Greater LAFAYETTE REGION

READI REGION HOUSING STUDY

JULY 2023

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Table of Contents

Executive Summary

The table below shows the conservative level of housing demand discovered in this study. It is not the intent to prescribe the exact number of units to support annually, but indicate a level of magnitude.

Figure 2.1: Housing Demand Forecast, 2023-2030

COUNTY	'15-'22 CUMULATIVE UNIT PERMITS	'15-'22 AVERAGE ANNUAL UNITS	**2030 POPULATION FORECAST**	**'23-'30 CUMULATIVE HOUSING DEMAND**	**'23-'30 AVERAGE ANNUAL UNIT DEMAND**
Benton	69	9	8,939	140-150	18-19
Carroll	403	50	21,611	700-750	88-94
Fountain	361	45	17,107	525-575	66-72
Tippecanoe	8,788	1,099	211,262*	11,000-11,250	1,375-1,410
Warren	169	21	8,762	280-320	35-40
White	308	44	25,951	640-690	80-86
Total	10,098	1,268	293,633	13,285-13,735	1,660-1,717

Source: RDG Planning & Design; *The projection for Tippecanoe County holds the student population steady and does not factor all of the student population into housing demand. Many students have housing provided and only stay for the time they attend school. Also, the University has tentative plans to add more beds should enrollment increase.

The housing demand ranges in Figure 2.1 includes new construction or reuse of existing structures for residential uses. New units also become available through bringing vacant units not for sale or rent back online through repair programs.

Many strategic approaches are suggested in this study to meet the housing demand in the future, which should focus around goals to:

1. Innovate in the way lot development is financed.

2. Add housing variety across all locations.

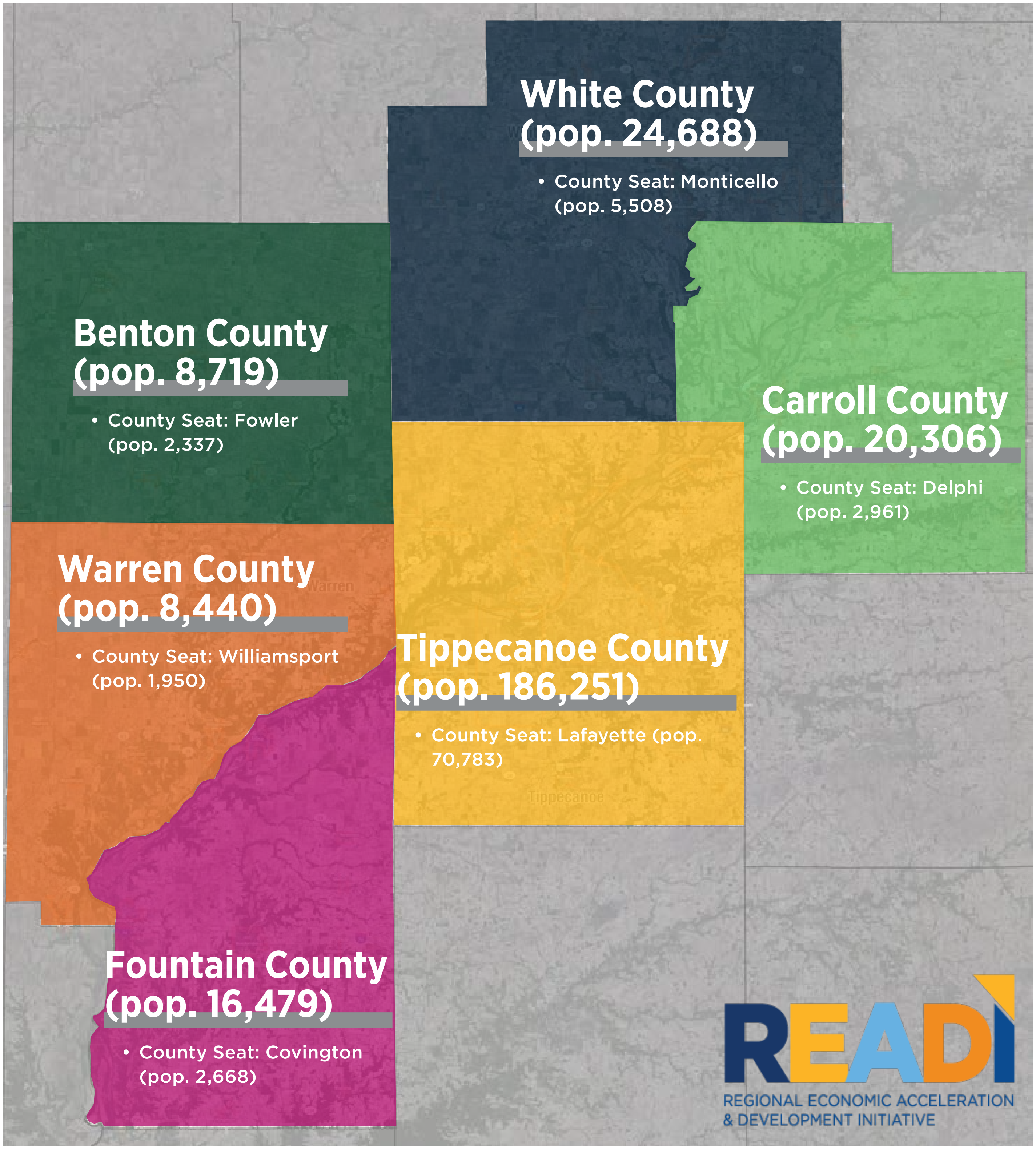
3. Preserve existing naturally occurring affordable housing.

4. Ensure that all parts of the region have adequate rental housing.

5. Foster housing innovation to lower costs.

The housing study was funded by local matching funds and the State of Indiana's Regional Economic Acceleration and Development Initiative (READI) program to support initiatives for talent and population attraction, retention, and overall economic growth.

The Greater Lafayette READI Region includes Benton, Carroll, Fountain, Tippecanoe, Warren, and White Counties. The study provides recommendations for the region and for individual jurisdictions.



Impetus for a Regional Housing Study

There is a housing shortage in most areas of the nation today, across most housing and household types. The Greater Lafayette READI Region is no exception. In fact, the market challenges facing households in the READI Region may be more elevated than other areas of the country. For example:

- "Winter 2023 Top Emerging Housing Markets" - #1 Lafayette/West Lafayette

  Source: Wall Street Journal/Realtor.com Emerging Housing Markets Index; https://www.wsj.com/articles/trio-of-indiana-cities-tops-wsj-realtor-com-housing-index-11675200813?page=1

- "America's Hottest Rental Markets at the Start of 2023. Lafayette, IN, is America's most competitive small-sized rental market"

  Source: RentCafe.com; https://www.rentcafe.com/blog/rental-market/market-snapshots/us-hottest-rental-markets/?

- "The Shortage of Affordable Housing is Worst for Hoosier Renters with Extremely Low Incomes in all 92 Counties; Indiana's Supply and Cost Burden Remains Behind Midwest Average"

  Source: https://www.prosperityindiana.org/Policy-News/13133824

Recent data and conversation gathered while developing this study reinforce these challenges. The primary purpose of this housing study is to outline strategies so all residents in the Greater Lafayette READI Region have housing choices and locations that meets their needs. Additionally, the housing study helps quantify and develop strategies to:

- Impact the quality of life for residents in the READI Region.
- Understand why people are (or are not) moving to the area.
- Meet the needs to recruit (and retain) new employees for businesses seeking to expand or locate in the READI Region.
- Target and encourage housing construction that matches the housing people want/need.

From late 2022 through early 2023, community engagement, interviews, community tours, and a market analysis unveiled market gaps and desires of residents and stakeholders in the Greater Lafayette READI Region. The study combines this extensive public input process and analysis of the demographic and market trends to identify regional housing goals and strategies. Within this document, you will find an overview of the major findings within the market assessment and public engagement process along with detailed goals and strategies.

Using the Study

The study is only a starting point. Communities, counties, and regional partners need to continue having the tough conversations to address housing needs. There will not be one solution.

PARTNERS

The approach this study discusses for the Greater Lafayette READI Region is multi-faceted and requires dedicated involvement from many public and private stakeholders, such as, but not limited to:

City/County Staff. Staff are instrumental in developing programs and policies, whether supplementing other housing initiatives or crafting new programs. The housing study provides recommendations and a road map, much like a Comprehensive Plan.

Regional Builders and Developers. Builders and developers can use the study to understand the market and types of development to pursue in the Greater Lafayette READI Region, giving assurance for market demand and potential programs that can help fill financing gaps.

Local Employers. Most employers recognize the quality of life needs for their employees. Opportunities for employers to assist in the housing market can help attract and retain employees to live nearby and fill critical employment gaps while becoming invested in their communities.

Economic Development Organizations. Similar to local employers, economic development organizations can use the tools in the study to create housing partnerships and market new opportunities for their communities.

State of Indiana. The six county region has a great opportunity to advocate for State level support, when working together. The State will be a critical partner in policy and funding strategies.

APPLICATION

Like the different strategies for partner involvement, the study includes different strategies for different areas in the Greater Lafayette READI Region.

Region-wide. These specific strategies are best suited to tackle in a coordinated effort region-wide. These types of strategies might require significant resources, funds, staff time, or lobbying efforts to achieve.

County Level. Each county is unique. While there are many similar housing challenges, there are vastly different county characteristics to consider. The study addresses tailored strategy approaches for each county individually based on market findings and community conversations.

Community Level. In some instances there are strategies that might apply specifically to certain communities. These strategies might focus on amending certain policies, addressing unique demographic characteristics, or addressing infrastructure situations.

Housing Abbreviations & Terminology

There are many terms used to discuss housing needs and describe actions. Below are common terms used throughout the study to describe certain situations, conditions, or intended actions.

ABBREVIATIONS

- ADA - Americans With Disability Act
- ADU - Accessory Dwelling Unit
- AMI - Area Median Income
- ARPA - American Rescue Plan Act
- CDBG - Community Development Block Grant
- HUD - U.S. Department of Housing and Urban Development
- TIF - Tax Increment Financing

TERMINOLOGY

- **Accessible (Housing).** Housing that is physically adapted to the individuals who are intended to occupy it, including those who are disadvantaged by age, physical or mental disability, or medical condition.
- **Accessory Dwelling Unit.** An interior, attached, or detached small structure that is used accessory to a single-family dwelling and is located on the same lot or parcel as such single-family dwelling.
- **Affordable Housing.** Housing for which the occupant is paying no more than 30% of gross income for housing costs, including utilities (HUD).
- **Appraisal.** Assesses the current market value of a property and is usually a key requirement when a property is bought, sold, insured, or mortgaged. Comps (comparables) are needed; these are properties located in the same area, have similar characteristics, and have an established value (recent sales).
- **Attainable Housing.** Any housing that is not financially burdensome to a household in a specific income range. Financially burdensome could be housing expenses that exceed 30% of household income. However, it could also include situations where a household has high daycare costs, student debt, or other costs that limit income to spend on housing. Housing in terms of housing subsidized by Federal programs can be included in this definition.
- **By Right/Approval.** A use permitted or allowed without review/approval by the public approving body and complies with the provisions of the zoning regulations and other applicable ordinances and regulations.

- **Cost Burdened.** Moderately cost burdened households pay more than 30% and up to 50% of household income for housing. Households paying more than 50% of income for housing are severely cost burdened.
- **Gap Financing.** Refers to a short-term loan to meet an immediate financial obligation until sufficient funds are available to meet the longer-term financial need.
- **Leverage.** It can describe engaged partner organizations (financial, organizational, and human capital) to enable a more significant outcome, provide funding, or gain access to additional funds such as grants by pledging local resources.
- **Market Rate.** The price that the broad number of home buyers or renters are willing to pay for housing. Market rate housing does not have any restrictions on price. Generally, when the demand goes up, the market rate price will also go up; when supply goes down, the market rate price tends to go up. Note, the market rate price may also be a price buyers must pay because there are no other options for their situation, making them housing cost burdened.
- **Missing Middle Housing.** A range of house-scale buildings with multiple units—compatible in scale and form with detached single-family homes—located in a walkable neighborhood. (missingmiddlehousing.com).
- **Middle Income Housing.** Housing affordable to a household earning between 80% and 120% of the area median income. This is sometimes referred to as Workforce Housing. Source: https://www.ffiec.gov/geocode/help3.aspx.
- **Mixed-Use.** Mixed-use districts are areas with two or more different uses such as residential, office, retail, and civic in a compact urban form. Typical residential uses in a mixed-use district range from medium density to very high density uses.
- **Move-up Housing.** The natural cycle of how people move in the housing market, referring to the process of moving from renting to mid-sized owner-occupancy to larger single-family homes. The "move-up" generally occurs with income increases, assuming adequate housing supply and variety is available, opening more affordable housing options for others. Recent trends indicate that "move-up" housing may not mean square footage, but may mean better finishes and amenities.
- **Universal Design.** Also called barrier-free design, focuses on making the house safe and accessible for everyone, regardless of age, physical ability, or stature. Source: www.pbs.org/hometime/house/udesign.

Defining Housing Types

Similar to terminology, there are references in the study to a variety of housing types. The images below are a few examples of different housing types. The images are not meant to prescribe that specific design, but give a general description and understanding of what the term means.

LARGE SINGLE-UNIT HOME

A home meant for one household, likely with more than 3 bedrooms and on a lot over 12,000 square feet.

MANUFACTURED HOMES

A home built off-site and transported to the lot for utility hook-ups.

MODULAR HOME

Similar to a manufactured home but pieces are built off-site and transported and assembled on-site.

DUPLEX

A structure with two separate living units for households. The arrangement of the living units can vary within the single structure.

ACCESSORY DWELLING UNITS

A separate living unit in a structure, garage, or attached space to the main living unit on a lot with a small footprint.

TOWNHOME/TOWNHOUSE

A series of units in one common structure attached by a common interior wall. Typically 2+ stories.

Defining Housing Types

SMALL APARTMENT/MULTIPLEX

A single structure that might resemble a house divided into multiple living units, generally 6 units total or less.

SMALL SINGLE-UNIT HOME

A home meant for one household that has a small footprint and on lots generally less than 5,000 square feet.

MEDIUM APARTMENT

A structure with multiple living units that might be multiple stories, generally between 6 and 24 total units.

MIXED-USE

A structure or site with more than one type of use occupying space in the structure or on the site. This is typically a mix of residential and non-residential uses.

LARGE APARTMENT

A structure or series of structures meant for multiple living units, typically on a large site with community amenities.

SENIOR LIVING

A structure or series of structures that cater to persons over 55 year old. Amenities are included to accommodate aging households.

Greater

LAFAYETTE

REGION

NATIONAL HOUSING INDICATORS
REGIONAL DATA PROFILE
SUMMARY THEMES

Housing Context

National Housing Indicators

What is happening in the housing market on a national level influences every part of the Region's housing market. Giving context on these national indicators helps form strategies that can be influenced at the regional level and identify areas where more State or Federal lobbying efforts might prove beneficial.

Some key indicators include:

- Housing price indices
- Construction cost indices
- Interest rates
- Labor market conditions

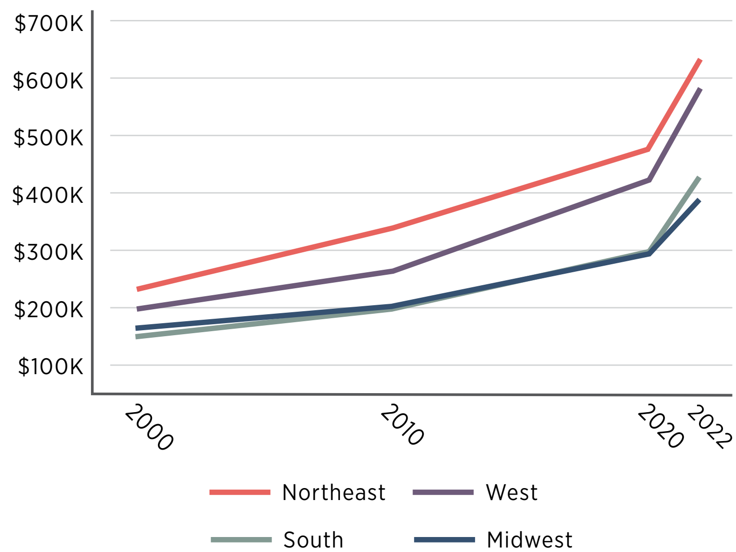
HOUSING PRICE

After a decline during the 2008 recession, the median price of existing homes increased faster than ever before. The Midwest is no exception. While prices of existing homes in the Midwest are lower overall than in coastal cities, incomes are also lower. The cost of new homes remained stable from 2017 to the beginning of 2020.

What does the data mean for the Greater Lafayette READI Region?

Planning for more housing growth is essential as more people migrate from less affordable markets to areas like the Midwest. Some states and cities in the west and northeast are already experiencing this trend.

Figure 1.1: Median Sales Price of Houses Sold



Source: HUD; Census

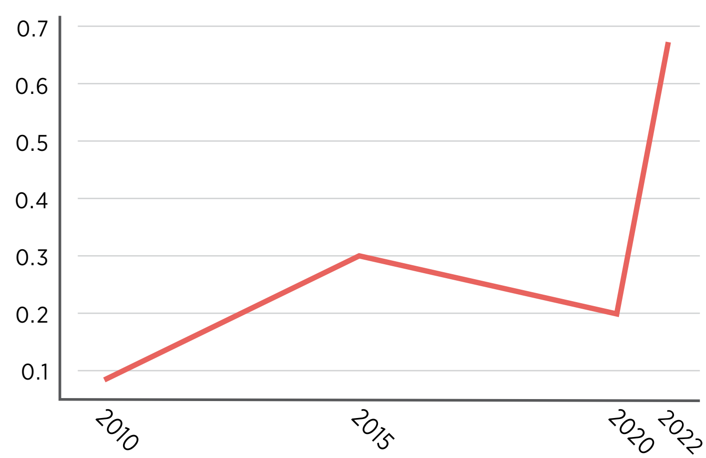
INTEREST RATES

Rising mortgage rates have started to slow the housing market and stabilize prices some. However, the overall cost to a homeowner remains high. At the time of this study, rates were expected to continue to rise slightly through 2023.

What does the data mean for the Greater Lafayette READI Region?

Interest is an added cost to housing construction and transactions. These unavoidable costs add to an already challenging environment for creating or offering attainable housing options.

Figure 1.2: Consumer Price Index: Actual Rentals Total (growth rate from previous period)



Source: Organization for Economic Co-operation and Development, Main Economic Indicators

CONSTRUCTION

New housing construction patterns emerged in the last few years. Most construction activity is single-family and multi-family structures over five units, and fewer medium density options such as attached housing, townhomes, small-scale apartments, and multi-plexes. Development in Metropolitan Statistical Areas (MSAs) like Lafayette have been stronger than in non-MSA areas.

What does the data mean for the Greater Lafayette READI Region?

Builders and developers are interested in doing projects in the READI Region. Targeted approaches toward broader housing options might be needed to complement other housing types.

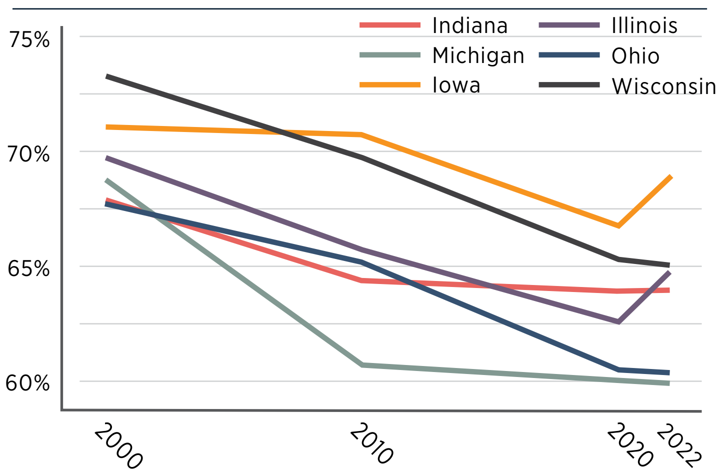
LABOR MARKET CONDITIONS

Nationally, the labor force participation rate shows a drop in people actively looking for work. The number of baby boomers no longer looking for work and fewer younger populations to replace them is a large factor. Participation in Indiana has been consistent since 2010. However, the Midwest has the highest increase in job openings since the '08 recession and rebounded from the pandemic.

What does the data mean for the Greater Lafayette READI Region?

A primary reason for this study is to house the needed employees in the READI Region. There is competition with other similar metros to attract the employee talent pool and retain potential new labor force participants, specifically from Purdue University.

