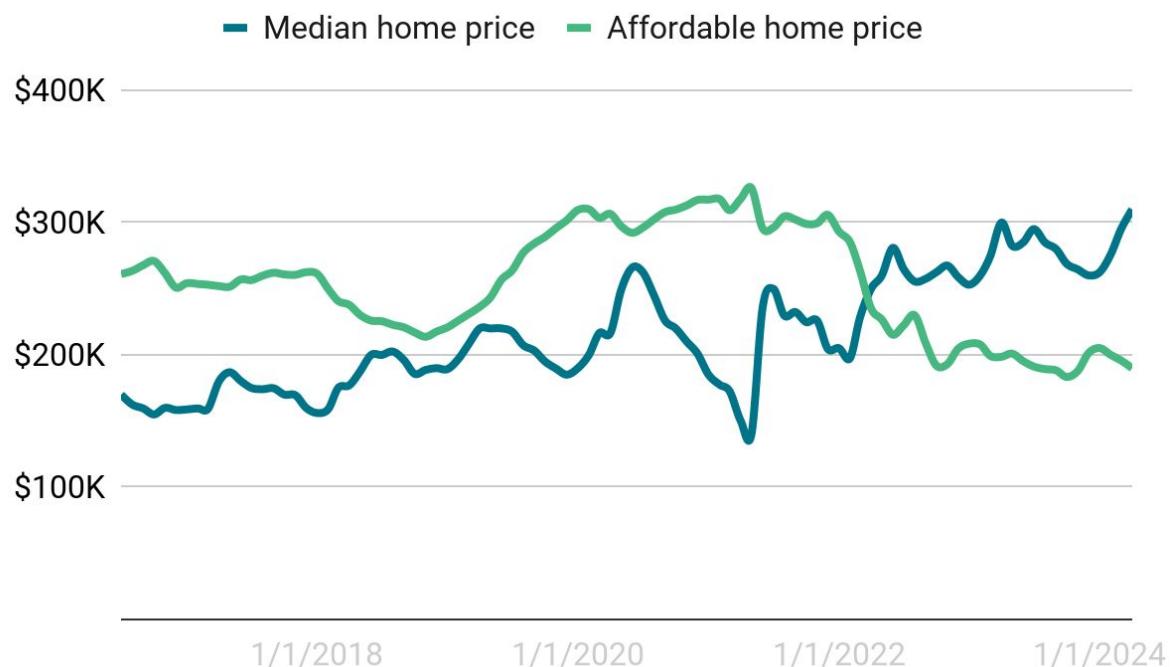
Sources: FRED Federal Bank of St. Louis; City of Elkhart County; CommunityScale

This chart compares the median listing price in Elkhart County with the home value affordable to a household earning the median household income. A wider gap means higher barrier to entry for first-time homebuyers and increased risk that an existing resident might be priced out of the community if they choose or need to move to a different house.

The calculations behind this chart include consideration of mortgage interest rates, typical down payments, and added monthly costs such as private mortgage insurance, property tax, home insurance, and utilities.

Median home price and mortgage value affordable to a household with median income

Affordability is based on the county's estimated median income. Actual affordability levels for specific properties vary based on variation in the above variables as well as possible additional costs for some units such as condominium fees.

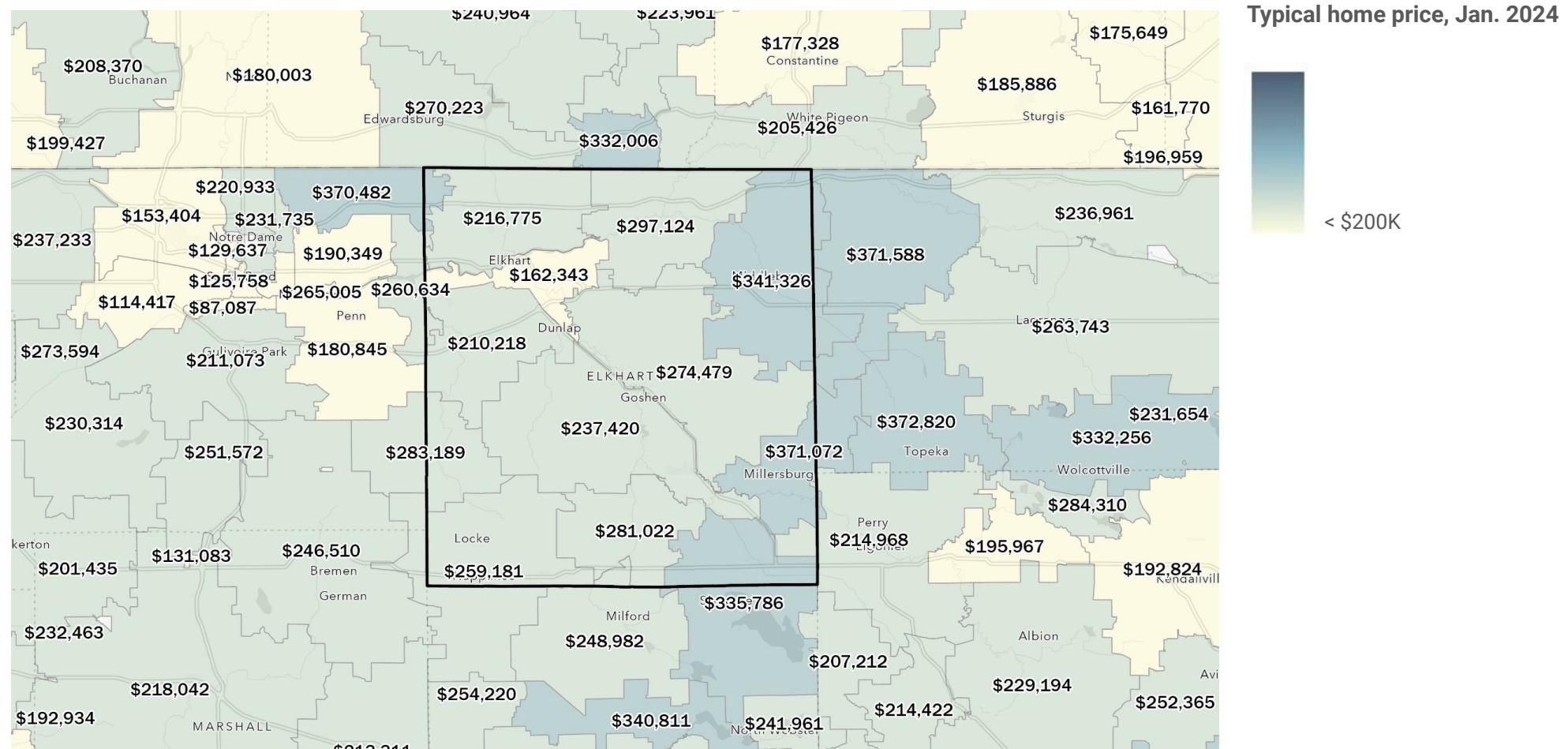


Cost of housing

Typical home prices by zip code

Source: Zillow ZHVI 2024

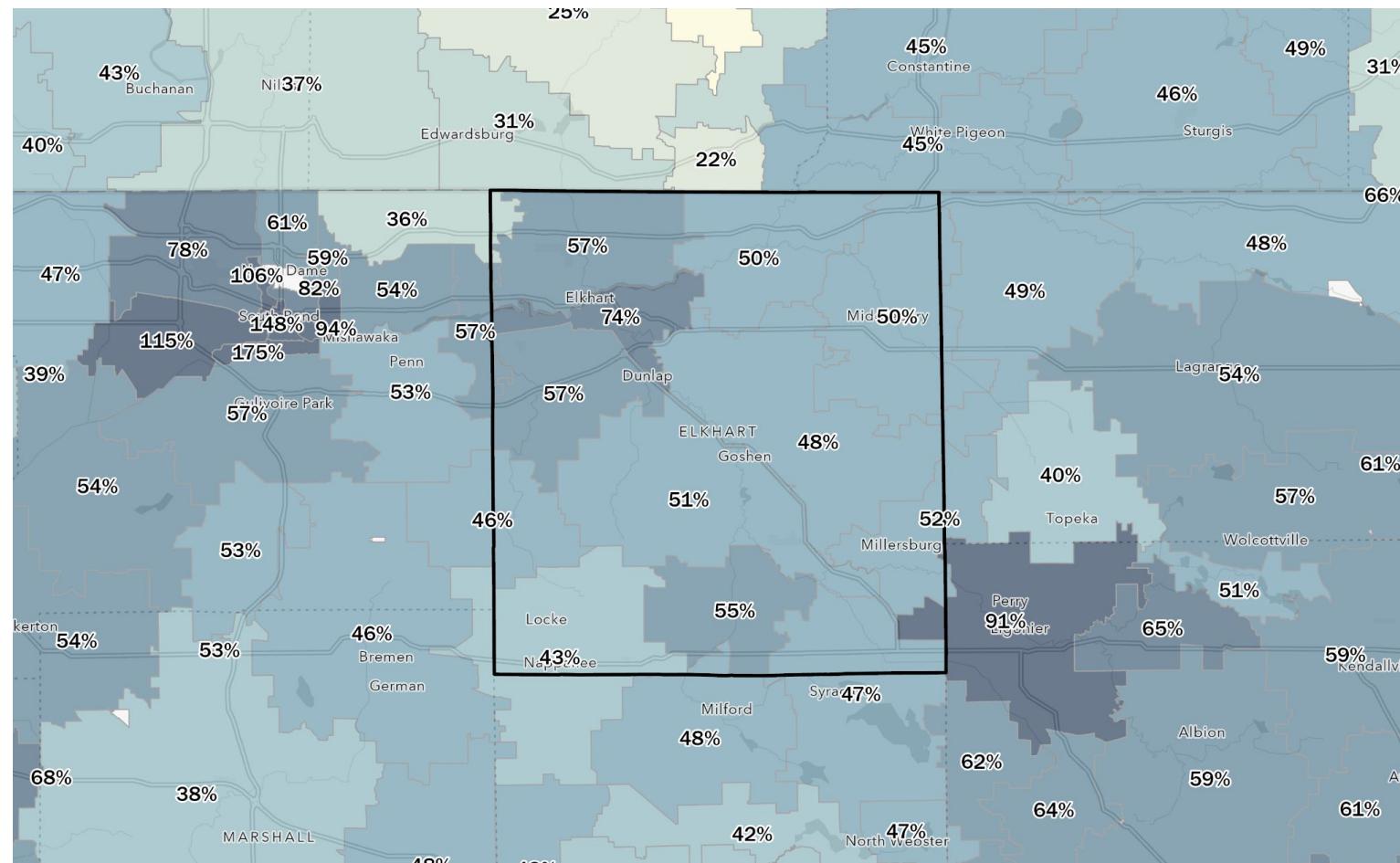
This map illustrates typical home prices in April 2024 by zip code across Elkhart County and surrounding areas. "Typical home price" is defined by Zillow as "the typical value for homes in the 35th to 65th percentile range."