Figure 1.3: Labor Force Participation Rate



Source: Bureau of Labor Statistics

Figure 1.4: New Privately-Owned Housing Units Completed in the U.S. (1,000s)

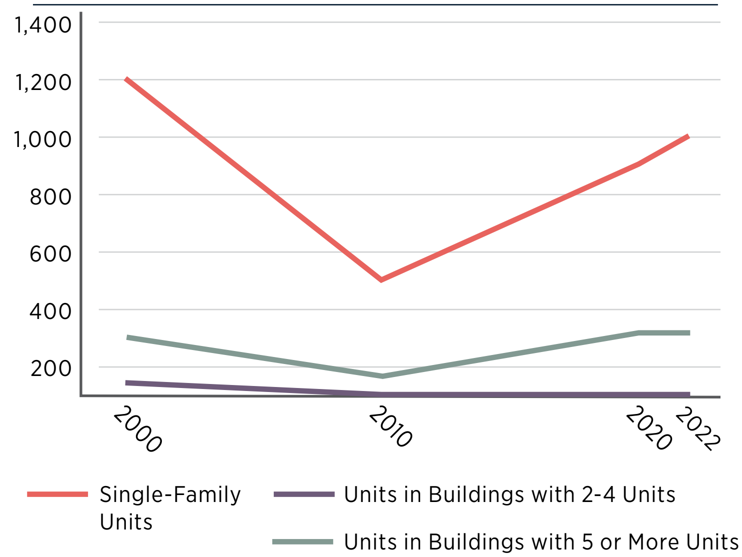
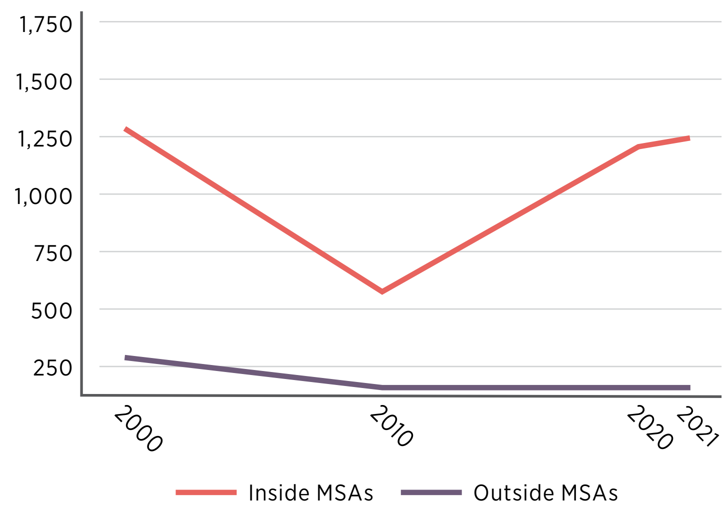
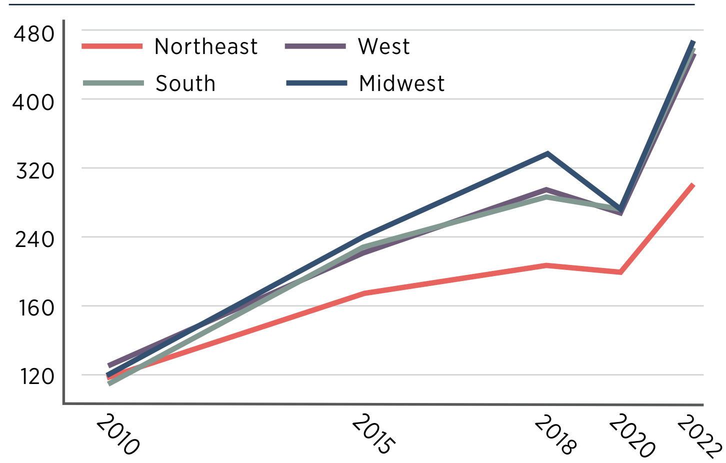


Figure 1.5: Private Housing Units Complete (1,000s) by Metropolitan Statistical Area



Source: Census, HUD

Figure 1.6: Total Non-Farm Job Openings - Index from June 2009



Benchmarking - Is the Region Unique?

Looking at regions similar to the Greater Lafayette READI Region helps further understand how the national indicators might be affecting regions differently. Differences versus peers shows potential areas of opportunity or obstacles. The following pages provide a snapshot of trends in housing market conditions across benchmark regions.

The benchmark regions used in the Region Good to Great plan include:

- Ann Arbor, MI (University of Michigan)
- Asheville, NC (several universities/colleges)
- Bloomington, IN (Indiana University)
- Eugene, OR (University of Oregon)
- Iowa City, IA (University of Iowa)
- Madison, WI (University of Wisconsin)

HOUSING SUPPLY

Supply includes construction of new homes and available inventory. More supply means more choices. Since 2018, the area has seen homes listed for shorter times compared to peers.

What does the data mean for the Greater Lafayette READI Region?

Lower supply of homes causes potential home buyers to accept what is available, despite the home or location not meeting their needs. Limited supply may also cause potential residents to find a better fit in a different region.

HOUSING DEMAND

Demand comes from residents looking for different options and households looking to move to the region. An indicator of demand is the number of views for house listings. The area consistently sees more listing views than its peer regions.

What does the data mean for the Greater Lafayette READI Region?

People are interested in the Greater Lafayette READI Region. Job opportunities, relative affordability, quality of life, and other factors are all reasons people might be looking at housing in an area. Appropriate options may entice people looking to choose the Greater Lafayette READI Region over others.

Figure 1.7: 2022 Supply Index and Trend Direction (core-based statistical area - CBSA)

		Trend
84	Lafayette, IN	↔
68	Eugene, OR	↑
47	Ann Arbor, MI	↑
43	Madison, WI	↔
30	Bloomington, IN	↔
25	Asheville, NC	↑
21	Iowa City, IA	↓

Source: The supply score is an index representing a metro's median days on market ranking compared to other metros. A higher score indicates a shorter time that homes stay on the market. - Realtor.com

Figure 1.8: 2022 Demand Index and Trend Direction (core-based statistical area - CBSA)

		Trend
90	Lafayette, IN	↔
87	Madison, WI	↑
83	Asheville, NC	↑
69	Ann Arbor, MI	↑
31	Bloomington, IN	↔
31	Eugene, OR	↔
6	Iowa City, IA	↔

Source: The demand score is an index representing a market's average listing views on realtor.com relative to other markets. A higher score indicates more relative listing views in the metro - Realtor.com

Areas with both a high demand and supply score may indicate people are looking at the area and following through by moving to the area.

Areas with a higher supply score but lower demand score may indicate homes are not available long enough to get listing views or a generally lower inventory of listings.

Areas with a higher demand score but lower supply score may indicate a lot of people are interested in the area but not as many are choosing to move or there is more inventory to absorb new residents when they choose to move to the area.

HOUSING PRICE & AFFORDABILITY

Housing supply and demand factors correlate to changes in housing price. The price potential buyers are willing to pay for housing can further indicate demand. Benchmark price measurements included here are price indices and median listing prices.

What does the data mean for the Greater Lafayette READI Region?

The area appears to have lower priced housing than its peers. Although the difference in house price indices do not vary much between the peers in the Midwest. This may be one reason for the high supply and demand scores on the previous page as people from other areas are drawn to these relatively lower prices.

However, lower relative housing prices does not necessarily mean more attainable options for existing residents. Lafayette has a lower median household income than its peers. When factoring in transportation costs, the area is in the middle of peers.

Figure 1.9: 2022 House Price Index (metropolitan statistical area - MSA)

442 Asheville, NC
386 Eugene, OR
298 Bloomington, IN
295 Madison, WI
279 Ann Arbor, MI
235 Lafayette, IN
234 Iowa City, IA

Source: The FHFA House Price Index measures changes in single-family home values. It is estimated using sales price and appraisal data. A higher number indicates a relatively higher increase in prices from the index year, 1995. - U.S. Federal Housing Finance Agency

Figure 1.10: 2022 Median Listing Price per Square Feet (core-based statistical area - CBSA)

$295 Eugene, OR
$275 Asheville, NC
$231 Ann Arbor, MI
$210 Madison, WI
$183 Bloomington, IN
$171 Iowa City, IA
$145 Lafayette, IN

Source: The median listing price per square foot in a given market during the specified month. - Realtor.com

Figure 1.11: 2021 Median Household Income (metropolitan statistical area - MSA)

$77k Madison, WI
$77k Ann Arbor, MI
$66k Iowa City, IA
$62k Eugene, OR
$60k Asheville, NC
$54k Lafayette, IN
$53k Bloomington, IN

Source: American Community Survey 2021 1-year Estimates

Figure 1.12: 2019 Housing and Transportation Costs as a % of Income (core-based statistical area - CBSA)

56% Eugene, OR
54% Asheville, NC
53% Bloomington, IN
49% Lafayette, IN
48% Iowa City, IA
45% Ann Arbor, MI
45% Madison, WI

Source: Center for Neighborhood Technology

Regional Data Profile

WHAT MARKET DATA TELLS US

A variety of elements influence housing supply and demand. Quantitative data describes past trends in population, housing occupancy, affordability, and other objective measurements. Market data gives a quick and straightforward representation of the Greater Lafayette READI Region and its counties. It helps explain why conditions are the same or different compared to other areas.

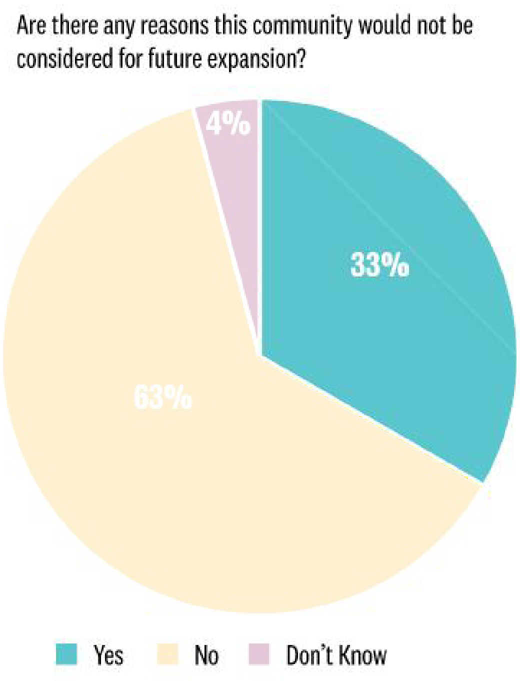
WHAT MARKET DATA DOES NOT TELL US

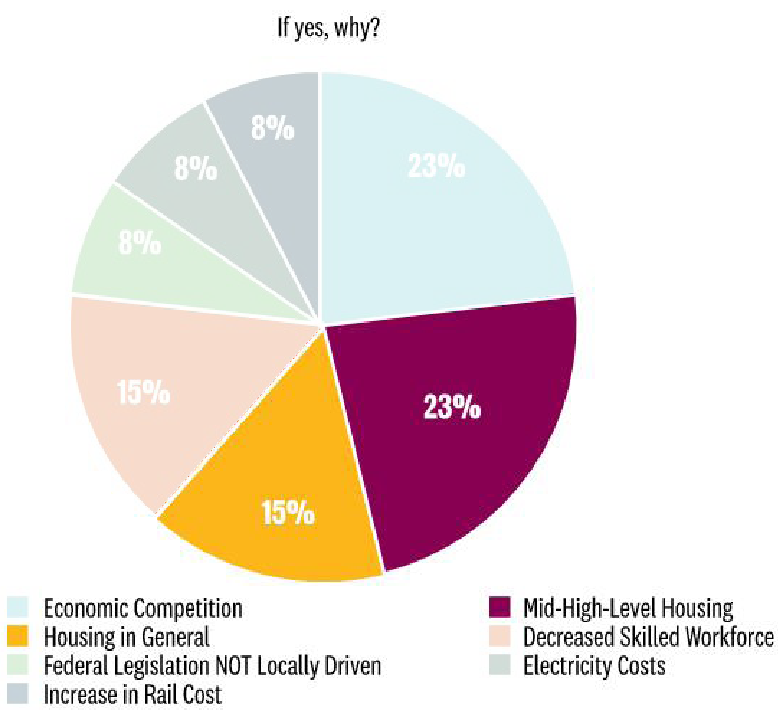
Census and other objective data have limitations, so it provides only one element of understanding the housing market. Market data does not capture the feelings and observations of residents. It does not indicate the effect those quantitative conditions have on people in different areas. It does not fully capture the condition of housing or community amenities. Additionally, market data becomes less reliable for small areas (under 1,000) because of sampling error and insufficient data. Lastly, delays in release of 2020 Census data create a greater need to use locally sourced data like the Multiple Listing Service and county assessors. Ultimately the conclusions and strategic directions in this plan are built from quantitative and qualitative data.

The following section presents a data profile of the Greater Lafayette READI Region using local and national datasets to help identify housing needs and future trends, coupled with community conversations. Much effort was taken in the fall of 2021 to develop the Greater Lafayette Regional Development Plan. This section will reference data from the Development Plan and focus on new data that pertains to housing, but not attempt to replicate every component from the Plan. Additionally, there were many other data elements and trends considered and not included directly in this section.

A major finding within the Regional Development Plan was that many employers are looking to expand. Top reasons for not expanding include housing in general and mid-high level housing options.

2021 Greater Lafayette Business Retention & Expansion Report





Source: Greater Lafayette Regional Development Plan

Population

Historic population change provides context for how the Greater Lafayette READI Region has changed and a possible trajectory for future growth and development.

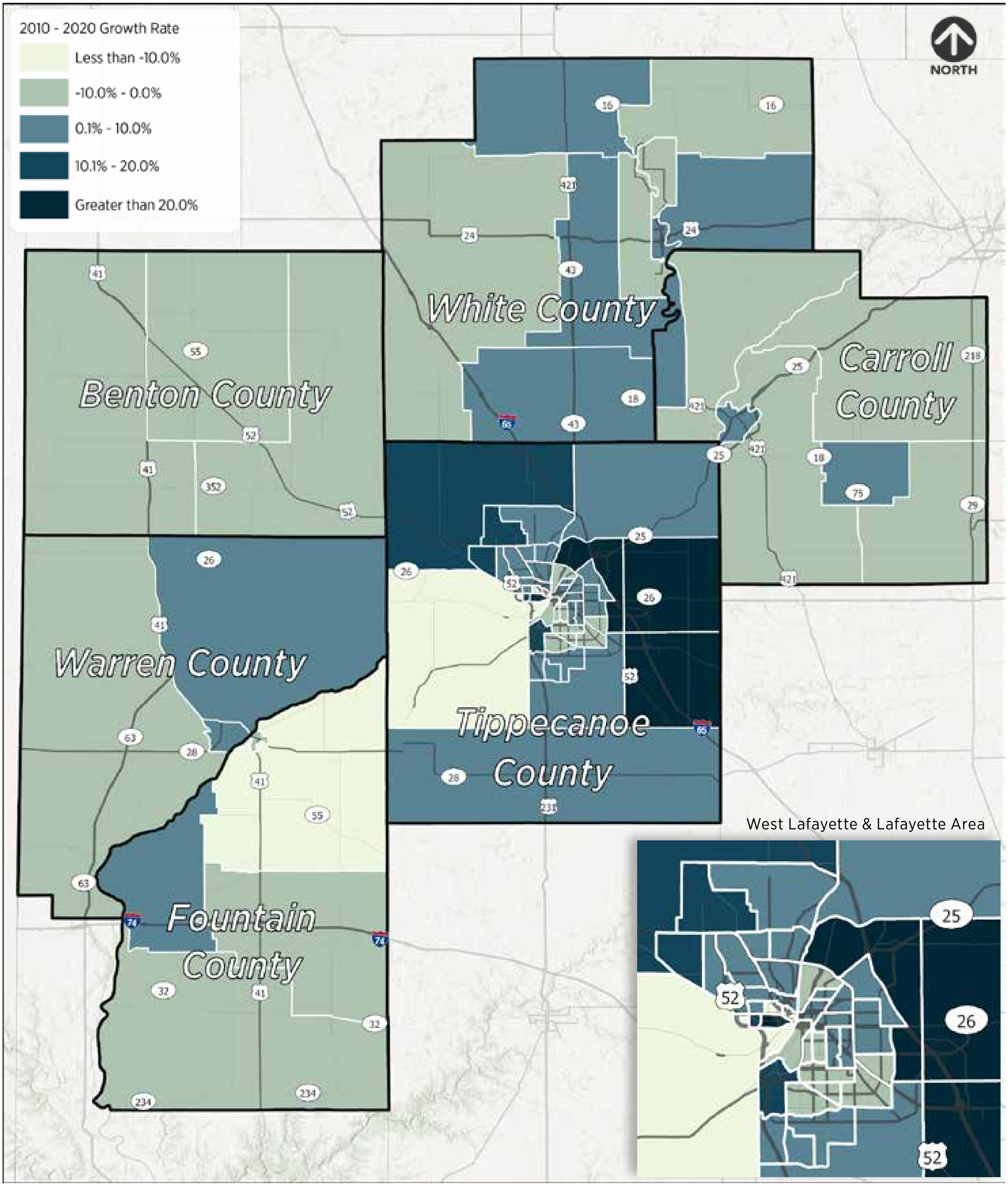
- **The population in Carroll and Tippecanoe Counties is growing.**
  - Tippecanoe County is the economic center of the region. 70.3% of the Greater Lafayette READI Region residents live in Tippecanoe County and most residents live in Lafayette and West Lafayette.
  - Population growth in the region is similar to the State, with Tippecanoe County far outpacing the Statewide average growth.
- **Benton, Fountain, Warren, and White County struggle to maintain population.**
  - White County's population is stable, with several city centers and lake area population.
  - Benton, Fountain, and Warren Counties are more rural and facing more prominent population losses.
- **All counties except Carroll, had more people migrating to Tippecanoe County than migrating out of Tippecanoe County.**

Figure 1.13: Population Change

COUNTY	1960	1970	1980	1990	2000	2010	2020	DIFFERENCE 2000-2020	2010-2020 ANNUAL GROWTH RATE	2000-2020 ANNUAL GROWTH RATE
Benton County	11,912	11,262	10,218	9,441	9,421	8,845	8,719	-702	-0.15%	-0.39%
Carroll County	16,934	17,734	19,722	18,809	20,165	20,155	20,306	141	0.07%	0.03%
Fountain County	18,706	18,257	19,033	17,808	17,954	17,240	16,479	-1,475	-0.45%	-0.43%
Tippecanoe County	89,122	109,378	121,702	130,598	148,955	172,780	186,251*	37,296	0.75%*	1.12%*
Warren County	8,545	8,705	8,976	8,176	8,419	8,508	8,440	21	-0.08%	0.01%
White County	19,709	20,995	23,867	23,265	25,267	24,643	24,688	-579	0.02%	-0.12%

Source: U.S. Census; * The 2020 Census was collected around April 2020 when many University students were away because of the pandemic. The actual population for Tippecanoe County is likely much higher. For example, the American Community Survey estimate taken throughout 2020 was 193,302 (when many students were still not back to campus).

Figure 1.14: 2010-2020 Growth Rate by Census Tract



Source: U.S. Census; * The 2020 Census was collected around April 2020 when many University students were away because of the pandemic. The actual population for Tippecanoe County is likely much higher. For example, the American Community Survey estimate taken throughout 2020 was 193,302 (when many students were still not back to campus).

University/College Influence

STUDENT POPULATION

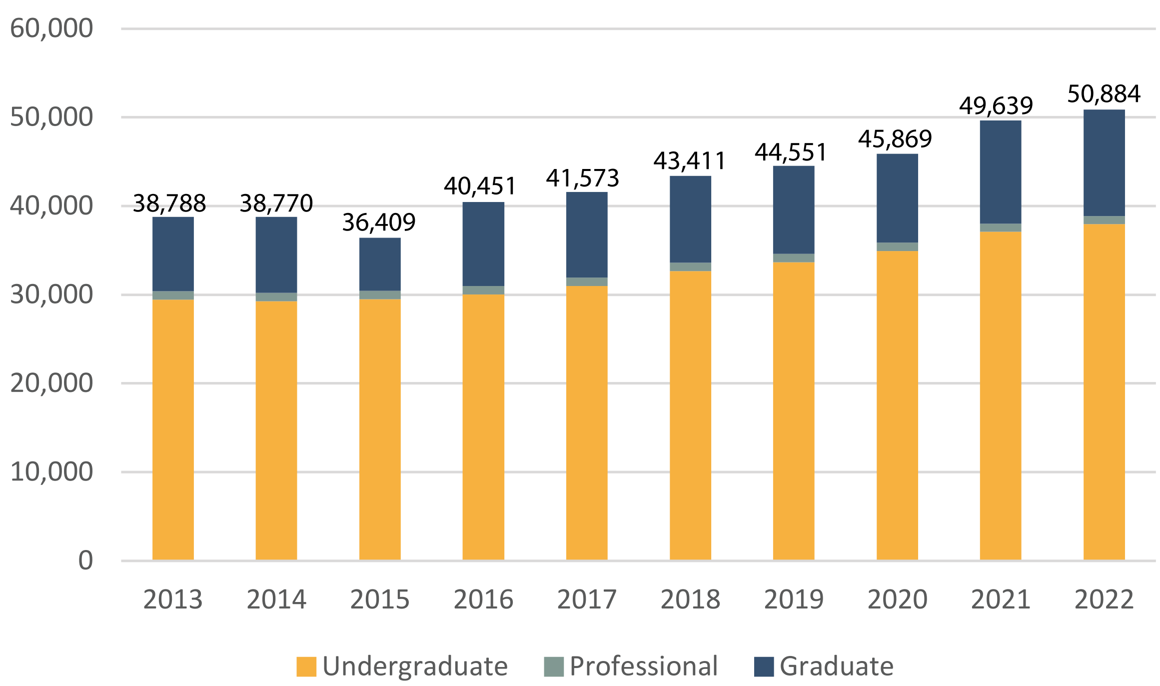
Purdue University, in West Lafayette, has a large impact on the housing market and economy of the Greater Lafayette READI Region and beyond. The student population at Purdue University has increased significantly since 2013.