Cost of housing

Typical home prices by zip code - Change since 2014

Source: Zillow ZHVI 2024



Cost of housing

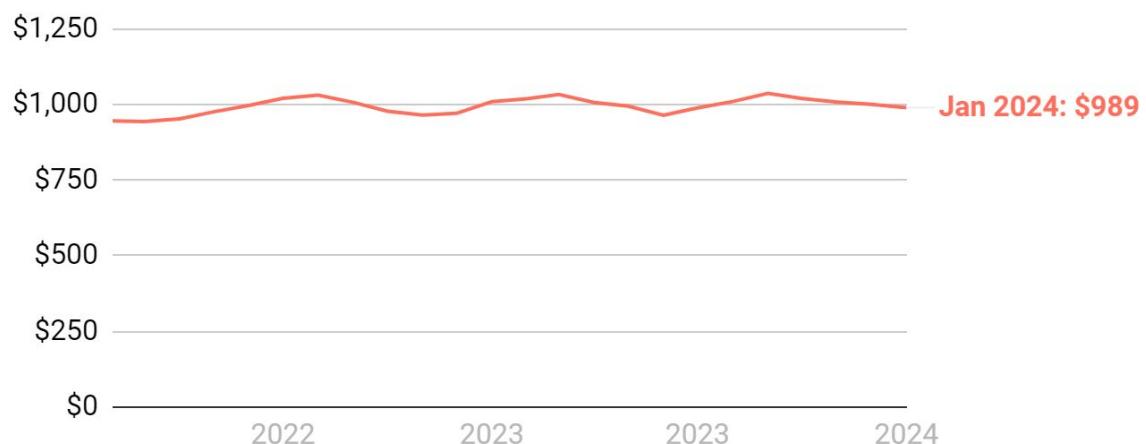
Renter costs

Source: Zillow ZHVI 2024, Census ACS 2022 5-Year

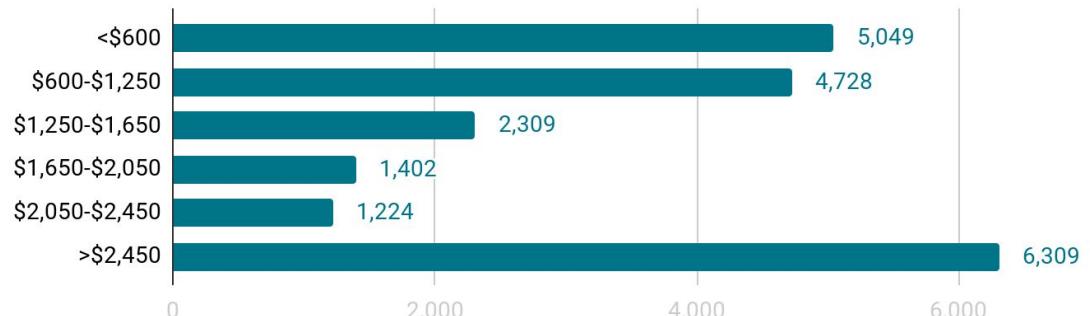
The average asking rent should be understood as the typical cost to a household signing a new lease under current conditions. In reality, because this is a single average value, actual asking rents may vary depending on characteristics such as size, location, and property features but they will collectively track along this trendline.

The costs indicated in the bottom chart include newly occupied units along with units that have been occupied for longer (and where rent may have been set at a much lower rate than today's asking price).

Average rents by month



Renter households by current monthly housing costs



Cost of housing

Gap analysis

Source: US Census ACS 5-year 2022, CommunityScale

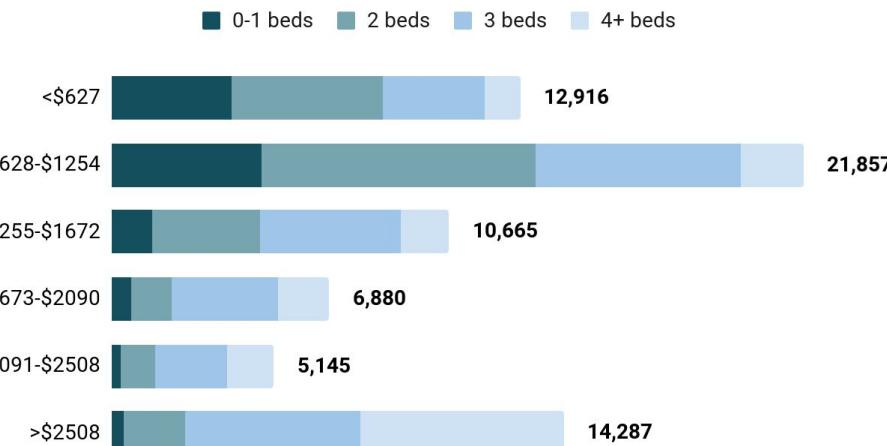
Comparing the needs of current residents with the current housing stock reveals potential misalignments between supply and demand.

The top chart simulates the unit mix today's local population would choose if all households could move into units that match their likely bedroom preferences and willingness to pay.

The bottom two charts compare this "need" to the current housing stock. Positive gaps indicate under-supply; negative gaps indicate oversupply.

This is an instructive but largely hypothetical analysis due to the scale of the gap and the challenge of delivering new affordable housing in large quantities.

Housing needs of current residents



Current housing supply and gaps

Bedrooms	Need	Supply	Gap
0-1 bed	11,257	8,063	3,194
2 beds	21,042	18,267	2,775
3 beds	25,270	35,912	-10,642
4+	14,181	17,566	-3,385

Monthly cost	Need	Supply	Gap
<\$600	12,916	10,233	2,683
\$600-\$1,250	21,857	14,037	7,820
\$1,250-\$1,650	10,665	8,666	1,999
\$1,650-\$2,050	6,880	7,181	-301
\$2,050-\$2,450	5,145	6,257	-1,112
>\$2,450	14,287	25,765	-11,478

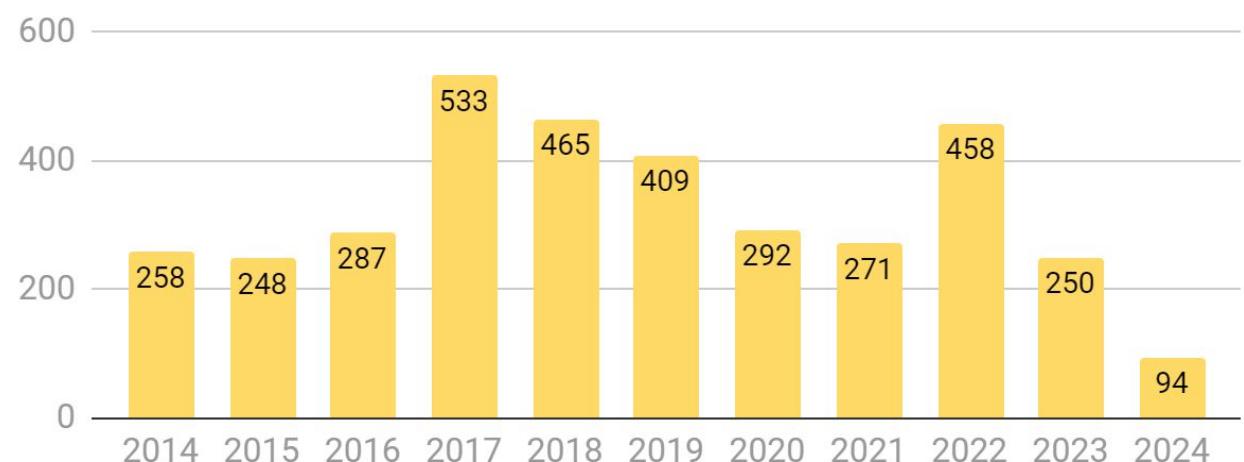
Cost of housing

Development trajectory

Source: Census Building Permit Survey

Building permitting history is a proxy for construction activity over time. Elkhart County has seen relatively consistent permitting activity over the past decade, typically between 250-500 units per year with a couple outliers.

New construction housing building permits issued by year





In order to calibrate future housing production to best meet the community's needs, two factors must be established: how many units are needed in total and what is the right mix of unit types and prices. The following section addresses each of these factors to inform recommendations that effectively meet local need and reflect the community's values and priorities.

Demand

How many units are needed? The magnitude of housing production to plan for is informed by a combination of factors, including projected household growth, existing vacancy rates, and the condition of existing housing stock. While the future might transpire differently than we expect today for reasons that cannot be anticipated now, estimating change based on these growth and market trends is an industry-standard approach to inform short- and long-term planning with reasonable confidence in the meantime.

What types of units are needed? Different segments of the market have different housing preferences which should be reflected in the future development unit mix. Parameters include unit type, size, design, amenities, and location.

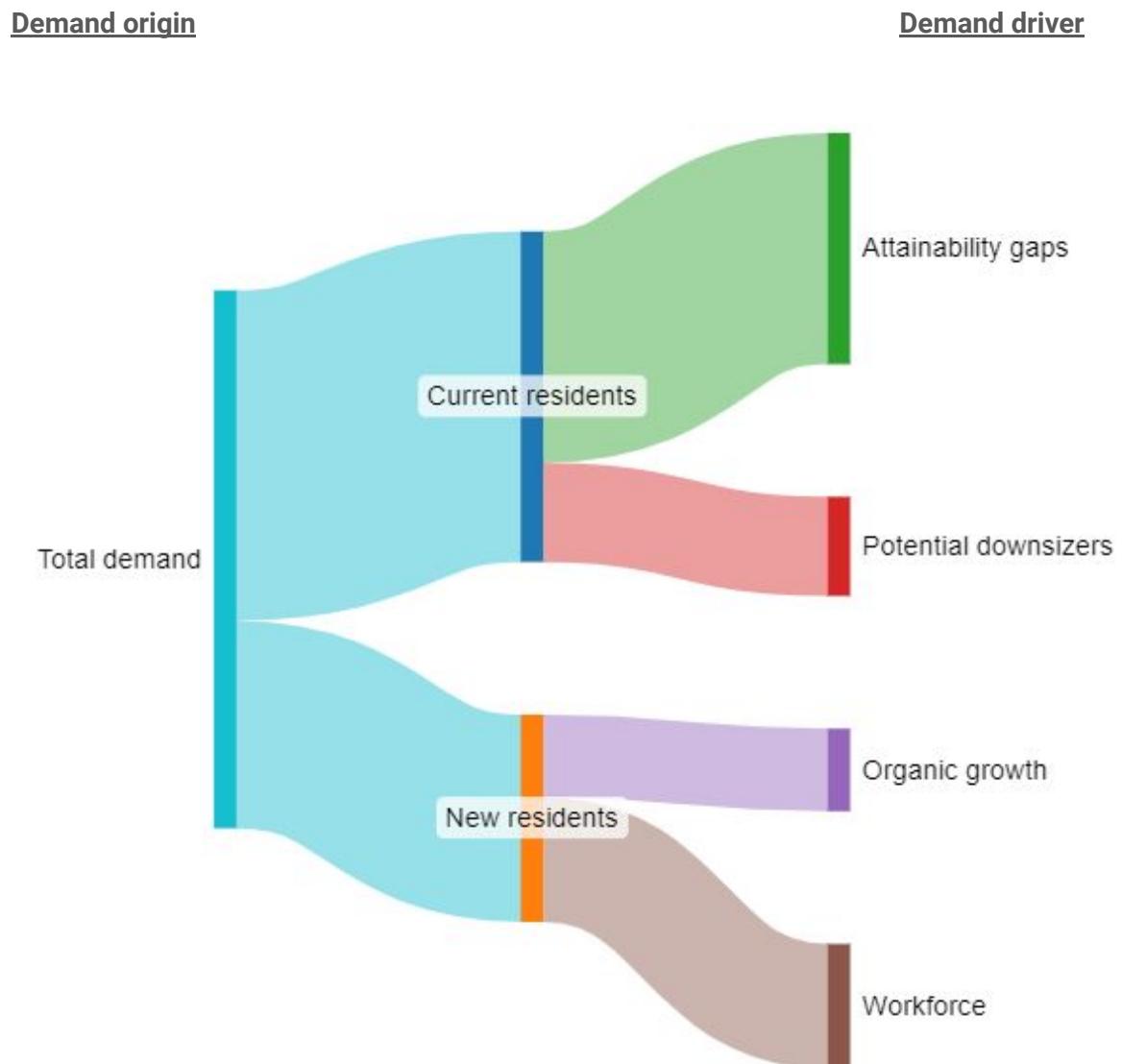
How many units are needed?

Projected household growth

Source: Census ACS, CommunityScale

Based on the analyses contained within the People and Place sections of this report, Elkhart County's housing demand is driven by a number of factors that include both unmet demand among existing residents and new growth among projected and potential future residents.

The following slides describe each demand driver in more detail.