- **Student population grew by over 12,000 between 2013 and 2022.**
- **Over 16,000 student live on campus, which includes 1,000 units that the University rents for housing off campus.**
- **Purdue University tentatively plans to increase on campus housing by up to 1,000 beds over the next few years.**
- **Self-reported information states that about 3% of graduates stay within 25 miles of Lafayette after graduation (just under 2,000 students).**

Ivy Tech Community College is another post-secondary institution in the Greater Lafayette READI Region with the main campus in Lafayette.

- **Total enrollment is over 10,000.** Many of these students transition to enrollment at Purdue University.
- **Satellite campuses are located in and outside of the Greater Lafayette READI Region.**

Figure 1.15: Purdue University Student Enrollment



Source: Purdue University

Demographics

AGE

All counties experienced an increase in their median age between 2000 and 2021. This mirrors a national trends towards an older population.

- **Purdue University and Ivy Tech students contribute to Tippecanoe's younger median age.** University students are largely transitory but a portion that moved to the area for school may become permanent residents if good jobs and housing are available.
- **The other five counties in the region have median ages slightly above Statewide medians.** The Indiana median age is 37.9 and the national median age is 38.4.

AGE TRENDS

Comparing the predicted population in 2020 (based on standard birth and death rates) to what was actually reported by the 2020 Census show trends in migration.

- **The large positive difference in the 15-24 age cohorts and negative difference in the 25-34 age cohort is the result of students moving to and away from the Greater Lafayette READI Region.**
- **The Greater Lafayette READI Region overall had a balanced migration of established working aged households.** There was little difference between the actual and the predicted numbers for the 35-64 age cohorts. This differs by county as shown in later sections of this study.
- **Retiree aged cohorts grew more than expected.** This trend is partially attributed to people living longer but also the movement of these age cohorts into the Greater Lafayette READI Region, perhaps to be closer to needed services or amenities.
- **The population over 85 did not increase as expected.** This could be from more deaths than expected or an out-migration within this age cohort.

Figure 1.16: Median Age

COUNTY	2000 MEDIAN AGE	2010 MEDIAN AGE	2021 MEDIAN AGE
Benton County	36.7	40.1	40.4
Carroll County	37.2	40.9	42.9
Fountain County	37.7	41.6	42.8
Tippecanoe County	27.2	27.7	28.9
Warren County	38.2	42.4	44.2
White County	37.6	41.9	42.8

Source: U.S. Census

Figure 1.17: Age Cohorts, 2021

COUNTY	0-24	24-54	55+
Benton County	32.6%	35.9%	31.5%
Carroll County	30.0%	35.6%	34.3%
Fountain County	29.9%	36.3%	33.8%
Tippecanoe County	44.4%	34.5%	21.1%
Warren County	28.4%	35.9%	35.7%
White County	31.1%	33.9%	35.0%

Source: U.S. Census

Figure 1.18: Migration Patterns by Age Group, 2010-2020 Census Counts in the READI Region

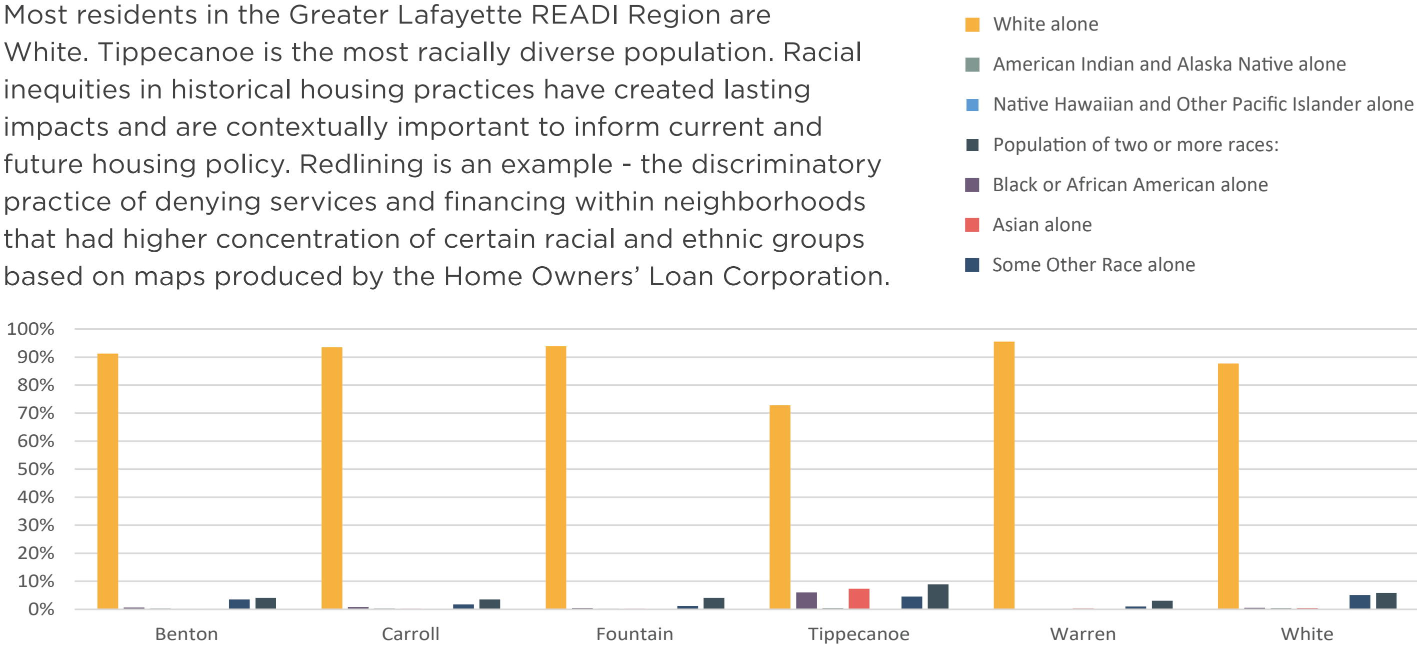
AGE RANGE	PREDICTED 2020	ACTUAL 2020	% DIFFERENCE
0-14	48,818	48,039	-2%
15-19	14,709	23,731	61%
20-24	22,337	31,011	39%
25-34	52,899	36,289	-31%
35-44	29,302	29,379	0%
45-54	29,112	27,959	-4%
55-64	28,832	29,656	3%
65-74	18,922	23,078	22%
75-84	9,538	11,418	20%
85+	4,890	4,323	-12%
Total	259,359	264,883	2%

Source: U.S. Census; RDG Planning & Design

RACE

Most residents in the Greater Lafayette READI Region are White. Tippecanoe is the most racially diverse population. Racial inequities in historical housing practices have created lasting impacts and are contextually important to inform current and future housing policy. Redlining is an example - the discriminatory practice of denying services and financing within neighborhoods that had higher concentration of certain racial and ethnic groups based on maps produced by the Home Owners' Loan Corporation.

Figure 1.19: Race, 2021



Source: U.S. Census

Households

HOUSEHOLD SIZE

Household size impacts the housing market. Small increases or decreases in median household size effects the amount of housing units that are needed.

- **Most counties have seen a slight increase in household sizes.**
- **The percentage of non-family households may indicate potential housing preferences or the number of people with roommates in a county.** The student population influences Tippecanoe County, but percent of people living alone is not much different across counties.

Figure 1.20: Household Size

AREA	2010 MEDIAN HOUSEHOLD SIZE	2020 MEDIAN HOUSEHOLD SIZE
Benton County	2.48	2.50
Carroll County	2.48	2.46
Fountain County	2.46	2.34
Tippecanoe County	2.39	2.46
Warren County	2.53	2.50
White County	2.42	2.44
Indiana	2.53	2.50
United States	2.59	2.60

Source: U.S. Census

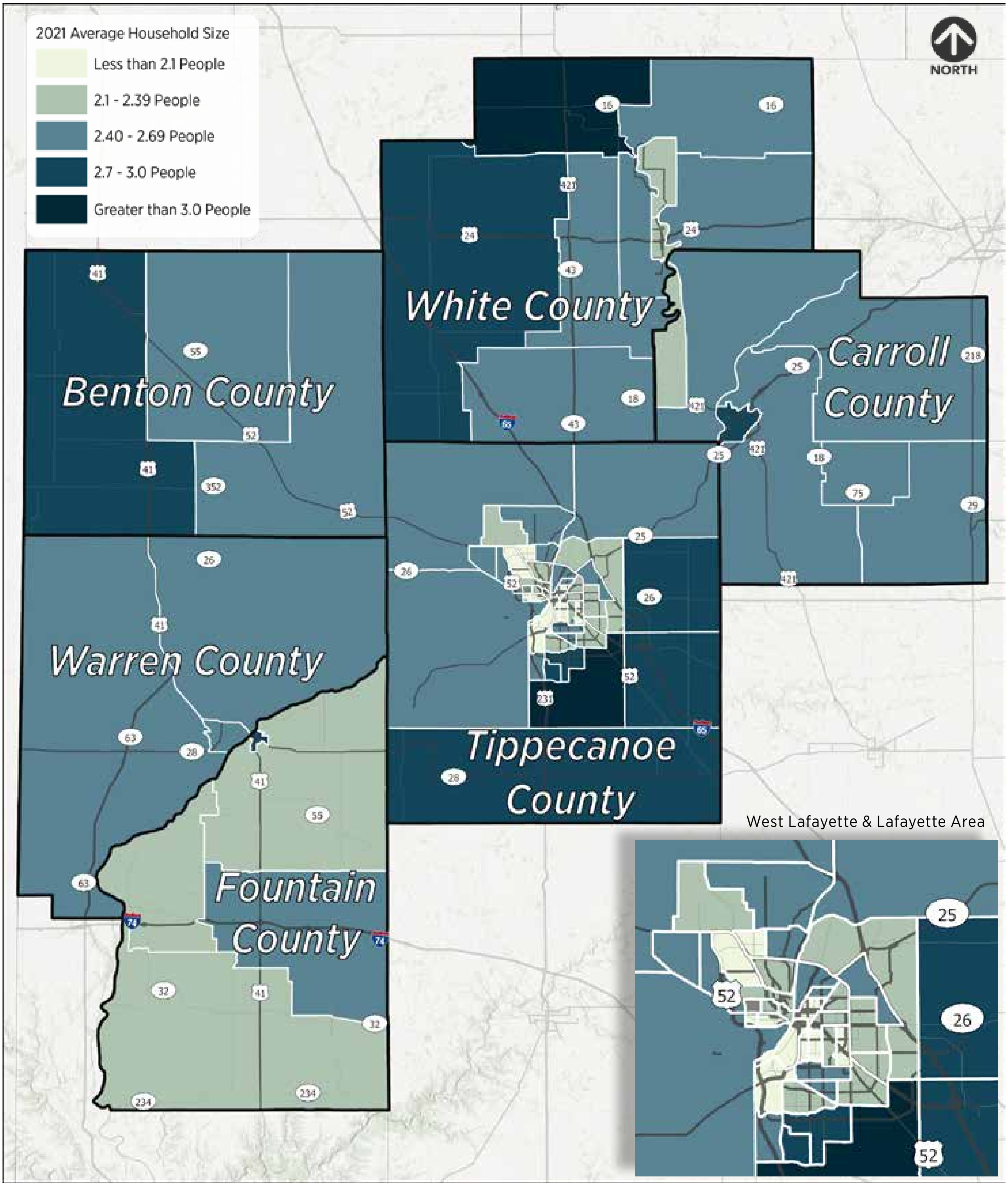
Figure 1.21: Non-Family Households, 2020

AREA	TOTAL HOUSEHOLDS	NON-FAMILY HOUSEHOLDS	HOUSEHOLDER LIVING ALONE	HOUSEHOLDER NOT ALONE
Benton County	3,408	32%	26%	5%
Carroll County	8,125	31%	25%	6%
Fountain County	6,880	34%	29%	6%
Tippecanoe County	71,651	44%	32%	13%
Warren County	3,333	27%	23%	4%
White County	9,936	33%	27%	6%
Indiana	2,602,770	36%	29%	7%
United States	127,544,730	35%	28%	7%

Source: U.S. Census

A household that has at least one member of the household related to the householder by birth, marriage, or adoption is a "Family household." "Non-family households" consist of people living alone and households which do not have any members related to the householder.

Figure 1.22: Average Household Size by Census Tract



Source: U.S. Census

HOUSING TENURE

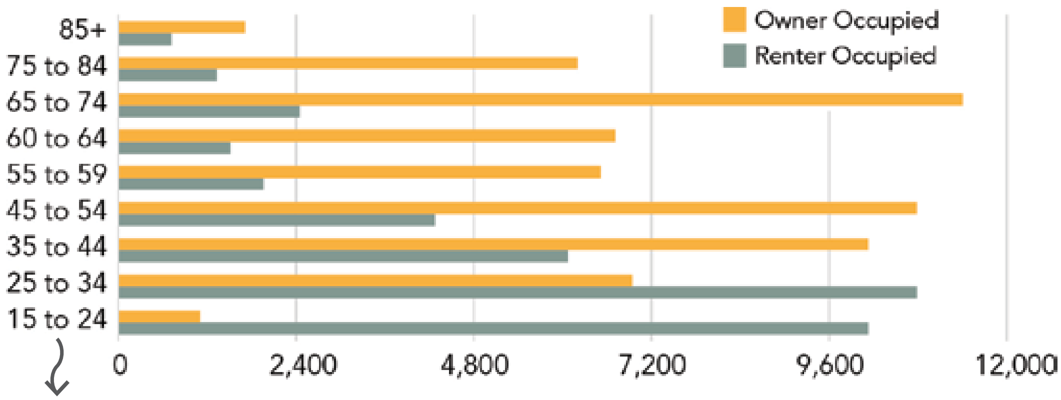
- **Homeownership makes over 70% of tenure in all counties except Tippecanoe.**
- **44.6% of all Tippecanoe County households are renters.** University settings tend to have higher renter occupancies and Tippecanoe's percentage is fairly consistent with similar university counties.

VACANCY RATE

A healthy vacancy rate allows smoother movement in the market while not having too much vacancy that depresses property values. A healthy rate is typically between 5-7%.

- **Tippecanoe and Warren County have vacancy rates closest to the typical healthy vacancy rate.**
- **Benton, Carroll, Fountain, and White County have high vacancy rates that can affect the overall property values.** However, seasonal and vacancies otherwise not available for use account for a large portion of these counties' rates.

Figure 1.23: Housing Occupancy by Age of Householder, 2020



Over 9,500 15-24 year old householders in Tippecanoe County are renters

Figure 1.24: Housing Occupancy by Tenure and Type, 2020

AREA	OWNER OCCUPIED	CHANGE FROM '10*	RENTER OCCUPIED	CHANGE FROM '10*	VACANCY RATE	CHANGE FROM '10*
Benton County	75.0%	+0.4	25.0%	-0.4	9.9%	-1.7
Carroll County	81.1%	+1.5	18.9%	-1.5	14.3%	-2.3
Fountain County	77.5%	+1.0	22.5%	-1.0	11.3%	-0.5
Tippecanoe County	53.5%	-1.5	46.5%	+1.5	7.9%	+0.1
Warren County	81.2%	+0.9	18.8%	-0.9	8.9%	-0.4
White County	75.0%	-1.3	25.0%	+1.3	22.8%	-2.1
Indiana	69.5%	-2.0	30.5%	+2.0	10.4%	-0.9
United States	64.4%	-2.2	35.6%	+2.2	11.6%	-0.6

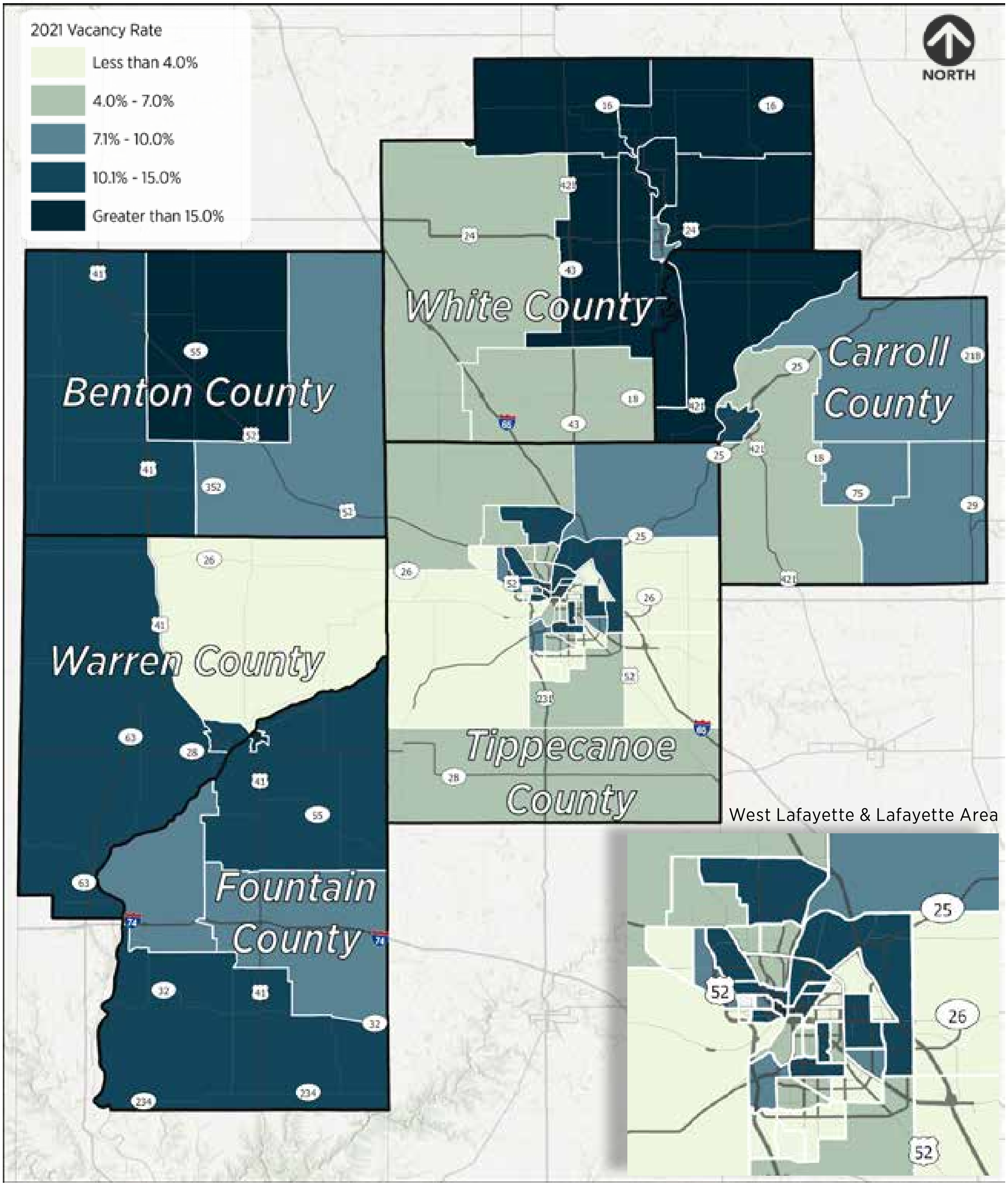
Source: U.S. Census; *Percentage point change. A decrease in the number or percentage of rental units could be increasing competition and therefore price inflation.

Figure 1.25: Types of Vacancy, 2020

AREA	TOTAL VACANT	FOR RENT	RENTED, NOT OCCUPIED	FOR SALE ONLY	SOLD, NOT OCCUPIED	SEASONAL, REC., OCCASIONAL	ALL OTHER VACANTS
Benton County	375	24.3%	1.9%	13.9%	6.4%	8.0%	45.6%
Carroll County	1,358	9.6%	2.2%	8.5%	2.7%	56.5%	20.5%
Fountain County	880	14.7%	1.3%	14.4%	7.4%	28.0%	34.3%
Tippecanoe County	6,146	55.9%	8.4%	8.0%	2.8%	6.8%	18.1%
Warren County	326	20.6%	1.2%	14.1%	8.6%	17.2%	38.3%
White County	2,930	7.1%	0.8%	4.0%	1.8%	75.5%	10.8%
Indiana	300,950	18.8%	4.9%	8.1%	6.2%	15.2%	46.7%
United States	16,078,532	16.8%	3.5%	7.0%	3.8%	33.0%	35.8%

Source: U.S. Census

Figure 1.26: Vacancy Rate by Census Tract



In 2020 the Census shows approximately 19% of all vacant units in the Greater Lafayette READI Region were identified as "other vacant" Common "other vacant" reasons include:

- Is being held for settlement of an estate
- Is being repaired or renovated
- Is in the foreclosure process
- Owner is not interested in selling or renting
- The unit is being used for storage

Source: U.S. Census

Economic Characteristics

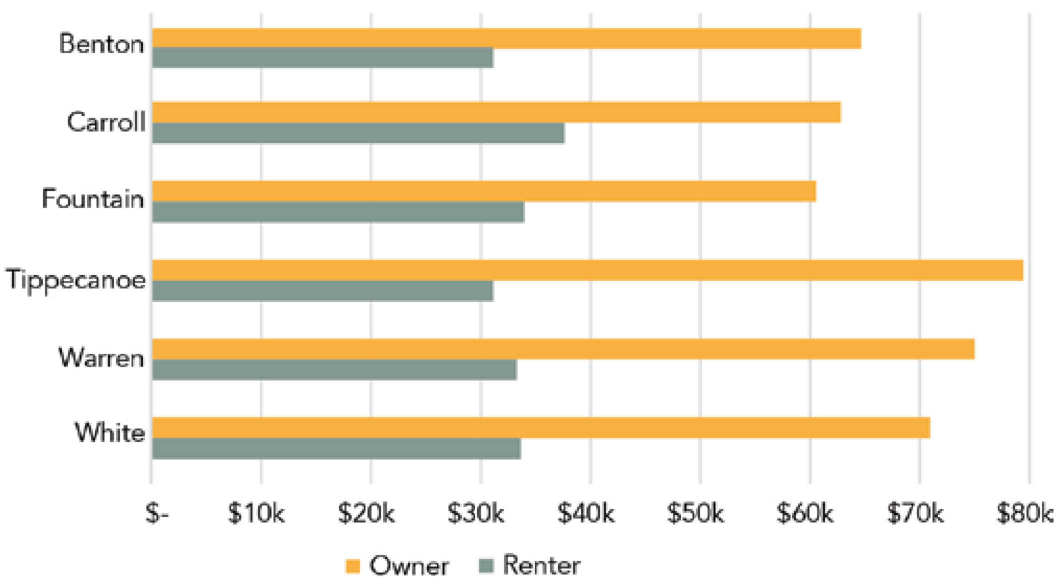
MEDIAN INCOME

Household income often determines how much and the type of housing a household can afford.