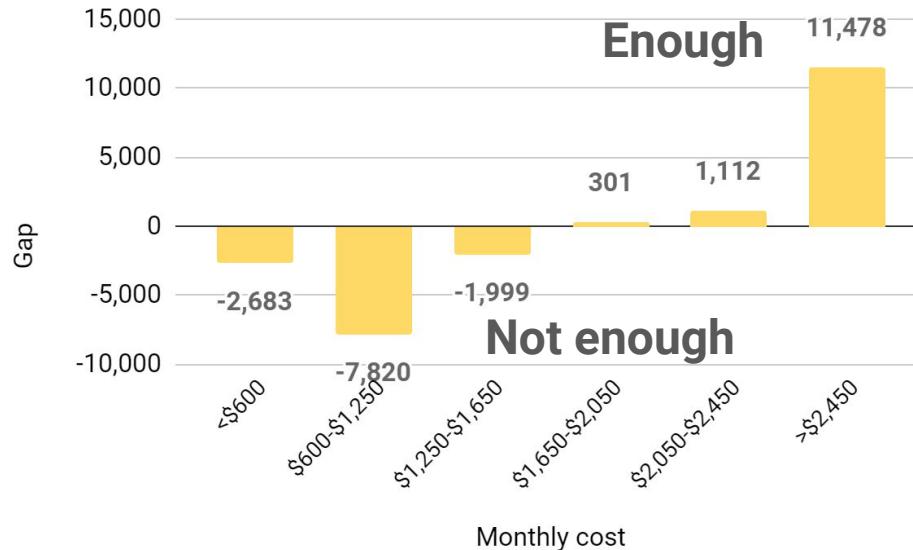
How many units are needed?

Attainability gaps

Source: Census ACS, CommunityScale

The gap analysis compares Elkhart County's distribution of household incomes to its mix of housing options by cost to uncover potential supply shortages at different price points. The analysis identified a shortage of 12,502 units across a range of price points below \$1,650 per month.

Adding units at these price points would help take pressure off existing residents currently experiencing cost burden.



Monthly cost	Need	Supply	Gap
<\$600	12,916	10,233	2,683
\$600-\$1,250	21,857	14,037	7,820
\$1,250-\$1,650	10,665	8,666	1,999
\$1,650-\$2,050	6,880	7,181	-301
\$2,050-\$2,450	5,145	6,257	-1,112
>\$2,450	14,287	25,765	-11,478

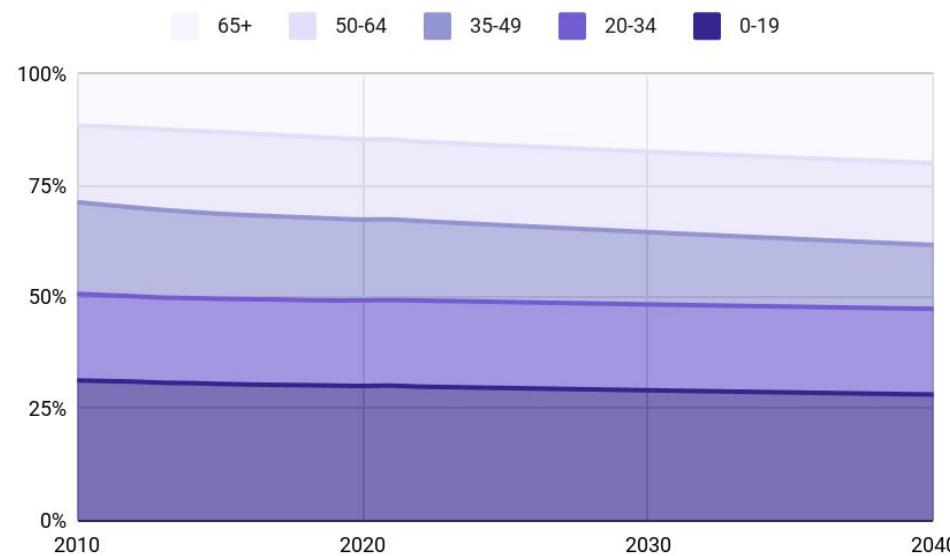
How many units are needed?

Downsizing seniors

Source: Census ACS, CommunityScale

Elkhart County's seniors currently comprises a modest portion of the total population but this share is expected to grow over the next 10 years. Most of these seniors live in relatively large units of 3 or more bedrooms.

Given changing housing preferences and needs as people age, it is likely a portion of these senior households will explore downsizing options such as a smaller, accessible unit with fewer bedrooms located in a walkable location. If 3% of these households sought new units to downsize into each year, the county would need to add 5,361 units appropriate for seniors over the next 10 years.



65+ households of 1-2 people in 3+ bedroom units	17,869
Potential annual downsizing rate	3%
10 year downsizers (and units needed to accommodate them)	5,361

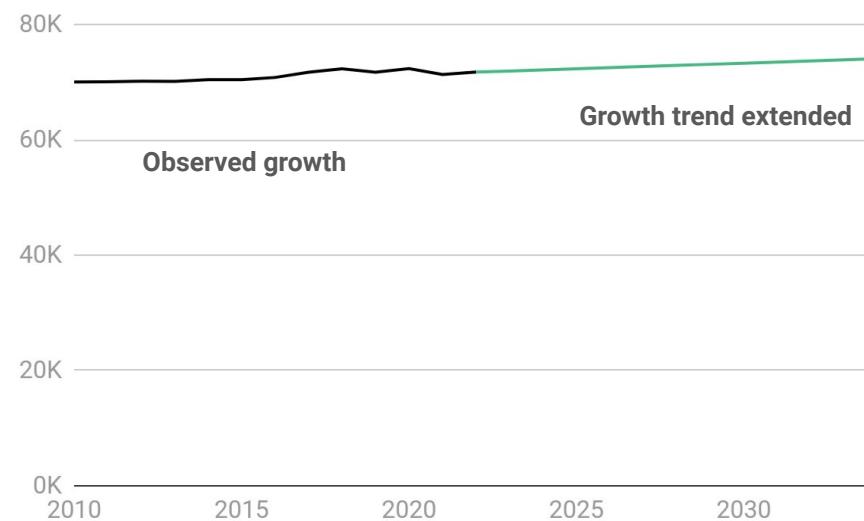
How many units are needed?

Projected household growth

Source: Census ACS, CommunityScale

Recent trends suggests Elkhart County should expect to grow by 1,936 new households over the next 10 years. This trajectory provides the baseline driver for the housing production target on the following pages.

Household growth projection to 2034



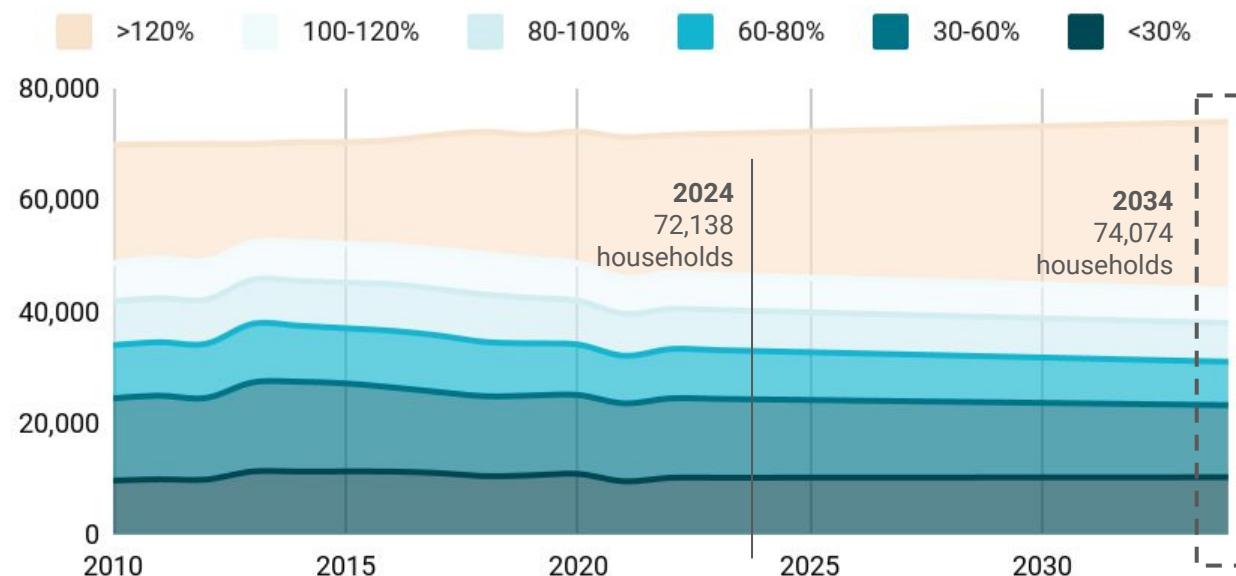
Year	Households	Net new since 2024
2010	70,035	-
2015	70,439	-
2020	72,363	-
2024	72,138	-
2029	73,107	969
2034	74,074	1,936

How many units are needed?

Projected household income distribution

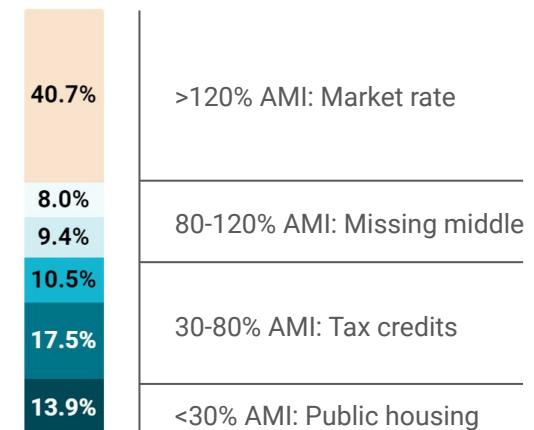
Source: CommunityScale

Projected growth by household income



Projected household growth income mix

2034



Income (AMI)	2024 households	2034 households
<30%	10,233	14.2%
30-60%	14,036	19.5%
60-80%	8,665	12.0%
80-100%	7,181	10.0%
100-120%	6,258	8.7%
>120%	25,765	35.7%
Total	72,138	74,074

The distribution above summarizes the income mix expected from new household growth over the next decade based on recent trends. However, available housing supply and subsidy programs may not ultimately accommodate growth with this income mix.

How many units are needed?

Target projection into unit count: Housing projected growth

Source: ACS 5-Year, 2022; CommunityScale

To meet the trends extended growth projection, Elkhart County would need to add 2,335 housing units over the next decade. This production target combines demand driven by net household growth as well as other factors detailed at right which also contribute to maintaining a suitable housing supply over time.

The community could also choose to exceed this production target and add more units than its recent growth trends suggest are required. For example, supplemental units could be targeted to specific underserved income segments whose needs might not be fully met by the 2,335 unit target.

Household growth: 1,936	Forecasted from 2024 to 2034
Overcrowding adjustment: 0	Local rate of 2.5% is below than the national average of 3.4%
Replacement housing: 399	0.05% of the housing stock is replaced annually
Vacancy adjustment: 0	Local rate of 11.2% is above the healthy market minimum of 5%
Substandard adjustment: 0	Local rate of 0.2% is below the national average of 0.4%
Total units needed: 2,335	To keep up with growth and maintain a healthy housing stock

Regardless of growth prospects, every local market should maintain sustainable vacancy rates and offer hospitable housing stock to best serve community residents. Some supplementary housing production is often necessary to keep each of these indicators in a healthy range:

Organic household growth: Overall forecast over future planning horizon.

Overcrowding adjustment: Overcrowding is measured by >1 occupant/room. Often related to vacancy rate, the degree to which supply limitations drive households to occupy under-sized units.

Replacement housing: 0.05% of the housing stock is replaced annually, which includes uninhabitable or obsolete units requiring replacement.

Vacancy adjustment: Vacancy is the “slack” in the housing market (too low and prices can spike, too high and neighborhoods can suffer blight)

Substandard adjustment: Substandard housing is measured by incomplete plumbing or kitchen. It is the portion of units that are functionally inadequate.