- **As expected, owner occupied households have higher median income than renter occupied households.** Households tend to be in their peak earning years starting in their late 40s. These households are more likely to own a home and have some equity in that home that can support the newer housing products.

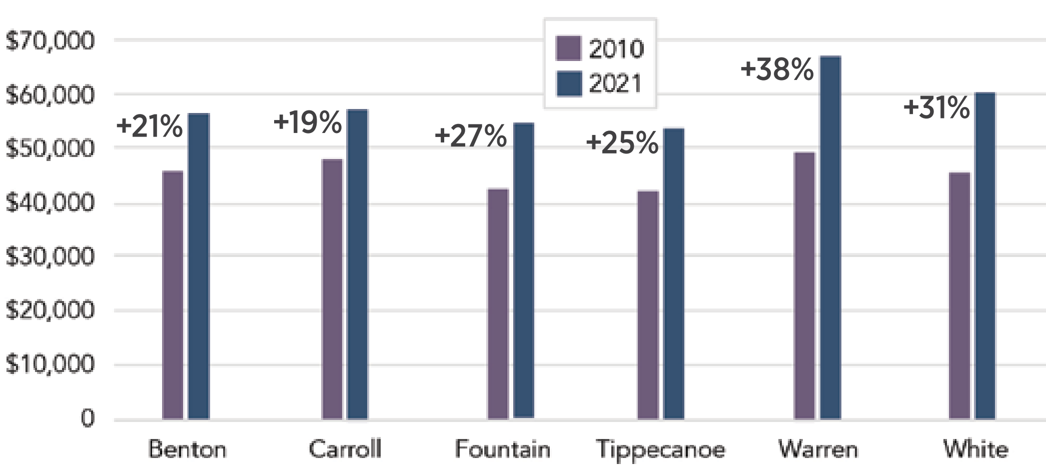
- **Since 2010, median household incomes rose more than inflation, except for in Benton and Carroll Counties.** The Midwest inflation rate between 2010 and 2021 was about 24% (and about 32-35% for housing).

Figure 1.27: Median Household Income by Occupancy, 2021



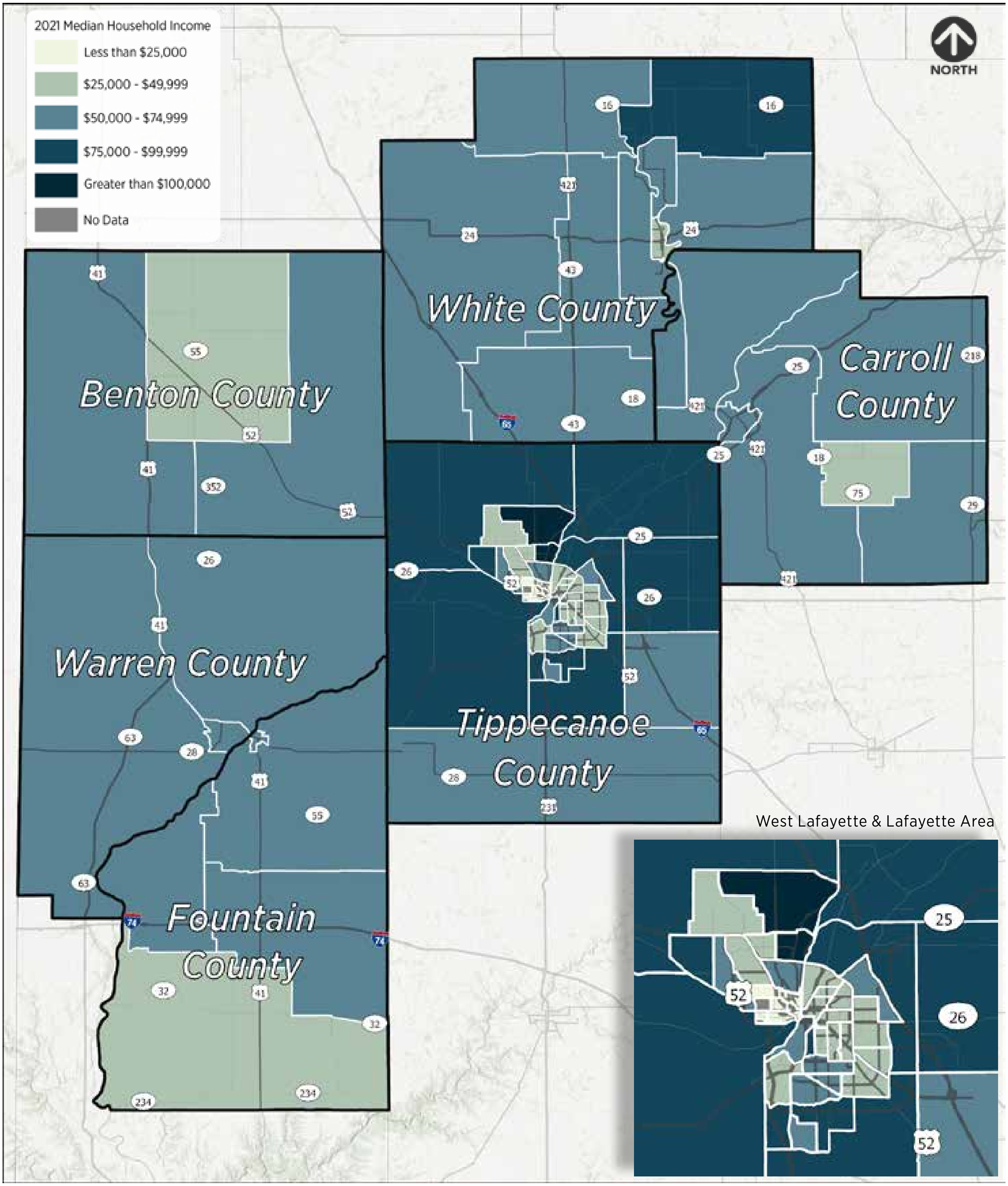
Source: American Community Survey

Figure 1.28: Median Household Income Change 2010-2021



Source: American Community Survey

Figure 1.29: Median Household Income by Census Tract



Source: American Community Survey

LABOR FORCE AND INDUSTRIES

The Greater Lafayette READI Region has a diversity of economic activities. The top three employment sectors for each county are shown in Figure 1.31.

- **Purdue University and associated functions have a large influence on the employment sectors in the Greater Lafayette READI Region.** Federal, State, & Local Government jobs; Manufacturing; and Retail Trade are the top three sectors for most counties.
- **The labor force participation rate fell in many counties.** However, the change in Tippecanoe County shows many more people entering the workforce. Looking closer at data from the American Community Survey shows that the labor force participation rate of people over 65 was steady from 2010-2021. Drops in participation are mostly attributed to working ages 25-64, where the pandemic was still having impacts on working families in 2021.
- **The labor force is projected to shrink for every county except Tippecanoe.** Figure 1.32 indicates the aging population in most counties that is not being replaced with working households. Many of these individuals retire in the area and don't leave their home but leave a job to be filled. However, the projected significant growth in Tippecanoe County does provide a net positive labor force growth for the Greater Lafayette READI Region.

Figure 1.30: Labor Force Change 2010-2019

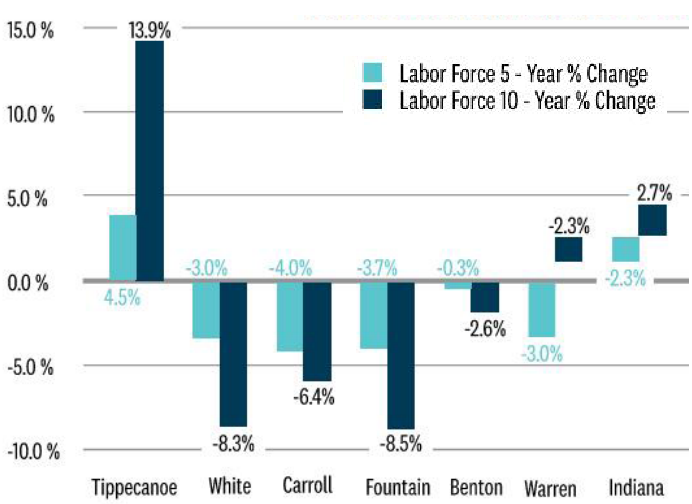


Figure 1.32: Labor Force and Labor Projection

COUNTY	2010	2020	2040 PROJECTION
Benton County	4,429	4,261	3,380
Carroll County	10,329	9,836	8,220
Fountain County	8,681	7,856	6,080
Tippecanoe County	88,829	99,133	110,880
Warren County	4,237	4,195	3,360
White County	12,866	11,584	9,380
Total	129,371	136,865	141,300

Source: U.S. Census; STATS Indiana

Figure 1.31: Employment by Sector, 2021

COUNTY	FIRST	SECOND	THIRD
Benton County	Federal, State & Local Government 24.0%	Manufacturing 18.4%	Agriculture, Forestry, Fishing, Hunting - 11.9%
Carroll County	Federal, State & Local Government 14.4%	Accommodation & Food Service 8.9%	Retail Trade 7.8%
Fountain County	Manufacturing 34.8%	Federal, State & Local Government 16.9%	Retail Trade 12.0%
Tippecanoe County	Federal, State & Local Government 20.1%	Manufacturing 19.6%	Health Care & Social Assistance 14.5%
Warren County	Manufacturing 27.5%	Federal, State & Local Government 19.4%	Health Care & Social Assistance 11.3%
White County	Manufacturing 28.9%	Federal, State & Local Government 14.6%	Retail Trade 11.6%

Source: Bureau of Labor Statistics; Indiana Department of Workforce Development; Purdue University is classified as a state organization.

WHERE THE LABOR FORCE LIVES

- **Tippecanoe has more people come to the county than leave for work each day.** All other counties have more people leave for work than come to the county for work.

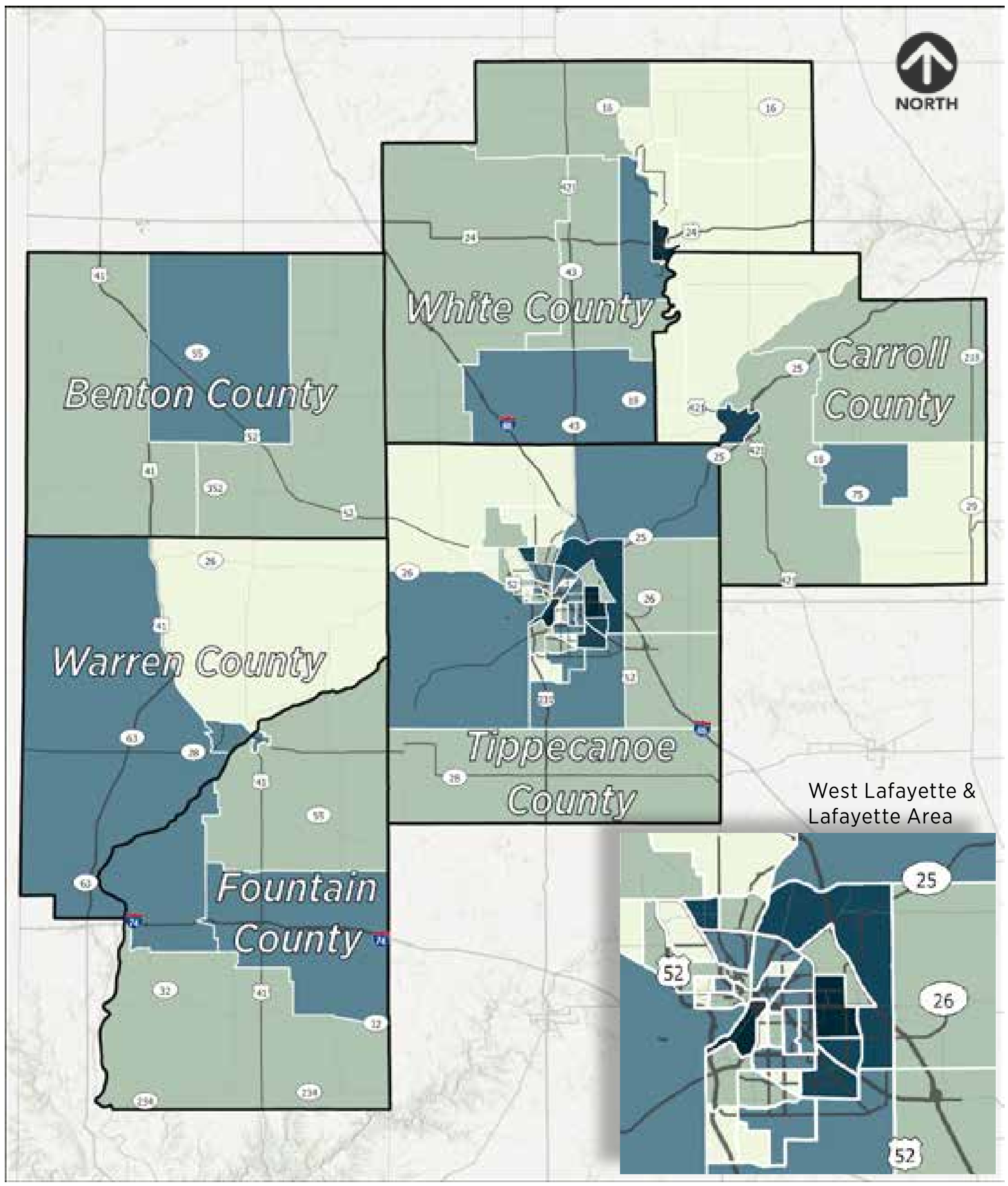
- **While jobs in the Greater Lafayette READI Region are mostly concentrated in Lafayette and West Lafayette, there are many other employment centers.** Having adequate housing options near all these centers will help attract and retain employees and reduce household transportation costs.

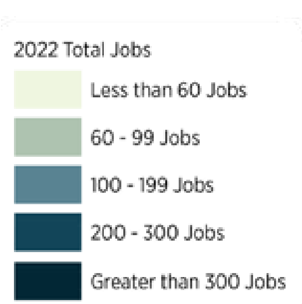
Figure 1.33: Regional Commuting Trends, 2019

COUNTY	LIVE AND WORK IN COUNTY	IN COMMUTERS	OUT COMMUTERS	RATIO IN/OUT COMMUTERS
Benton County	5,848	788	2,071	0.38
Carroll County	13,647	1,832	5,478	0.33
Fountain County	11,213	1,501	3,379	0.44
Tippecanoe County	109,567	21,778	5,995	3.63
Warren County	5,852	970	2,363	0.41
White County	17,099	2,473	4,037	0.61

Source: Indiana Department of Revenue

Figure 1.34: Number of Jobs by Census Tract, 2022





Source: ESRI

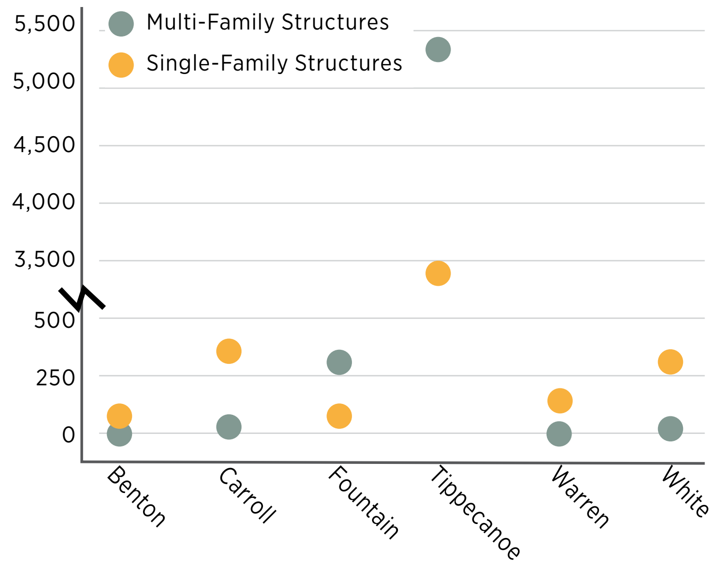
Housing Stock

HOUSING PRODUCTION

The construction of residential units is one of the most direct indicators of market demand. Private market developers will not construct housing unless the price is adequate for profit. Housing unit construction has varied greatly.

- **Outside of Tippecanoe County there has been very little multi-family unit construction.** This aligns with qualitative input received during the study and indicates a decrease in housing variety in other counties.
- **More construction in the northeast part of the Greater Lafayette READI Region.** This is the result of larger population centers and recreational amenities. But also reinforces the comments heard throughout the process that builders have difficulty achieving economies of scale in rural areas.

Figure 1.35: Unit Construction 2015-2022 by Type



Source: Local Jurisdictions and U.S. Census

HOUSING AGE

Age and condition of houses are often reflected in the cost of housing.

- **Less than 10% of homes were built after 2010 in the Greater Lafayette READI Region.** More notably, about 4 out of every 10 homes are more than 50 years old.
- **Homes in more rural counties are older, and reflect lower building activity in recent decades.** Areas with older housing stock also tend to have lower home values and a higher percent of the stock as single-family detached units.

.2% OF STRUCTURES WERE BUILT IN 2020 or later
Indiana: .2%

8.4% OF STRUCTURES WERE BUILT IN 2010-19
Indiana: 6.3%

13.4% OF STRUCTURES WERE BUILT IN 2000-09
Indiana: 12.1%

14.7% OF STRUCTURES WERE BUILT IN 1990-99
Indiana: 14.5%

10% OF STRUCTURES WERE BUILT IN 1980-89
Indiana: 9.7%

12.1% OF STRUCTURES WERE BUILT IN 1970-79
Indiana: 13.6%

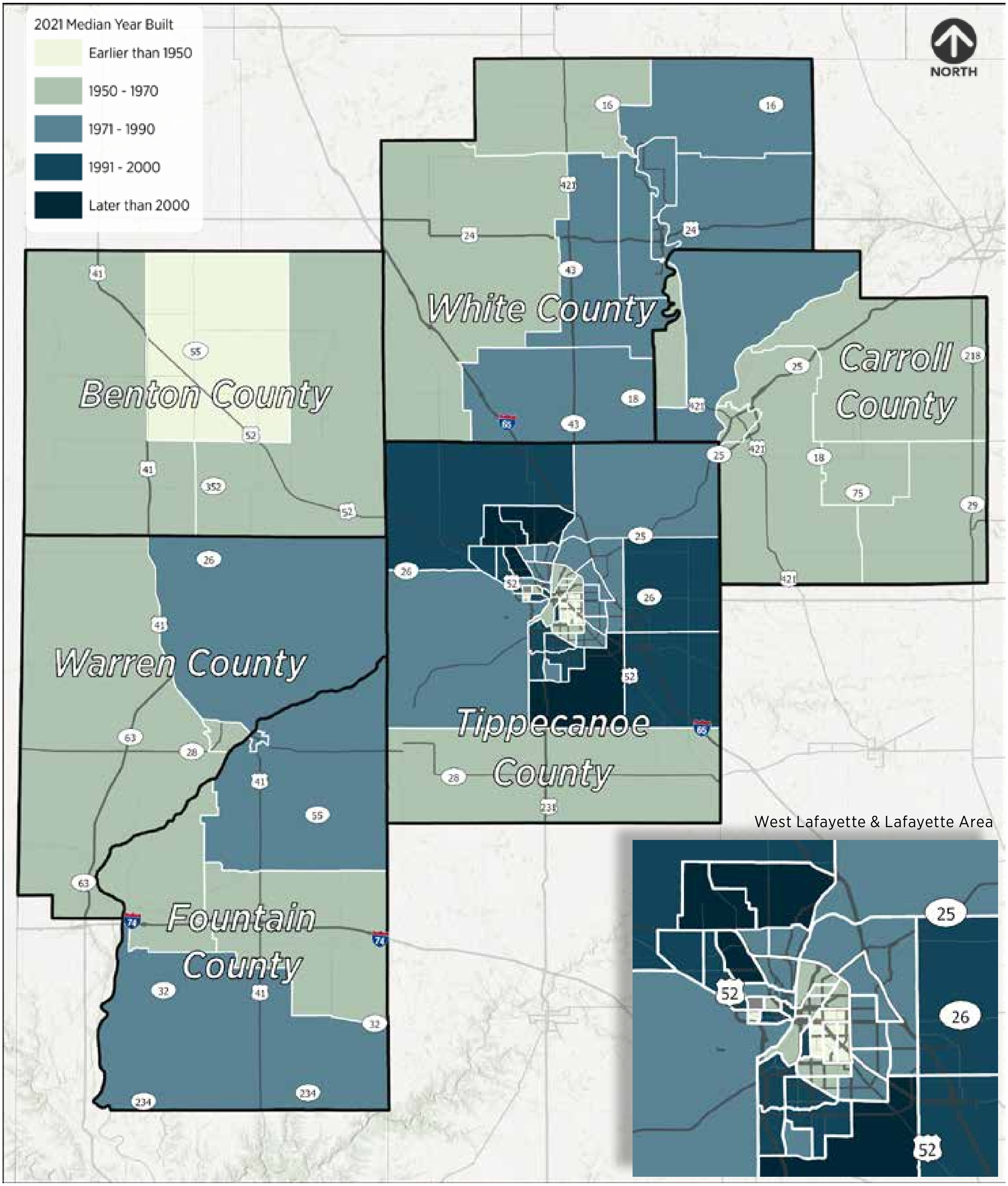
11% OF STRUCTURES WERE BUILT IN 1960-69
Indiana: 10.8%

8.7% OF STRUCTURES WERE BUILT IN 1950-59
Indiana: 10.8%

21.4% OF STRUCTURES WERE BUILT IN 1949 or earlier
Indiana: 22.1%

Source: American Community Survey

Figure 1.36: Median Year Built by Census Tract, 2021



Source: American Community Survey

AVAILABLE INVENTORY

Since late 2020 there have been many national news stories on the shortage of housing and rising costs. The Greater Lafayette READI Region exhibits these trends.

- **The regional number of active listings of homes for sale is drastically lower than six years ago.** Realtors expressed that inventory was already low before the pandemic. Some counties had only a handful of listings on the market as of this study - and several of these homes are not marketable because of variables such as the condition.
- **Similarly, the median days a home lasts on the market steadily declined.** People are accepting more of what is available regardless of condition or price.
    - › Days on market is the total number of days a home is on the active market before an offer is accepted and a contract is completed.

Figure 1.37: Trend in Number of Active Listings

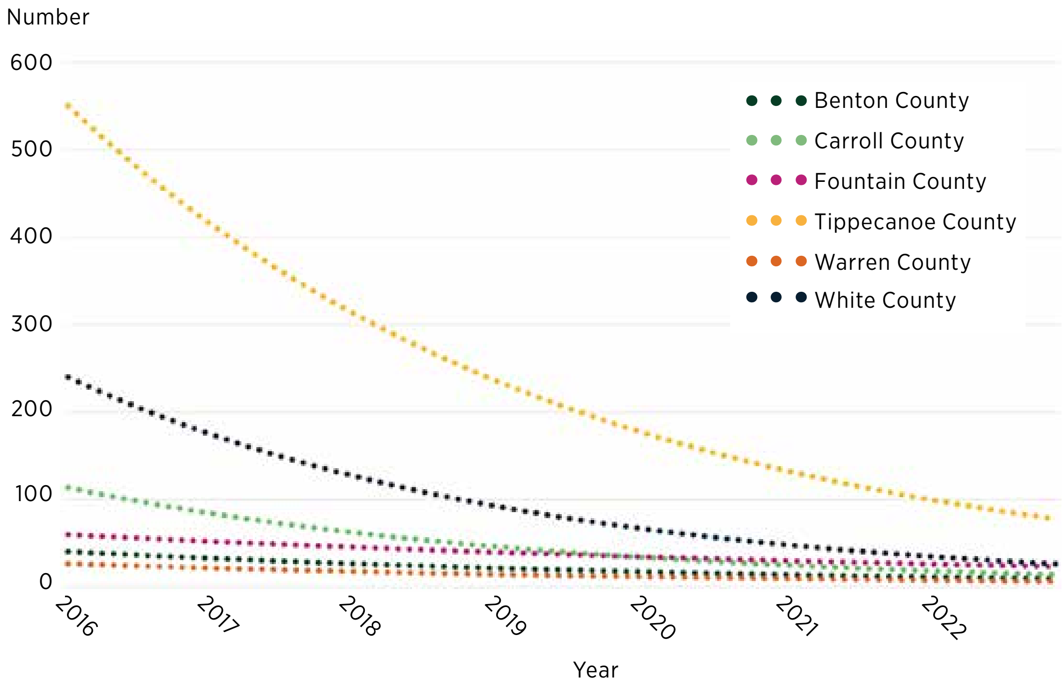
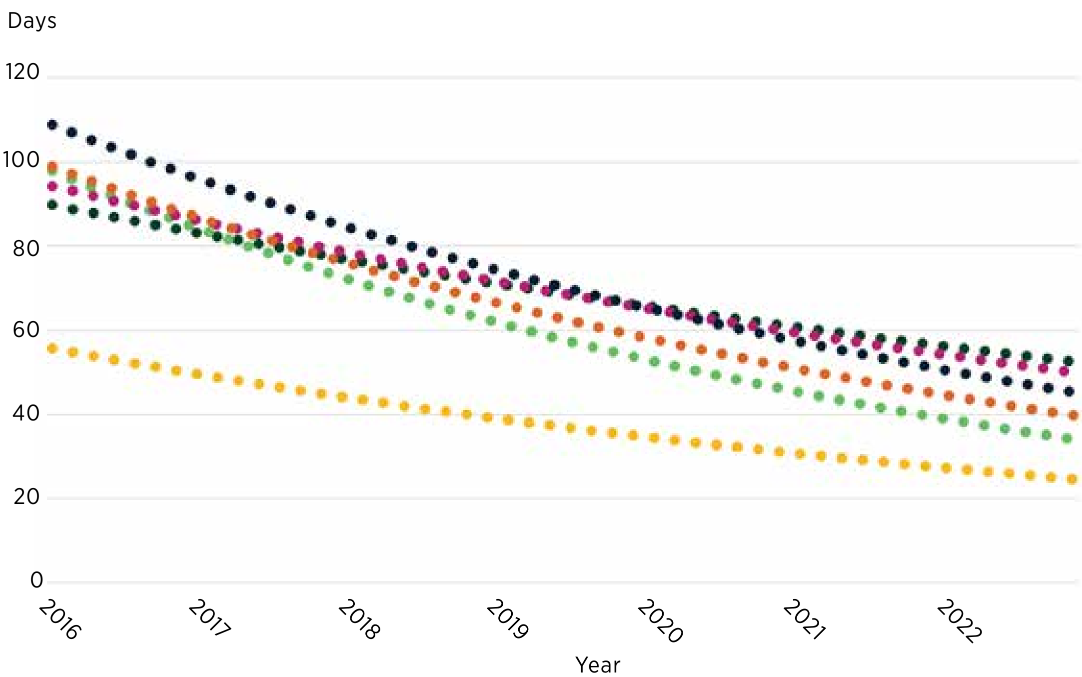


Figure 1.38: Trend in Median Days on Market



Source: Realtor.com

SPECIALIZED HOUSING NEEDS

Various programs are aimed to address specific housing needs and give people access to safe, quality, and affordable housing.

Figure 1.39: Affordable Housing Inventory

COUNTY	UNIT DEFICIT/ SURPLUS AT OR BELOW 30% AMI	UNIT DEFICIT/ SURPLUS AT OR BELOW 50% AMI
Benton County	-140	-5
Carroll County	-120	-40
Fountain County	-195	-75
Tippecanoe County	-7,730	-7,540
Warren County	-60	-80
White County	-300	-105

Source: Prosperity Indiana and National Low Income Housing Coalition's analysis of HUD's Comprehensive Housing Affordability Strategy (CHAS) data for 2015-2019; AMI = Area Median Income

Low Income Housing Tax Credit Units (LIHTC). There are 45 LIHTC projects and 1,087 units in the Region. Thirty-nine of the LIHTC projects are in Tippecanoe County, of which 37 are in Lafayette. These projects include developments that are all affordable units and projects with a mix of affordable and market rate units. The most successful of these projects are those which established public/private partnerships that provide and leverage the intent of safe, decent and affordable housing.

The LIHTC program is an important source of affordable workforce housing, offering housing options to households earning less than 80% of Area Median Income (AMI). However, recent changes to the federal tax code have made the sale of LIHTC less lucrative. It is difficult to predict whether property owners will maintain affordable rents once the requirement has expired, but the loss of units would further strain the affordable housing market.

Section 8. The Greater Lafayette READI Region, like many areas, has a continual waiting list for the program. Additionally, in a highly competitive rental market those with choice vouchers are struggling to find property owners with units available to the program. This is just one reason that many housing authorities are transitioning vouchers to project based. However, to do this, authorities have to have the units to convert or develop new units, often using the LIHTC program. Housing authorities face the same challenges with rising land, material, and labor costs.

Even with real income growth in many counties, there are still essential workers that make much less and require appropriate housing options locally or must spend more on transportation costs to live away from where they work.

Figure 1.40: Median Salary of Local Occupations

OCCUPATION	AVERAGE SALARY
Food Service	$22,710
Nursing Assistants	$30,230
Construction Laborer	$46,240
Accountant	$64,780
Civil Engineer	$78,350
Police and Sheriff's Patrol Officers	$60,040

Source: National Housing Conference, Paycheck to Paycheck, https://nhc.org/paycheck-to-paycheck/

Senior/Assisted Living Options. As the national population ages, housing needs will shift. Although there has been a greater emphasis on in-home care, there is still a market for senior/assisted living options. The HUD Section 202 program is one resource. These projects serve as supportive housing for very low-income elderly persons and provides rent subsidies for the projects to help make them affordable. There are over eight Section 202 housing projects with 641 total units in the Greater Lafayette READI Region.

Homelessness. Point-in-time homeless counts are done by the Indiana Housing and Community Development Authority (IHCDA) to ensure all homeless members of the community are counted. The Greater Lafayette Area is with the IHCDA Region Four which is the Greater Lafayette READI Region plus Clinton and Montgomery Counties.

Figure 1.41: Point-in-Time Homeless County 2020

	# OF PEOPLE '21	# OF PEOPLE '20	# OF PEOPLE '19
IHCDA Region 4	76	133	144
Tippecanoe County	63	117	126

Source: Indiana Housing & Community Development Authority - Point-in-Time Homeless Survey

Cost of Housing

HOME VALUE

Newer houses often have higher property values which can be an indicator of housing production and rehabilitation. However, housing value as tracked by the Census differs from the market rate sales price of homes. Value typically trails median sale prices because it includes all owner-occupied units in the area of study. Older units that may not have been on the market for many years will drive the value lower.

- **Housing values are depressed in many rural areas, even with the increase in values experienced since 2010.** The highest median property values are areas with the newest median age of housing.
- **The lowest median property values are where older houses are concentrated.** The most affordable home is the home that is already built. Maintenance of older homes will help ensure a supply of naturally occurring affordable houses.

West Lafayette & Lafayette Area

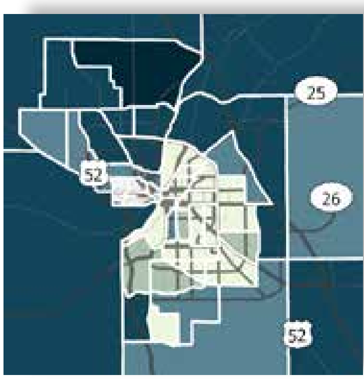
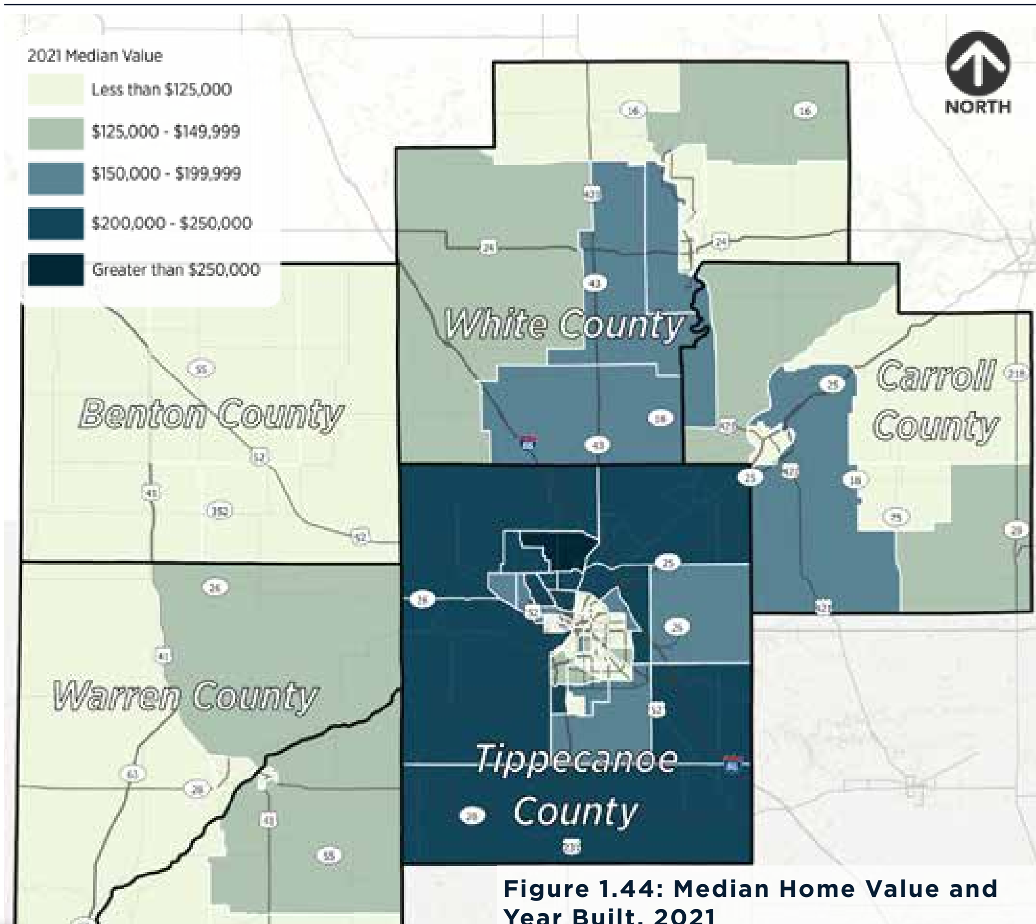


Figure 1.42: Median Home Value 2010-2021

COUNTY	2010	2021	% CHANGE*
Benton County	$85,200	$107,000	26%
Carroll County	$107,400	$138,300	29%
Fountain County	$87,600	$111,400	27%
Tippecanoe County	$128,900	$169,500	31%
Warren County	$102,600	$121,900	19%
White County	$111,000	$128,100	15%
Indiana	$123,000	$158,500	29%

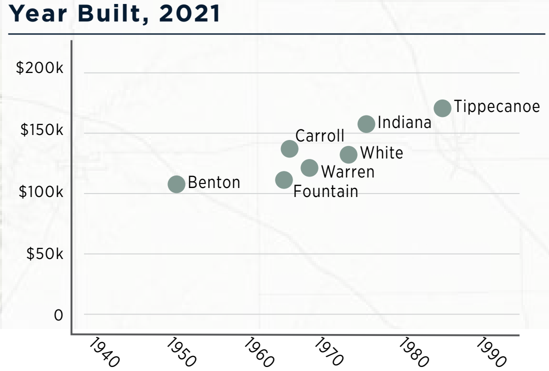
Source: American Community Survey; *CPI Midwest Inflation was 24%

Figure 1.43: Median Home Value by Census Tract, 2021



Source: American Community Survey

Figure 1.44: Median Home Value and Year Built, 2021



Source: Local Jurisdictions and U.S. Census

RENTS

Contract rent is the base rent excluding monthly costs of utilities or other fees.

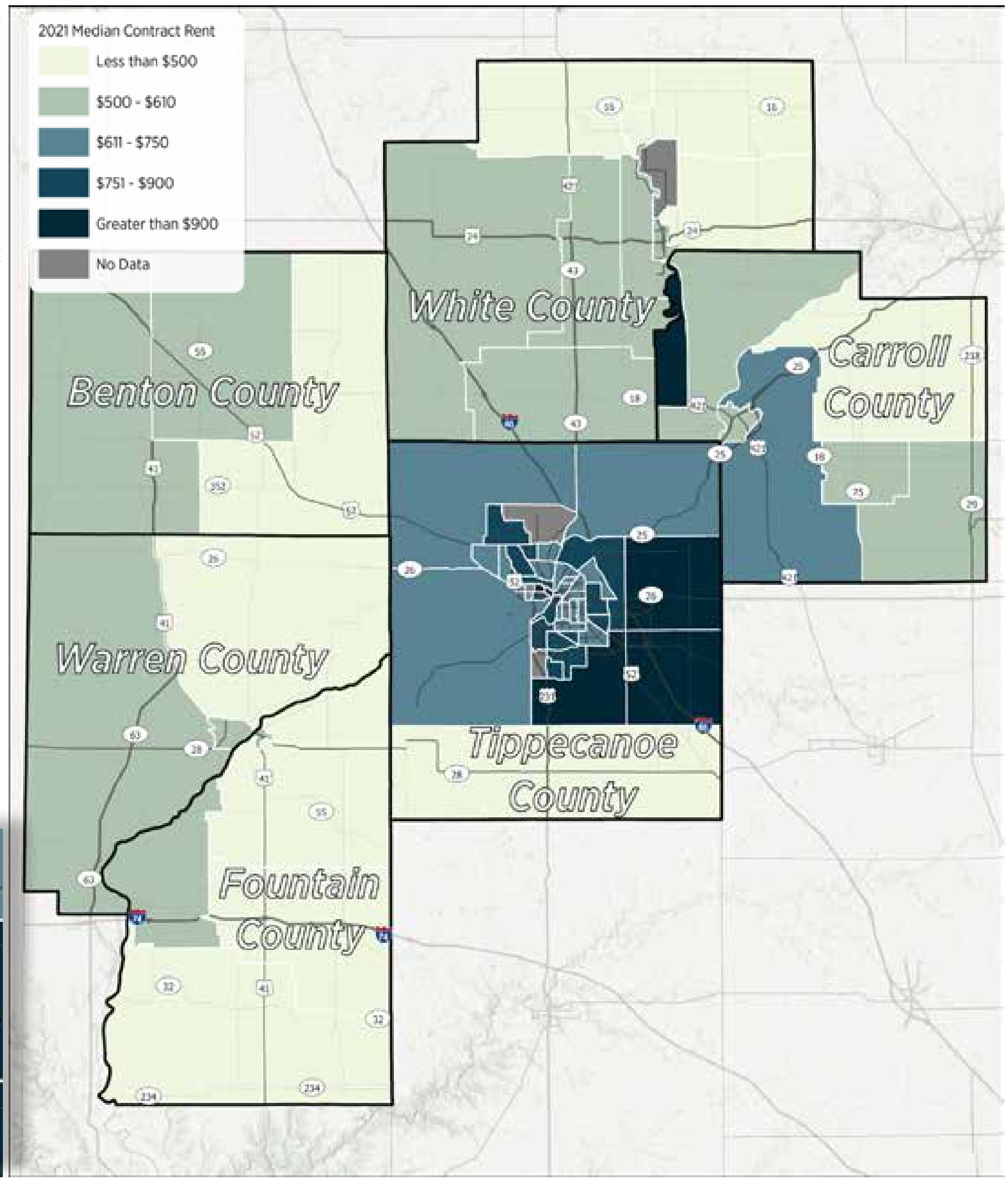
- **Rents are rising by more than inflation in most counties.** This is happening in counties with and without more recent multi-family unit construction. This comes from the higher rent that newer units can get because of newer fixtures and amenities, and areas where prices rise with competition because there are few other options.

Figure 1.45: Contract Rent 2010-2021

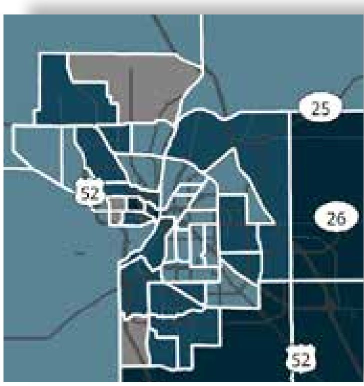
COUNTY	2010	2021	% CHANGE*
Benton County	$406	$526	30%
Carroll County	$424	$592	40%
Fountain County	$409	$502	23%
Tippecanoe County	$608	$771	27%
Warren County	$413	$532	29%
White County	$481	$550	14%
Indiana	$542	$709	31%

Source: American Community Survey; *CPI Midwest Inflation was 24%

Figure 1.46: Median Contract Rent by Census Tract, 2021



West Lafayette & Lafayette Area



Source: American Community Survey

HOUSING AFFORDABILITY

Household income to home value ratios provide a metric to evaluate the current capacity of incomes to afford homes. In most instances, an affordable, self-sustaining housing market has a value-to-income ratio between 2.0 to 3.0. Ratios above 3.0 present significant affordability issues, while ratios below 2.0 are significantly undervalued relative to income. Undervaluation can be just as challenging as an unfordable market.