How many units are needed?

Workforce housing

Sources: Census PUMS 2022 5-Year; CommunityScale

As a regional employment hub, Elkhart County contains more jobs than housing units. However, only about 20% of the people working in Elkhart County live in the County as well. While many of the workers who commute into the city simply choose to live somewhere else, a portion of these workers may prefer to live in the County if the right housing options were available. Increasing the rate of local workforce living in Elkhart County to 25% by 2034 would require providing 6,571 additional households.

“Workforce housing” is typically considered affordable to 80-120% AMI, a segment of the population vulnerable to displacement if they cannot find adequate and affordable housing, including police, firefighters, teachers, skilled nurses, and municipal employees.

Workforce housing target

Jobs in Elkhart County	134,120
Jobs held by Elkhart County residents	94,910
Work in Elkhart County, live elsewhere	107,161
Live in Elkhart County, work elsewhere	67,951
Live and work in Elkhart County	26,959
Portion of local workforce that also lives locally	20%
Desired portion by 2034	25%
Additional workforce households by 2034	6,571

How many units are needed?

Workforce housing

Sources: Census PUMS 2022 5-Year; CommunityScale

There is some overlap between these...

This is total current demand, not production target (it will take longer than the 10 year planning horizon to rectify)...

Total demand

	Attainability gaps	Organic growth	Workforce	Potential downsizers	Total demand
<30%	2,683	77	0	1,931	4,691
30-60%	7,820	0	0	1,291	9,111
60-80%	1,999	0	0	744	2,743
80-100%	0	0	4,851	346	5,197
100-120%	0	0	1,888	240	2,128
>120%	0	4,394	0	810	5,204
	12,502	4,471	6,740	5,361	29,073
				Elkhart total	20,300 - 26,100

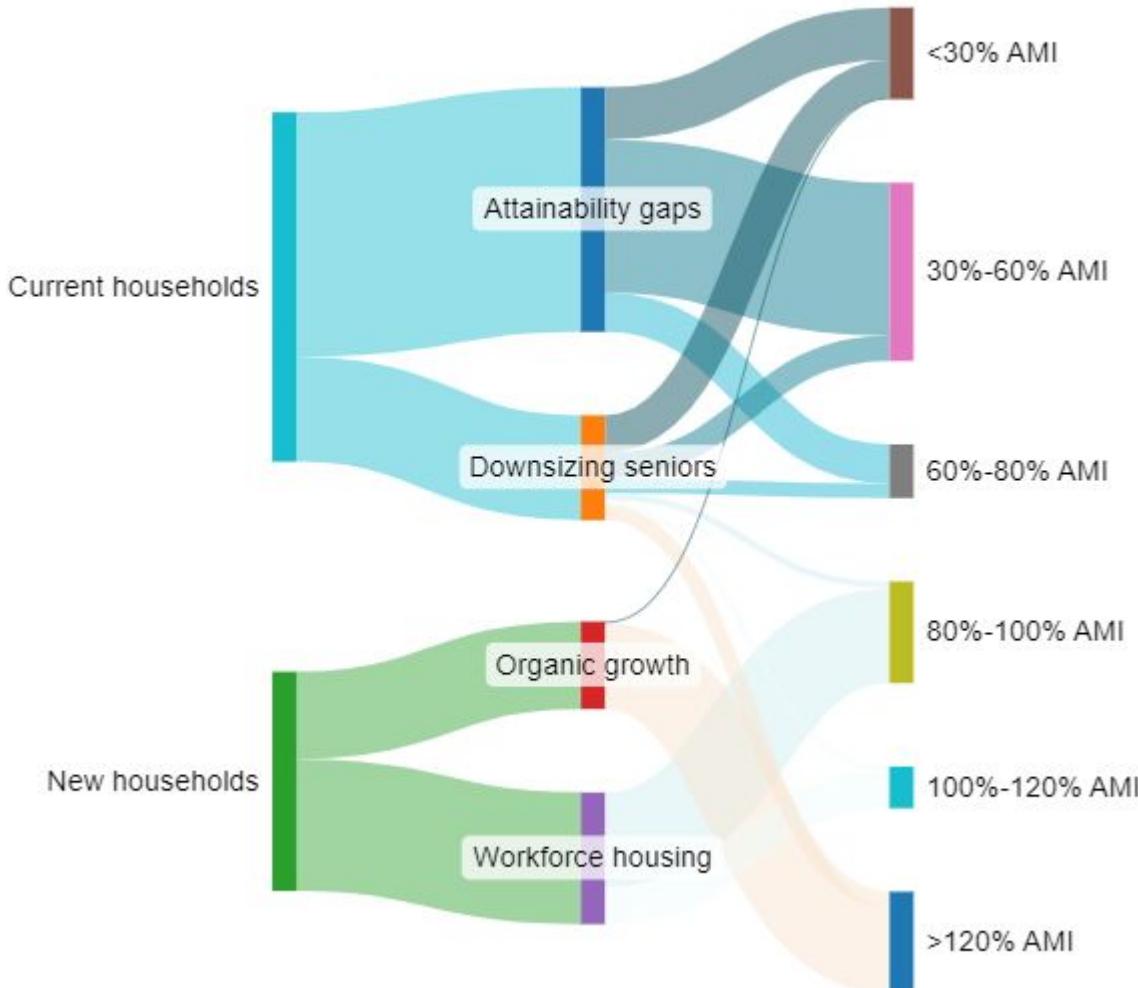
How many units are needed?

Total demand by income

Sources: Census PUMS 2022 5-Year; CommunityScale

The chart at right illustrates how Elkhart County's 10-year housing demand translates into household income levels.

While this distribution reflects expected demand over the next 10 years, it does not necessarily coincide with the housing production target in the following Results section. Housing for each income level requires a different set of policies, programs, and subsidies to build. In many cases, there simply is not enough capacity to meet the full demand right away.



What types of units are needed?