Other factors that can result in higher ratios include high student populations or retiree populations. Both groups have lower incomes but may otherwise have adequate housing, such as family members helping to pay rent or retirees who may own their homes out-right.

- **Many have value to income ratios that may indicate undervaluation issues.** For Benton, Fountain, and Warren Counties, a low value to income ratio is a combination of limited construction activity, existing housing conditions, and market price. Getting new homes to appraise at the cost to build could be a deterrent to attracting new development.
- **A high ratio in Tippecanoe County show the influence of the student population with lower incomes but living in units off-campus.** The University is helping provide housing for students. However, there are still affordability issues for non-student homeowners and renters with lower incomes who must find housing in the higher priced county market.

Another important metric in housing affordability is the percent of income that residents spend on their housing needs. According to the U.S. Department of Housing and Urban Development (HUD), "families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care." Those burdened by their home are less financially resilient to other changes that may occur including job loss, rising fuel costs, and medical expenses.

- **All counties have a higher percentage of renters who are cost burdened than homeowners.**
  - › Tippecanoe County has the highest percentage of renters being cost burdened (55.4%). A large number of students with low incomes in reality are not as cost burdened because housing costs are supplemented by student loans, scholarships, parents, etc.
- **Cost burdened measures are strictly related to the value/rent of the house.** Additional costs may be present in areas with lower percentages like Benton and Warren County where the housing stock is older and requires more maintenance.

Figure 1.47: Housing Affordability Measures, 2021

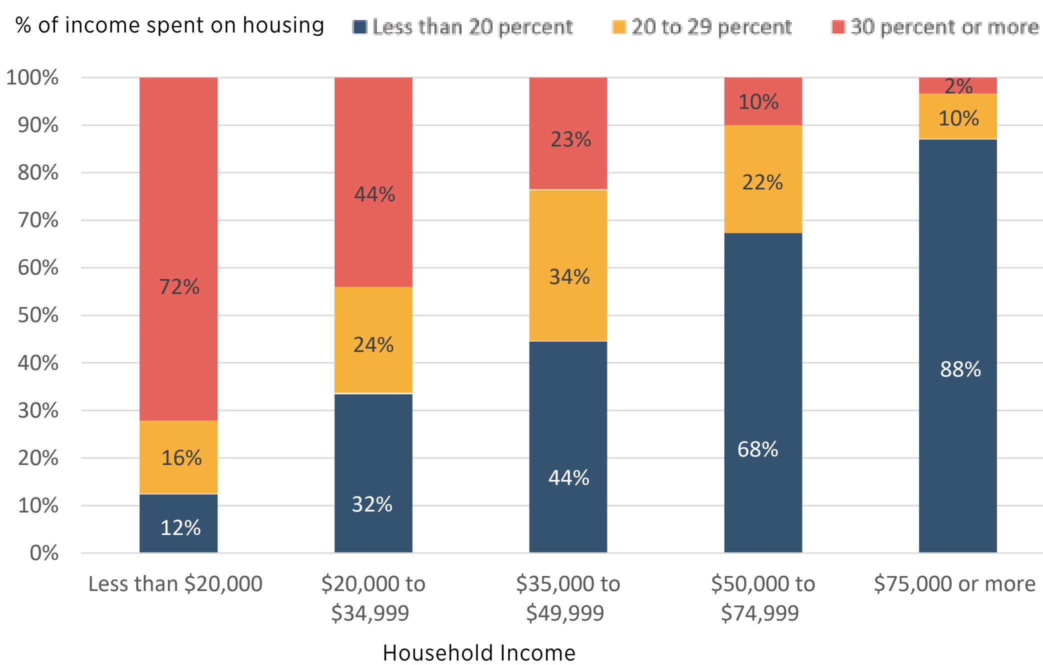
COUNTY	MEDIAN HOUSEHOLD INCOME	MEDIAN HOUSE VALUE	VALUE TO INCOME RATIO	MEDIAN CONTRACT RENT	MEDIAN RENT AS OF MEDIAN INCOME	% OF COST BURDENED HOUSEHOLDS
Benton County	$56,155	$107,000	1.91	$763	16.3%	Owner: 12.6% Renter: 48.3%
Carroll County	$56,929	$138,300	2.43	$592	12.5%	Owner: 14.4% Renter: 26.5%
Fountain County	$54,475	$111,400	2.04	$502	11.1%	Owner: 16.6% Renter: 39.3%
Tippecanoe County	$53,468	$169,500	3.17	$771	17.3%	Owner: 15.3% Renter: 55.4%
Warren County	$68,136	$121,900	1.79	$532	9.4%	Owner: 10.9% Renter: 49.4%
White County	$60,327	$128,100	2.12	$550	10.9%	Owner: 23.4% Renter: 36.6%

Source: American Community Survey

Cost burden for owners and renters is not evenly split among income groups. Those with lower incomes have less to split between costs for housing, transportation, and other necessities. Thirty percent of a lower income household's income spent on housing has a much larger day-to-day impact that a higher income household's.

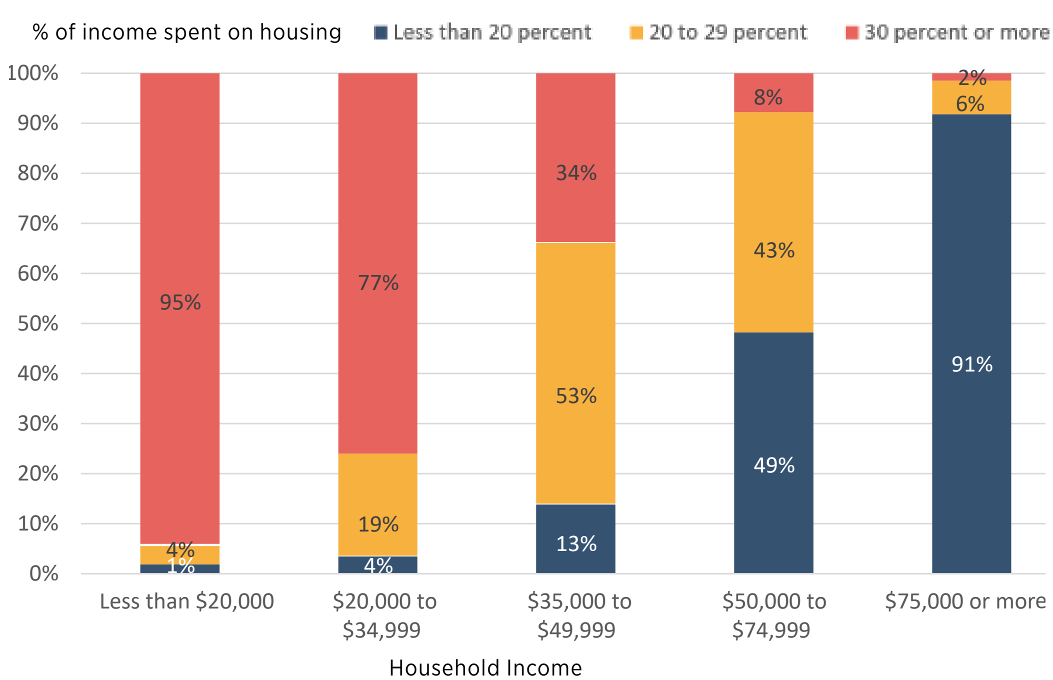
- **There is a significant disparity for lower income households to afford housing in the Greater Lafayette READI Region.**
- **For owner-occupied households, those making under $35,000 are much more cost burdened.**
- **Owner-occupied households making over $50,000 are generally not cost burdened.** This would likely indicate that for most higher income households, the housing market is generally affordable.
- **There is more cost burden for renter-occupied households in most income ranges.** Those with the lowest incomes are typically forced to rent because of the savings required for homeownership. Therefore, these households must accept the rent of an area.
    - › Like before, students with low reported incomes, but otherwise subsidized housing costs are included in these data.

Figure 1.48: Tenure by Housing Costs as a Percentage of Household Income in the Past 12 Months 2021 - Owner Occupied



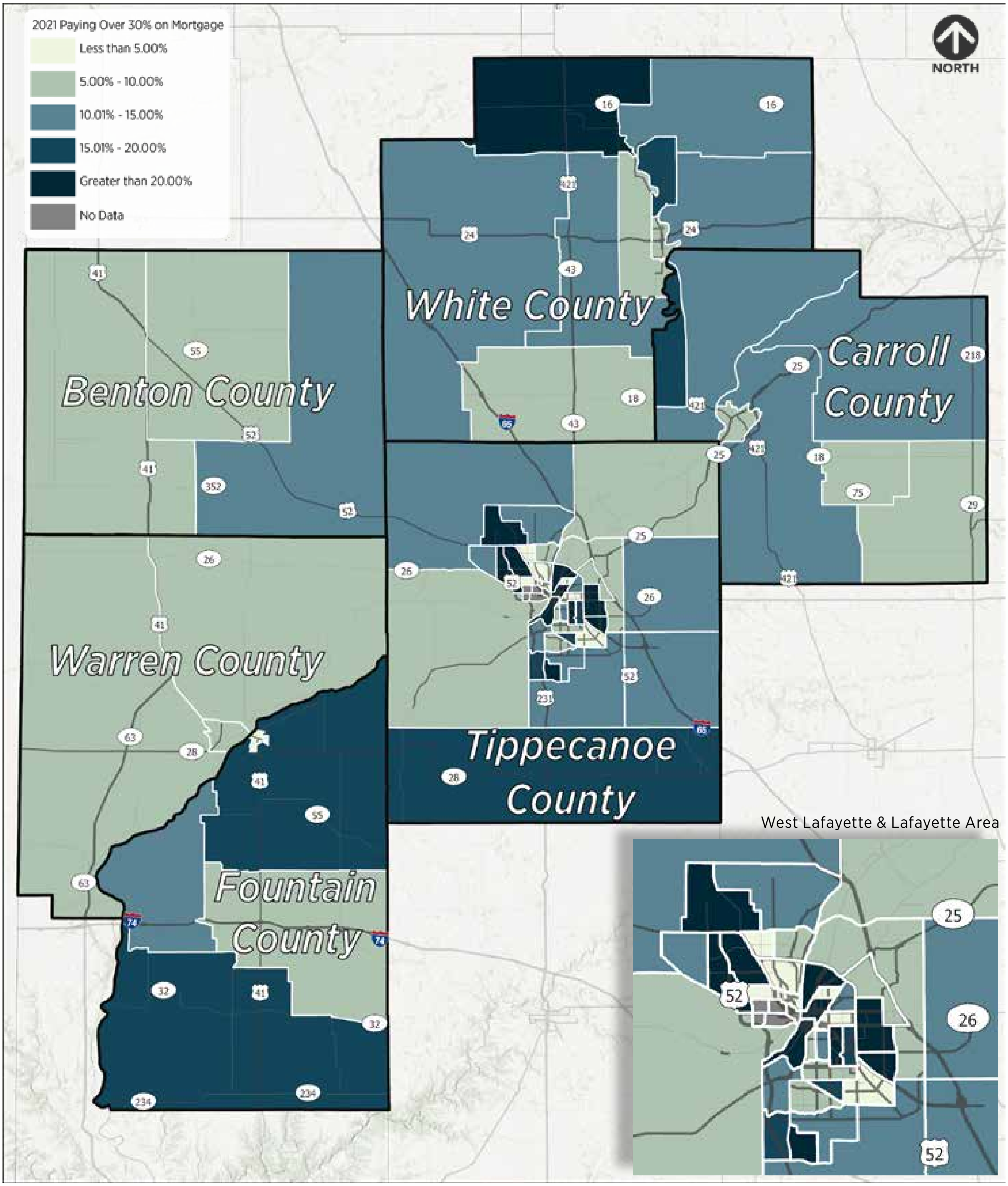
Source: American Community Survey

Figure 1.49: Tenure by Housing Costs as a Percentage of Household Income in the Past 12 Months 2021 - Renter Occupied



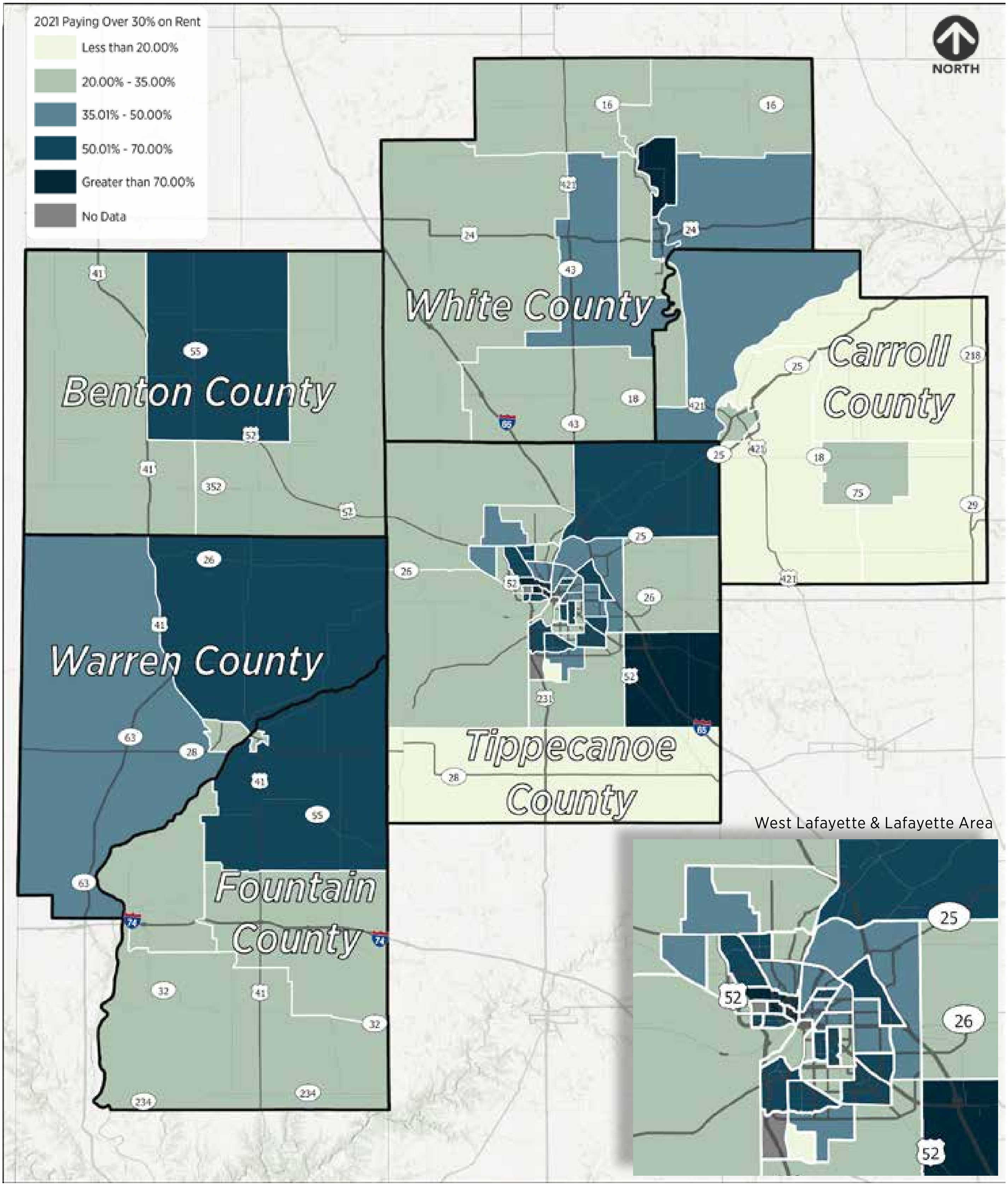
Source: American Community Survey

Figure 1.50: Paying Over 30% on Mortgage by Census Tract, 2021



Source: American Community Survey

Figure 1.51: Paying Over 30% on Rent by Census Tract, 2021



Source: American Community Survey

Affordability by Cost Range

Figure 1.52 evaluates the availability of affordable housing for different household income ranges and the quantity of homes required to balance the need. A positive balance indicates a "surplus" of housing within the affordability range of an income group, while negative balance indicates a "gap".

The following outlines a scenario using the income range of less than $25,000.

- Approximately 21,628 households earn less than $25,000.
- An affordable home for purchase would cost less than $60,000. There is an estimated 5,374 owner-occupied units within the value range.
- An affordable rental unit at this income range should cost no more than $500. There is an estimated 5,840 rental units in this range.
- Combined, there should be 21,628 units affordable to household earning less than $25,000 per year. By subtracting the supply of affordable units (11,214) from the number of households in the income range (21,628), there is a gap of 10,414 units.

There are a number of ways to interpret this data:

- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

The analysis will show larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

Interpretation Guide:

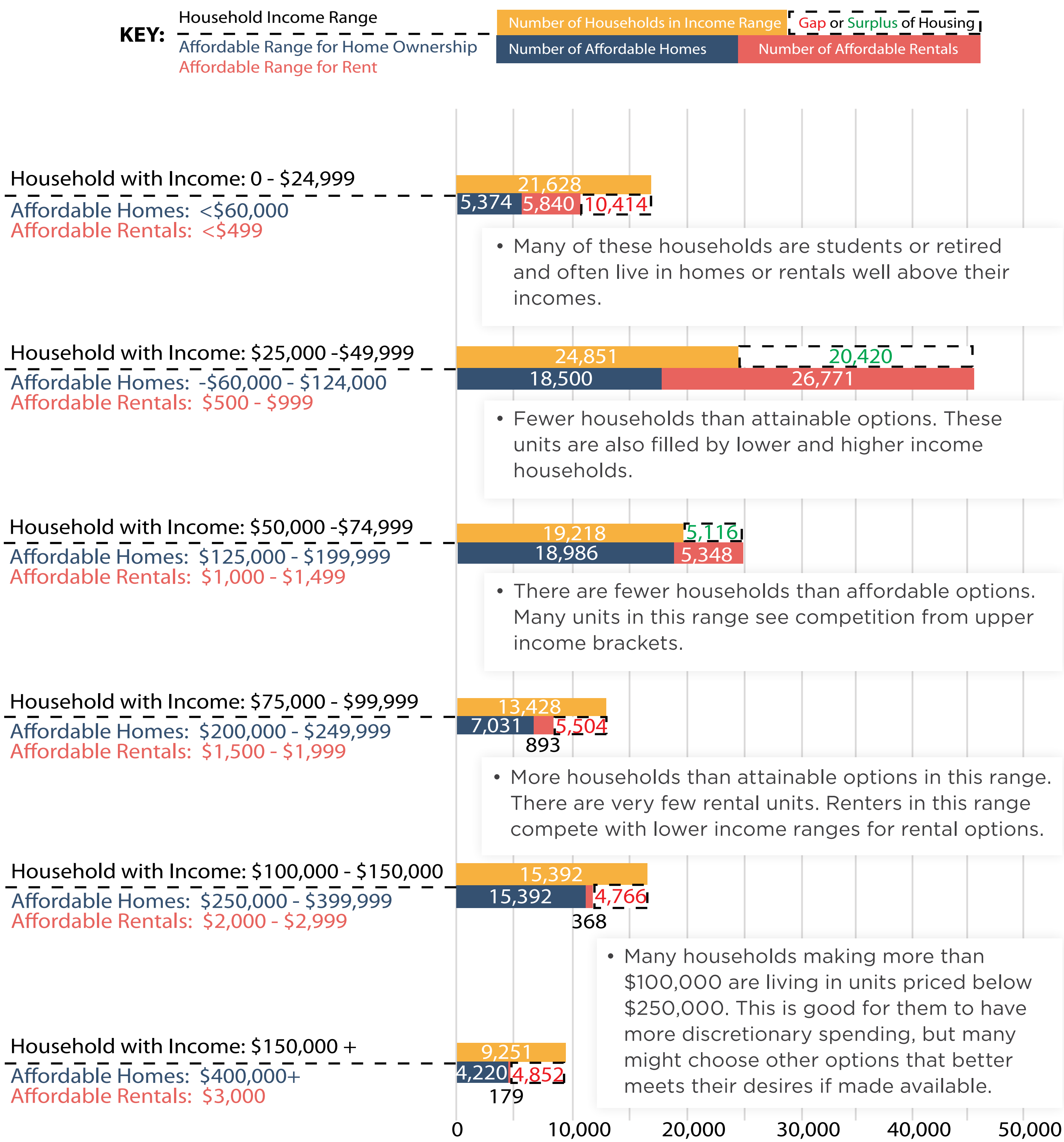
A few notes of caution when interpreting the figures that show the amount of housing stock against available household income:

- The data shows a snapshot in time of value of housing and median household incomes as reported by the Census.
- The definition of 'affordable housing' is determined by a household's income. What is affordable to one income bracket is not necessarily affordable to another.
- Most of the existing units correlate to an older housing stock that is considered affordable for many households.

KEY:
Household Income Range
Affordable Range for Home Ownership
Affordable Range for Rent

Number of Households in Income Range | Gap or Surplus of Housing
Number of Affordable Homes | Number of Affordable Rentals

Figure 1.52: Regional Affordability Analysis, 2021



An affordable cost of housing is calculated at 2-3 times the household income. Lower income households tend to spend a higher percentage of their income on housing and higher income households tend to spend a lower percentage of their total income on housing. An affordable rental would be less than 30 percent of household income.

Source: American Community Survey; RDG Planning & Design

Summary Themes

The data, analysis, and observations discussed in the previous sections cannot tell the whole story of housing needs in the Greater Lafayette READI Region. The housing market analysis builds from the valuable ideas and opinions obtained from community members. Below are themes derived from the data, shared ideas, and opinions. Details on the engagement process and results are in the Appendix.

LOT SHORTAGES

The supply of lots ready for housing development is significantly limited. The reasons range from the cost to service areas with infrastructure to property owners holding onto land. While people want more new housing in most communities, there are simply no available locations to build this housing.

INFRASTRUCTURE CHALLENGES

The natural features that draw people to certain communities also make development challenging. This most directly relates to cost of installing new subdivision streets and utilities. The up-front financing and requirements for timing of installation is a barrier expressed in some communities. Developers face higher risks if they must install infrastructure for an entire subdivision at once instead of a phased approach.

PROCEDURAL ALLOWANCES

There were few reported instances of cities or counties being difficult to work with. There were concerns about the level of review and procedures required in West Lafayette and Lafayette, but these concerns were generally absent across the rest of the Greater Lafayette READI Region. Nearly all cities and counties recognize the need to update codes to specifically improve the process to complete medium density and small scale projects. This means creating a balance between design review, approval timeframes, and permitted locations.

RENTAL DEMAND

The interest in rental units spans many different housing types. Communities are seeing more investor interest in detached housing rentals and attached owner/renter models (where the owner lives in one half and rents out the other). Reasons include the increased cost to own a home in the Greater Lafayette READI Region and the increase in job openings, where new employees need to rent when initially relocating to the area (either because they cannot find an ownership option or they first want to “test out” the community).

VERY LOW INVENTORY

The 2020 pandemic exacerbated a problem that was already occurring in the region. By early 2023, Realtors are seeing little to no movement in the housing market, largely because homes are just not being listed for sale. Additionally, the units that do get listed are almost always single-family detached homes. Local residents and employees are also competing with outside investors who are increasingly seeing the Greater Lafayette READI Region as a profitable venture for their rental portfolios.

REGIONAL APPROACH, UNIQUE COMPONENTS

Nearly all were pleased to hear about the regional approach to this housing study. However, conversations in each county stressed the importance of not consolidating the six counties into one set of data or strategies. Each has unique opportunities and challenges to understand and address for local leaders.

EXCELLENT SCHOOLS AND RESOURCES

The Greater Lafayette READI Region is a proud educational and research hub with Purdue University. However, local high schools across the READI Region are a point of pride for residents. Not only that, but many have programs geared towards the building trades - a great resource for growing the next generation of builders and entrepreneurs.

GOOD HOUSING CONDITION

The condition of the existing housing stock across the region is stable. Of course there are small pockets of structure in severe disrepair, but the vast majority of the housing stock is not at a point of demolition. Most issues can be solved with rehabilitation work, which homeowners have been doing instead of moving (because there are no better options to move to).

Greater LAFAYETTE REGION

REGIONAL DEMAND

Housing Needs

The previous chapter illustrates the existing need for housing diversity and affordability. With growth these needs will also grow. The Greater Lafayette READI Region grows in two ways: (1) A birth rate that outpaces the death rate; (2) New individuals and households moving into the Greater Lafayette READI Region.

Regional Demand

The Greater Lafayette READI Region will grow. But how and by how much will be very important for resident quality of life and economic development prospects. The forecasted regional housing needs in this section stem from a demand model that builds on population forecasts, housing trends, and community conversations to forecast the housing needs - by both price point and type.

A GUIDE TO FORECASTING HOUSING NEEDS

Statewide databases provide a wealth of easily accessible information. One of these data points are population projections for each county through 2040. However, it is clear from the conversations during this study process that a traditional population projection that translates population growth based on historical trends to housing unit demand should not apply to many parts of the Greater Lafayette READI Region. Past trends are not acceptable to illustrate housing needs in a future with already lagging housing production and impending regional employment expansion.

The population in several counties has declined over the past several decades. This translates to population decline in all counties except Tippecanoe under the Statewide projection model, which would indicate little to no need for new housing units. However, listening sessions and community surveys show the opposite is true. Community engagement suggests a need for housing variety and supply. Local data and insights also indicate strong current job opportunities and projected regional job growth.

For these reasons, population growth and housing needs for the Greater Lafayette READI Region hinge on new regional and local employees who need to live here. Population stabilization and growth through strategic housing and community actions are feasible for counties around Tippecanoe County and is already happening in some counties.

As indicated throughout the study, a forecast does not tell the whole story. In addition to adequate housing options, investments in adequate community amenities need to be made to retain workers in the region. Otherwise, they may choose to live elsewhere.

REGION-WIDE HOUSING DEMAND

The previous section helps demonstrate housing demand for the Greater Lafayette READI Region through various data points, trends, and local insights. Factors included to forecast housing demand in this section include:

- **Regional employment growth.** A portion of new jobs in the coming years can and will be filled by people who live in the Greater Lafayette READI Region.
- **Job openings from retirements.** A portion of residents will retire in the coming years. Jobs that new retirees previously occupied will open for new employees, but a housing unit will not.
- **Natural population changes.** The aging population does have implications for future population growth in most counties, which will decline over time without an in-migration of residents or significant change in birth rates.
- **Replacement need.** A portion of homes will require demolition in the coming years because of disrepair. Other houses will be lost from accidents such as fires or neglect across each region.
- **Average people per household.** Is expected to slightly decline across the Greater Lafayette READI Region over the next decade with changes in the dynamics of families and aging populations. Some growth may occur as Millennials move into their childbearing years, but Baby Boomer households will also continue to shrink.
- **Changes in vacancy rates.** A manageable housing vacancy rate between 5%-6% provides housing choices for residents moving to the community. The vacancy rate (excluding seasonal and unit vacant for other reasons) needs to increase across all counties - which translates to needing more housing supply.

The numbers shown for the housing program should be taken as a conservative level of magnitude. Housing production naturally varies year-to-year. It is not the intent of these tables to prescribe the exact number of units to support annually.

Figure 2.1: Housing Demand Forecast, 2023-2030

COUNTY	'15-'22 CUMULATIVE UNIT PERMITS	'15-'22 AVERAGE ANNUAL UNITS	2030 POPULATION FORECAST	'23-'30 CUMULATIVE HOUSING DEMAND	'23-'30 AVERAGE ANNUAL UNIT DEMAND
Benton	69	9	8,939	140-150	18-19
Carroll	403	50	21,611	700-750	88-94
Fountain	361	45	17,107	525-575	66-72
Tippecanoe	8,788	1,099	211,262*	11,000-11,250	1,375-1,410
Warren	169	21	8,762	280-320	35-40
White	308	44	25,951	640-690	80-86
Total	10,098	1,268	293,633	13,285-13,735	1,660-1,717

Source: RDG Planning & Design; *The projection for Tippecanoe County holds the student population steady and does not factor all of the student population into housing demand. Many students have housing provided and only stay for the time they attend school. Also, the University has tentative plans to add more beds should enrollment increase.

The housing demand ranges in Figure 2.1 includes new construction or reuse of existing structures for residential uses. New units also become available through bringing vacant units not for sale or rent back online through repair programs.

HOUSING PROGRAM

The distribution of future housing development should seek to offer several price points and types of housing within the market in a variety of locations. These allocation forecasts consider the following essential assumptions:

- Owner-occupied units will be distributed roughly in proportion to the income distributions of the households for whom owner occupancy is an appropriate strategy.
- Most low-income residents will be accommodated in rental units. It is challenging for low-income residents to save for the down payment and maintain the savings necessary for maintenance of a home (e.g. replacement of a roof or furnace). Rental units can be many types of housing including apartments, townhomes, duplexes, and single-family homes and should be spread throughout the Greater Lafayette READI Region.
- The model illustrated in Figure 2.2 targets an average split of 60% owner- and 40% renter-occupied units. This accounts for commercial corridors and downtowns that may begin to add density with redevelopment projects, student population needs, new workforce, and the continued need for rental options in new development areas.
    - › The availability of units priced below $250,000 (in 2021 dollars) will happen through freeing up the existing housing stock through move-up housing or products that do not fit the traditional detached single-family homes.
    - › The lowest rent units below $500 will have to be generated through subsidy programs like low-income housing tax credits.

Price point and housing type together illustrate the demand model. However, distribution ratios will likely not, and should not, be equally applied in every county and city. Each county contributes to different housing program goals for the Greater Lafayette READI Region.

Figure 2.2: Region wide Housing Development Program

	BY END OF 2025	2026-2030	THROUGH 2030
Total Need	**4,760 - 5,260**	**8,030 - 8,870**	**12,790 - 14,130**
Total Owner Occupied	**2,780 - 3,070**	**4,670 - 5,160**	**7,450 - 8,230**
Low: <$225,000	1,480 - 1,640	2,490 - 2,750	3,970 - 4,390
Low Market: $225-$275,000	450 - 500	760 - 840	1,210 - 1,330
Moderate Market: $275-$400,000	520 - 580	880 - 970	1,400 - 1,540
Market: Over $400,000	330 - 360	550 - 600	870 - 970
Total Renter Occupied	**1,980 - 2,190**	**3,360 - 3,720**	**5,340 - 5,900**
Low: Less than $500	570 - 630	960 - 1,070	1,540 - 1,700
Affordable: $500-$1,000	610 - 670	1,040 - 1,150	1,640 - 1,820
Market: $1,000-$1,500	470 - 520	800 - 880	1,270 - 1,400
High Market: $1,500+	330 - 360	560 - 620	890 - 980

Source: RDG Planning & Design

Note that in 2023, the price ranges likely need to be slightly higher because of inflation and on-going high construction cost rates. For example, the <$225,000 category may be close to approaching <$250,000.

In addition, increases in mortgage rates in 2023 can add several hundreds of dollars to monthly ownership costs, which will drive households to rent longer or choose renting over owning when first moving to the Region. These types of households can likely afford higher rents when the ownership market is that much more out of reach.

Price Point Distribution

The desirable housing price point mix helps provide options for households with many different abilities and wage levels to live in the Greater Lafayette READI Region if they choose. For the lowest income households, moving may not be a choice.

Reaching these price point distributions will not happen naturally. Reasons include:

- Increasing development costs lead to increases in price, making lower priced unit less feasible for a private developer alone.
- The lowest price point unit simply cannot be produced without funding partnerships.

However, some mid- to lower priced unit needs can be met through older existing units as people move-up to newer units that better align with their income level. The strategies in the next chapter help identify approaches like this to encourage, require, or fund different housing price points.

Housing Type Distribution

A wide mix of housing types correlates with price points. For example, a smaller footprint home or dense arrangement can cost less (although not always). Excluding areas around the University and Lafayette, most of the Greater Lafayette READI Region's housing production to date has been in conventional single-family detached homes and multi-family development in new construction.

Figure 2.3 distributes the housing program by price point over different housing types, assuming that single-family detached homes will continue to dominate higher-end markets. However, other solutions like attached units will be needed to deliver more attainable products for a wider range of financial and physical abilities and preferences.

Figure 2.3: A Regional Target for New Construction Housing Distribution by Price Point

	CONVENTIONAL 1-FAMILY	SMALL LOT 1-FAMILY, 1-FAMILY ATTACHED, DUPLEX	DUPLEX, LOW-DENSITY TOWNHOMES & ROWHOUSES	TOWNHOMES AND MULTIFAMILY/ STUDIOS
Typical Density (units/acre)	**<4**	**4-12**	**8-16**	**>16**
Ownership				
Low: <$225,000	0%	40%	40%	20%
Low Market: $225-$275,000	20%	40%	30%	10%
Moderate Market: $275-$400,000	60%	15%	15%	10%
Market: Over $400,000	70%	10%	10%	10%
Rental				
Low: Less than $500	0%	20%	30%	50%
Affordable: $500-$1,000	0%	20%	30%	50%
Market: $1,000-$1,500	0%	30%	35%	35%
High Market: $1,500+	0%	35%	35%	30%

Source: RDG Planning & Design; Cells with 0% indicate that a housing type is not feasible and/or desirable at that price point. For example, it would be very difficult in the 2023 market to construct and sell a conventional 1-Family home for under $225,000

Greater LAFAYETTE REGION

COUNTY OVERVIEW
COUNTY DATA PROFILE
COUNTY ASSETS AND CHALLENGES
COUNTY HOUSING DIRECTIONS

County Profiles

This study reinforces how each county in the Greater Lafayette READI Region is extremely unique. Therefore, the housing conditions, demand, and possible approaches may vary county-by-county in some aspects. The following pages feature each county and their unique aspects for tailored housing strategies.

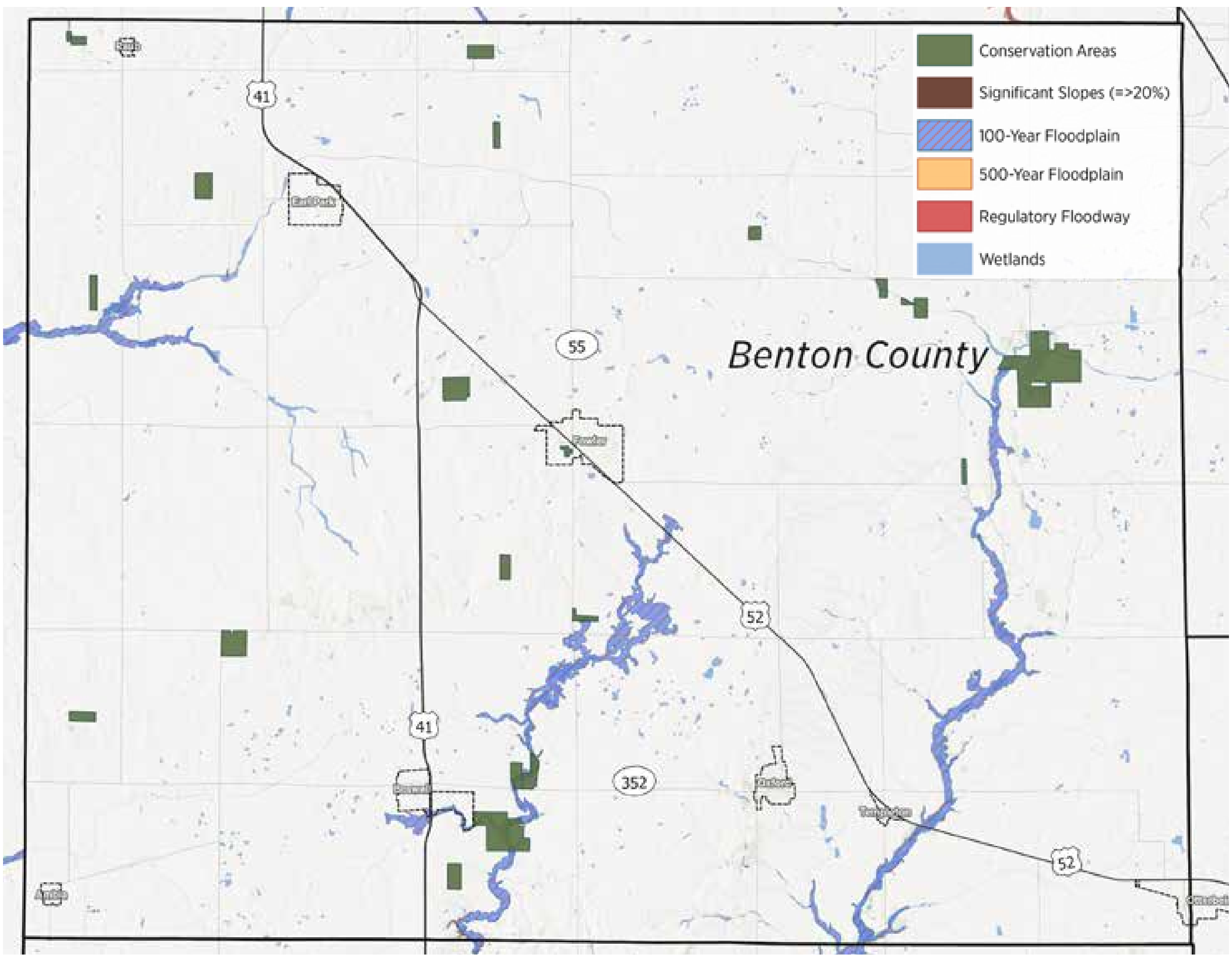
Benton County

COUNTY OVERVIEW

Benton County is rich in agricultural resources. Its economy is quite different than neighboring Tippecanoe County, although some find value in living in Benton County and commuting to Tippecanoe County for work.

Overall, the existing housing stock is generally in good condition considering it is the oldest housing stock in the Greater Lafayette READI Region (over half built before 1960). There is evident pride in community schools and downtowns. Despite customized, individual home construction, there is limited interest for new housing development overall.

"I would love to stay in Otterbein or Benton county because I prefer the smaller town setting and feeling of community" - survey respondent



POPULATION PROFILE

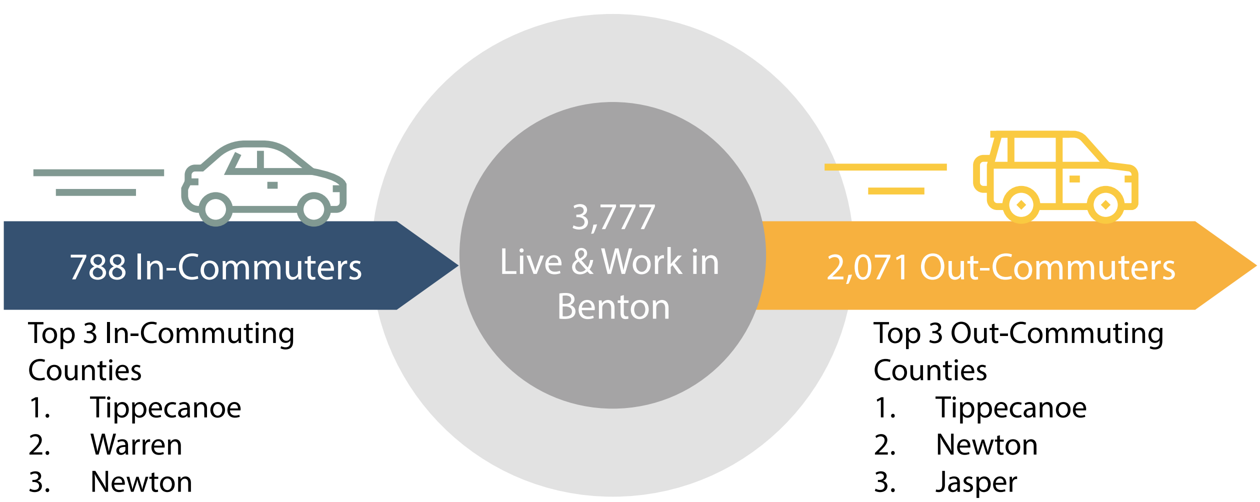
- Benton County's population is aging and slightly declining. For those not working in the agricultural industry, most people in the workforce travel to other counties for work - generally to the east and north.
- Under a scenario of natural births and deaths from 2010 to 2020, the county would have seen a 0.7% higher population than reported by the Census. This means people were also moving out the county since 2010.
- The future population in Benton County is expected to decline according to the Indiana Business Research Center. However, conversations with local stakeholders and regional employment growth indicate current and future demand for housing production with the ability to capture a stable population in the coming years.

Figure 3.1: A Population Profile of Benton County

	BENTON COUNTY	AVERAGE GROWTH RATE SINCE 2010	TOTAL REGION	AVERAGE GROWTH RATE SINCE 2010
2020 Population *	8,719	-0.15%	264,883	0.5%
2020 Non-White Population	8.8%	5.3%	23.5%	4.9%
2020 Hispanic or Latino Population	7.2%	3.9%	8.7%	3.6%
2020 % Population 55+	32.2%	1.2%	25.9%	2.0%

Source: U.S. Census; *2022 Census population estimate is 8,719

Figure 3.2: Benton County Commuting Characteristics



Source: Indiana Department of Revenue

HOUSING OCCUPANCY AND STOCK

Three Key Points

1. A housing stock built around the 1950s indicates a lack of significant recent building and potentially more need for renovations to existing units.
2. The percent of vacant units is stable. Most vacant units are vacant but not available on the market for sale or rent. Only about 3.8% of units were available for sale or rent in 2020.
3. A lower percentage of households that are cost burdened than in the Greater Lafayette READI Region indicates potentially a more affordable market, that is, for those that can find housing options in the county. However, the value of housing can hinder development when new homes will not appraise at the cost to build.