Meeting demand: Today's general housing preferences

Sources: Census PUMS 2022 5-Year; CommunityScale

This and the following slides summarize current trends and housing preferences that should be considered when programming and designing housing to best meet demand.

Household structures have changed significantly since much of Elkhart County's housing supply was built. Today, households are smaller, less likely to have one or more children, and more likely to include non-family or multi generational cohabitants. Future development should be designed to reflect the current diversity of household structures and wider range of housing needs and preferences.

Smaller units: Fewer bedrooms for smaller households.

Parking optional: Enabling a car-free or car-lite lifestyle.

Roommate-ready: Accommodating non-family households.

Green building: Efficient, low-impact design and systems.

Multigenerational: Space for adult children or elderly parents.

What types of units are needed?

Meeting demand: Workforce housing

Sources: Census PUMS 2022 5-Year; CommunityScale

“Workforce housing” is typically oriented to middle-income households that often consist of singles, couples, or young families. Jobs typically attributed to this group include public safety officers, educators, municipal employees, skilled nurses, and other occupations that often require some level of higher education and pay wages equating to 80-120% AMI.

Moderate cost for families: Workforce families can afford units that cost \$1,700 - 2,500 per month.

Lower cost for singles: One-person workforce households cannot afford as much as dual-earner families.

Not to too many bedrooms: Workforce-oriented housing should include mostly 0-2 bedroom units.

Well-maintained: Workforce can afford rent/mortgage but large capital costs can be destabilizing.

Near job centers: Households can save money by living close to work and commuting without a car.

What types of units are needed?

Meeting demand: Senior housing

Sources: Census PUMS 2022 5-Year; CommunityScale

Many people 65 and older explore transitions to housing units that allow them to age-in-place, offering accessible design, enabling lower-cost living, and supporting an active, community-oriented lifestyle.

While some seniors are attracted to purpose-built, age-restricted housing developments, others prefer housing in more conventional settings that is designed or retrofit to accommodate aging people.

Universal design: Accommodating to people with limited mobility.

Low maintenance: Less space and less work to keep up.

Energy efficiency: Lower utility costs affordable on fixed income.

Accessible: Single-level with ADA-compliant doors, baths, etc.

Social: Designed and located to promote an active community life.

What types of units are needed?

Meeting demand: Downtown living

Sources: Census PUMS 2022 5-Year; CommunityScale

Recent years have seen growing demand for housing in walkable, downtown or compact neighborhood environments. This can include both dense urban places as well as small town downtowns. Increasingly, the most desirable and competitive housing markets are those with access to the qualities and amenities of a downtown environment within walking distance.

Walkability: More daily needs and wants accessible on foot.

Transit: Close to bus lines and train connections.

Amenities: Near restaurants, shops, and cultural destinations.

Services: Access to health and community services without a car.

Activity: Located in a lively and vibrant neighborhood.

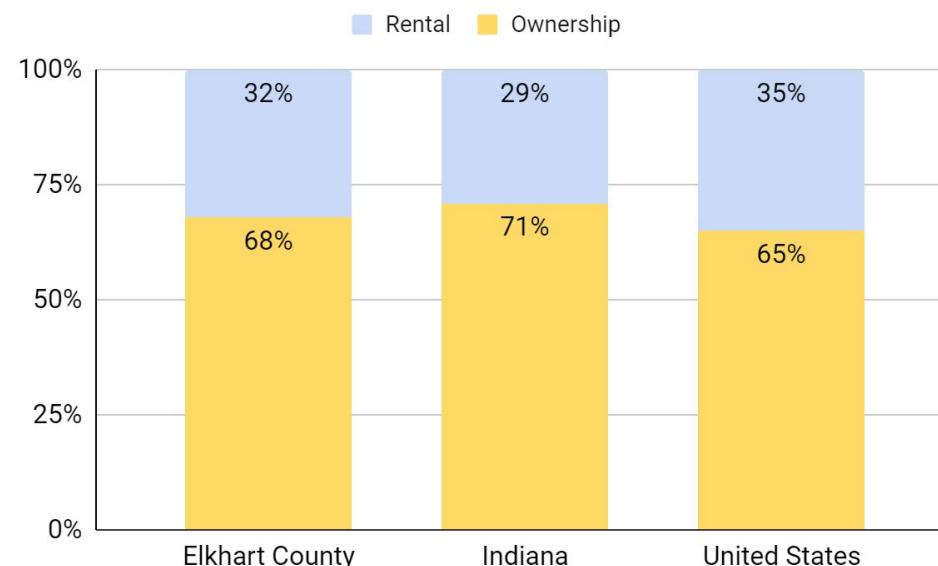
What types of units are needed?

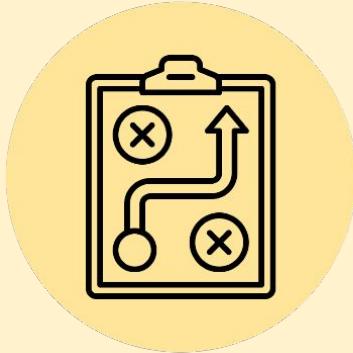
Meeting demand: Homeownership

Sources: Census PUMS 2022 5-Year; CommunityScale

Elkhart County has a lower rate of homeownership than the rest of the state but higher than the national average. While it is important to maintain a significant rental housing supply to provide options for people not interested in or ready to buy, a majority of people prefer homeownership for at least certain periods of their lives, such as starting and raising a family.

The Elkhart County community has expressed interest in stronger pathways to homeownership, especially among middle-income households. Adding more ownership units will contribute to this goal, along with other support such as financial assistance to overcome high down payment and financing costs.





This section translates the People, Place, and Demand sections into a recommended housing production mix optimized to respond to local need and meet projected new demand in line with the community's values and priorities for the future.

Recommendations

In progress

After the housing needs assessment analysis and the identification of needs and priorities, the housing production target for the community should plan for, organized by cost,

Household preferences are always changing. Adjusting to accommodate new trends might entail a shift from past patterns. The housing production target in course summary addresses how the mix of housing units in terms of structure type and bedroom count to recent trends in the local housing stock overall.