Figure 3.3: A Household Profile of Benton County, 2021

	BENTON COUNTY	2010 - 2021 % POINT CHANGE	TOTAL REGION	2010-2021 % CHANGE
Median Household Income Range	$51,275 - $61,035	21	$52,617 - $68,136*	19-38%
% Owner Occupied	74.8%	0.2	62.%	-1.2%
Percent Homeowner 65+	31.6%	-0.3	28.9%	4.4%
% Cost Burdened Owners	15.2%	-9.1	16.4%	-5.2%
% Renter Occupied	25.2%	-0.2	37.9%	1.2%
% Cost Burdened Renters	48.2%	13.2	56.1%	-0.6%

Source: American Community Survey; * Lowest and highest median household income for counties in region

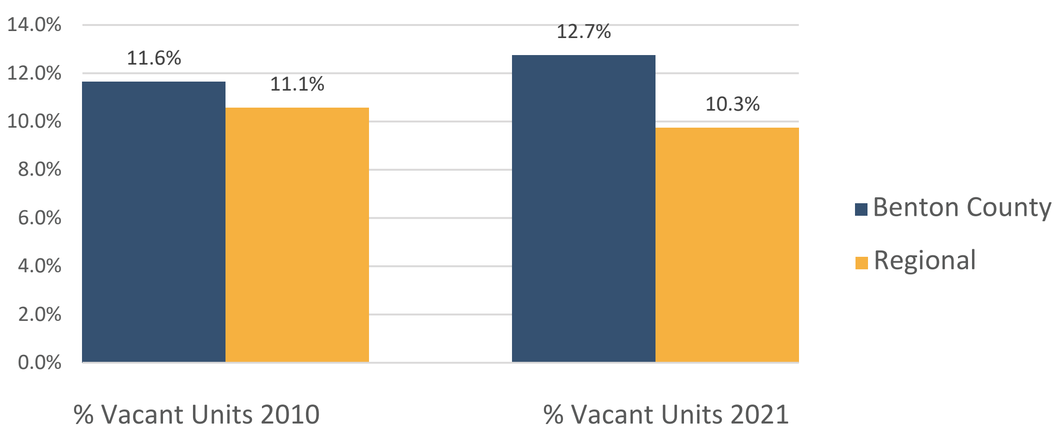


Figure 3.4: A Housing Stock Profile of Benton County, 2021

	BENTON COUNTY	TOTAL REGION
Median House Value	$107,000	$107,000 - $169,500*
Median Contract Rent	$526	$502 - $771*
Median Year Built of Housing	1951	1951-1988*

Source: American Community Survey; * Lowest and highest median for counties in region

HOUSING AFFORDABILITY

Figure 3.5 shows the number of households by income and the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of household income towards housing. The analysis shows larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

There are a number of ways to interpret this data:

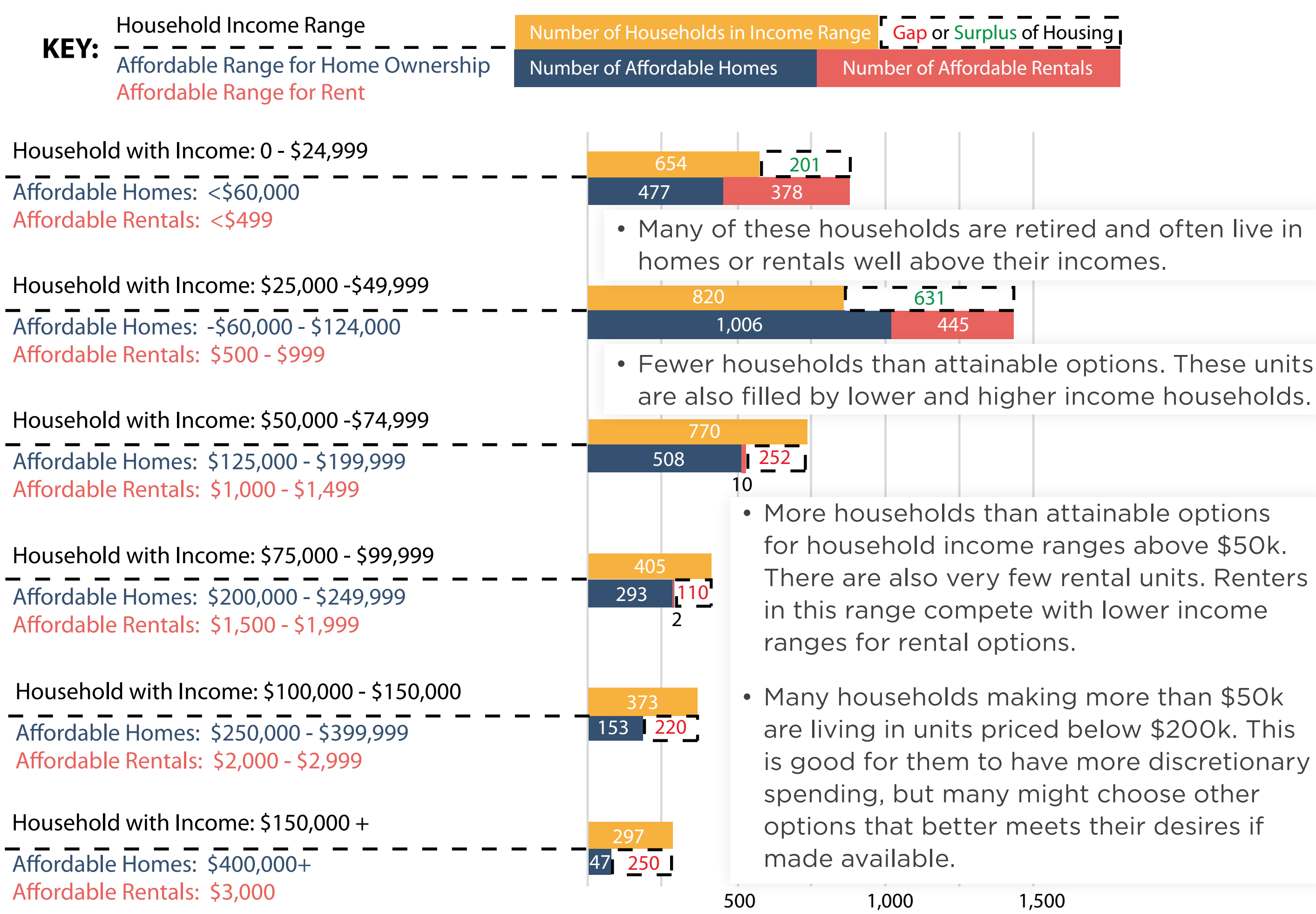
- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

An indicated "surplus" in units does not mean these units are unoccupied. The "gaps" for other income ranges means these households are living in units within other price ranges, typically lower priced.

For Benton County, many households are living in homes less expensive than their income would suggest - either by choice or necessity. There are also virtually no newer market rate rental units available in the market.

Expanding the supply of higher priced housing might encourage some households to "move up" to options that better fit their preferences. Even if some do not have the ability to move up because of other expenses such as school loans or other personal debt, greater product variety that meets evolving lifestyle needs may have an impact.

Figure 3.5: Benton County Affordability Analysis



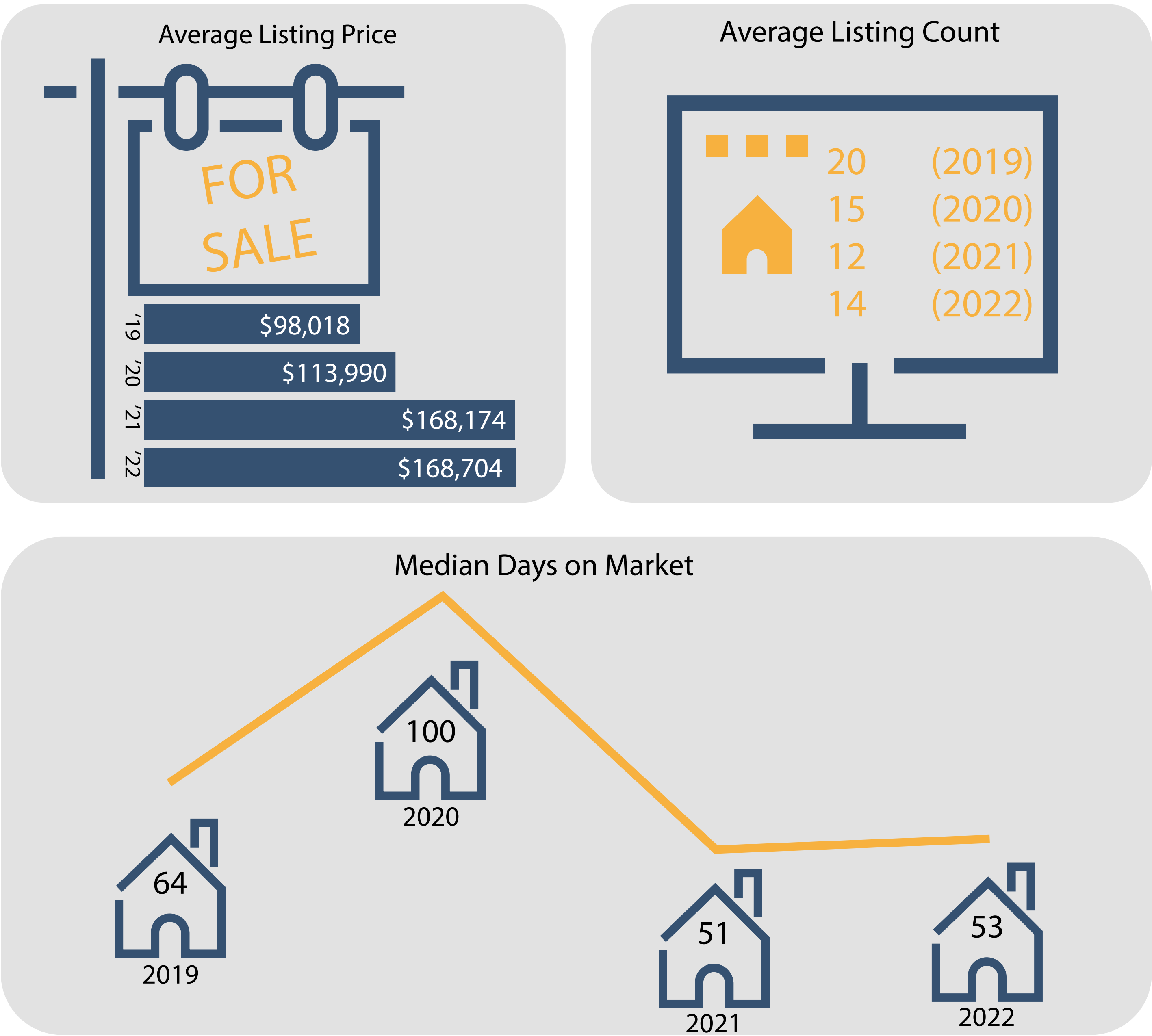
Source: American Community Survey; RDG Planning & Design

HOUSING MARKET TRENDS

How quickly homes sell in a market is a leading indicator of housing demand and supply. Figure 3.6 shows home sales data from 2019-2022. In Benton County, similar to other areas in the Greater Lafayette READI Region:

- The average sales price of homes increased annually and accelerated after the pandemic.
- Despite price increases from high demand and low supply, the average number of homes listed in any given month continued to decline.
- These two data points reinforce each other and are reflected in the median number of days homes last on the market. Homes are generally selling quickly in Benton County.

Figure 3.6: Benton County Home Sales Trends



Source: Realtor.com

Unique Assets

- **Lower priced housing than other counties.**
- **Possibility of being a "bedroom" county to West Lafayette and Lafayette - people live in the county and work elsewhere.**
- **Communities and schools for those who prefer smaller settings.**
- **Growth in local jobs such as in renewable energy.**

Unique Challenges

- **Adequate local infrastructure to prepare for housing growth.**
- **Balancing short-term housing needs with long term growth potential - rental versus ownership options.**
- **Expanding Internet access to all (in progress).**
- **Need for rehabilitation or demolition and redevelopment of some older homes.**

The Housing Program in Benton County is Driven by:

1. Regional job growth and local job openings.
2. The need to replace older housing as dilapidated units are demolished or repaired for occupancy, and existing housing possibly converted to other uses.
3. The need for newer rental housing that meets market expectations as job openings increase in the Greater Lafayette READI Region.
4. An aging population and declining household size that will seek lower maintenance options and units other than traditional single-family detached homes.

There were **69** total housing unit permits in Benton County from 2015 through 2022

Figure 3.7: Benton County Housing Demand Program

	2020	2025	2030	TOTAL
Population at End of Period	8,719	8,829	8,939	
Household Population at End of Period	8,628	8,737	8,847	
Average People per Household	2.58	2.57	2.56	
Household Demand at End of Period	3,344	3,403	3,462	
Projected Vacancy Rate	4.6%	4.7%	4.8%	
Unit Needs at End of Period	3,506	3,569	3,635	
Replacement Need (lost units)		15	25	40
Cumulative Need During Period		54	91	145
Average Annual Construction		18	18	18

Potential Community Distribution*	145
Fowler	30-40%
Oxford	10-15%
All other communities and unincorporated areas	55-60%

* The potential distribution by community considers the current population, pending/planned projects, infrastructure, community amenities, and capacity to support housing programs in future years.
Source: RDG Planning & Design

"Would like small easy to care for single story home with little yard, on a trail with amenities. Or something with a mother in law suite for parents to live with me." - survey respondent

Housing Program Highlights

1. A split of renter and owner units that ranges across price points. Renters need immediate places to stay and owners will look to invest in the community long-term.
2. More single-family unit variation than only acreage development - Matching solutions, incentives with housing types that match people's financial abilities.
3. Most development in cities/towns but some of the program still gets achieved in county areas.

Strategies to reach program goals must be tailored to rural needs (next chapter).

Figure 3.8: Benton County Demand By Occupancy Type and Price Point

	BY END OF 2025		2026-2030		2023-2030	
Total Owner Occupied						
Low: <$225,000	19	32	33	55	52	87
Low Market: $225-$275,000	5		8		13	
Moderate Market: $275-$400,000	5		8		12	
High Market: Over $400,000	4		6		10	
Total Renter Occupied						
Low: Less than $500	5	22	9	37	14	58
Affordable: $500-$1,000	7		11		18	
Market: $1,000-$1,500	6		11		17	
High Market: $1,500+	3		6		9	
Total Need		54		91		145

Source: RDG Planning & Design

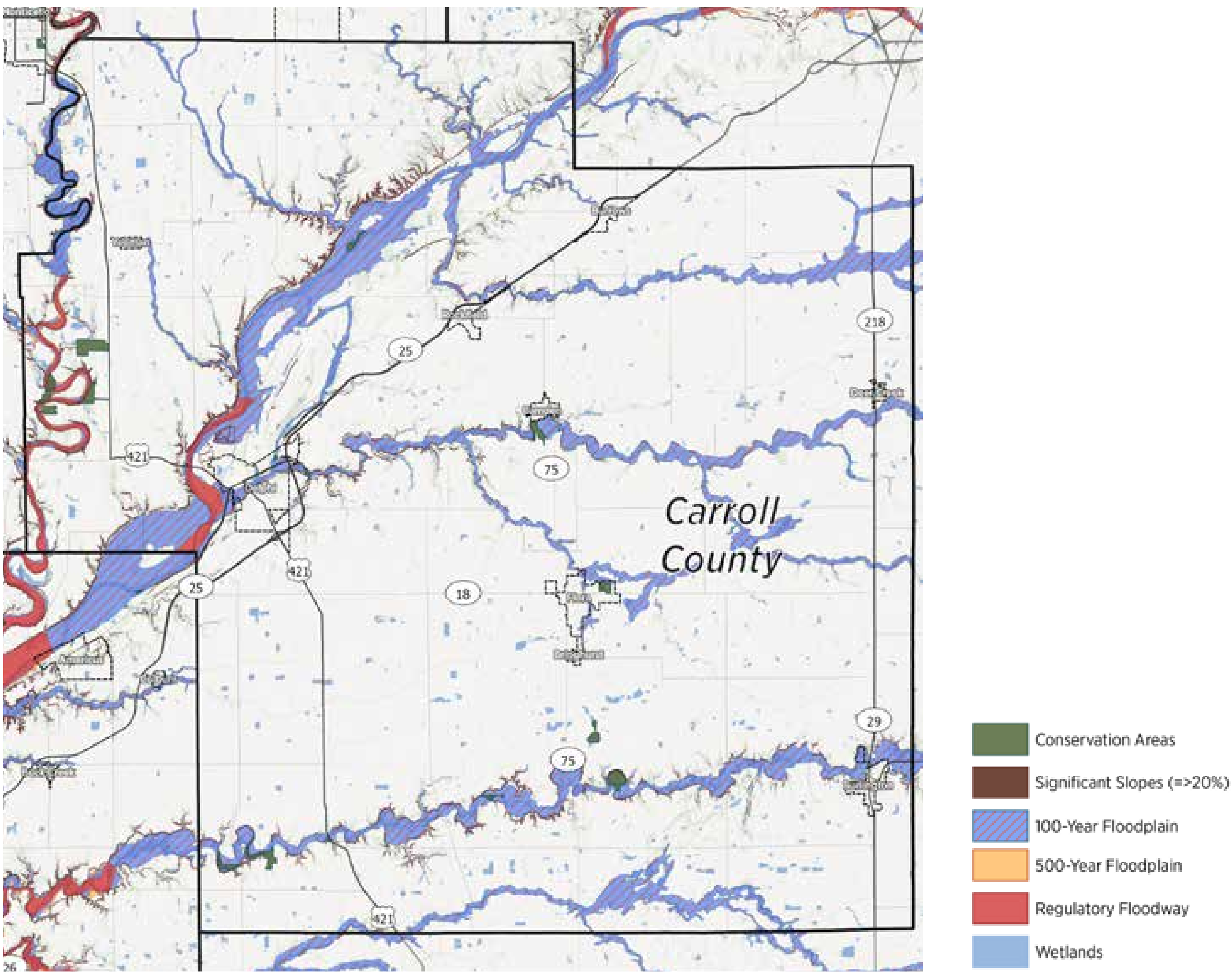
Carroll County

COUNTY OVERVIEW

Located in the northeast part of the Greater Lafayette READI Region, Carroll County is home to several local employment opportunities across different sectors. However, Carroll County also has a large number of commuters going to Tippecanoe County for work. Many of the recreational amenities in the region are easily accessible for residents living in this county.

These factors set the county up for future growth. Many opportunities for significant housing development are already being planned such as through the designated Opportunity Zone in Delphi.

"I love living in Delphi, my main limitation as a graduate student about to finish my degree is the job opportunities. I am very grateful we will be getting fiber optic soon, to help with internet access and hope to stay in the area if I can get a remote job for at least a few years."
- survey respondent



POPULATION PROFILE

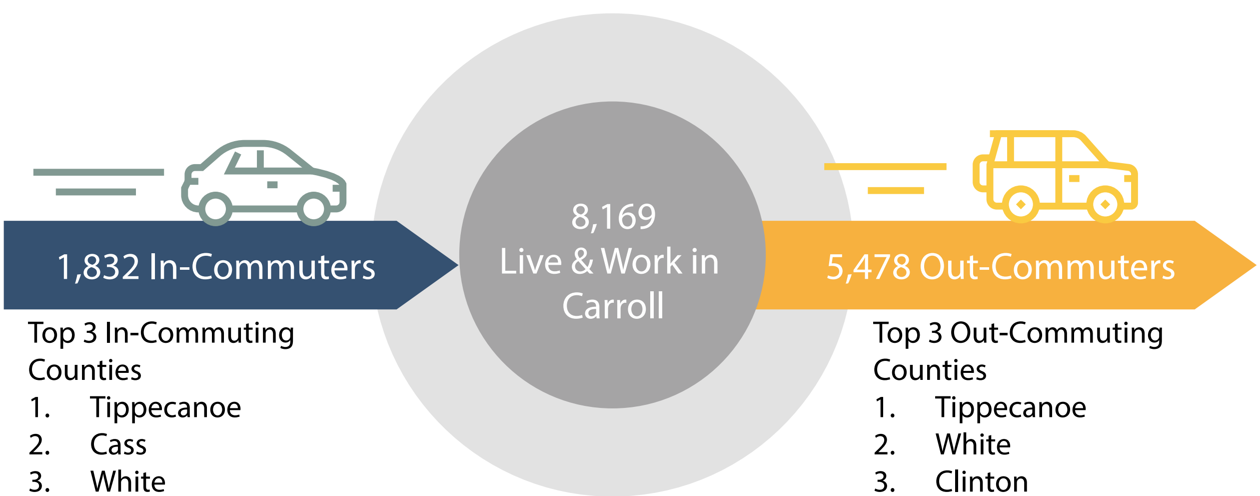
- Carroll County's population is aging but remained stable for the past 20 years. A good portion of employed residents live and work in the county.
- Under a scenario of natural births and deaths from 2010 to 2020, the county would have seen a 1.7% lower population than reported by the Census. This means people were also moving into the county since 2010, offsetting population losses related to natural causes.
- The future population in Carroll County is expected to decline according to the Indiana Business Research Center. However, conversations with local stakeholders and regional employment growth indicates the opposite if adequate housing options and variety is provided.

Figure 3.9: A Population Profile of Carroll County

	CARROLL COUNTY	AVERAGE GROWTH RATE SINCE 2010	TOTAL REGION	AVERAGE GROWTH RATE SINCE 2010
2020 Population *	20,306	0.07%	264,883	0.5%
2020 Non-White Population	6.5%	5.0%	23.5%	4.9%
2020 Hispanic or Latino Population	4.1%	1.5%	8.7%	3.6%
2020 % Population 55+	34.4%	1.7%	25.9%	2.0%

Source: U.S. Census; *2022 Census population estimate is 20,555

Figure 3.10: Carroll County Commuting Characteristics



Source: Indiana Department of Revenue

HOUSING OCCUPANCY AND STOCK

Three Key Points

1. The percent of cost burdened owners and renters is falling. The trend is likely primarily attributed to migration of higher income households into the county.
2. A high rate of owner occupied housing reinforces comments expressed about the need for more housing variety and attainable options for renters.
3. While the vacancy rate appears high, a large portion of these units are classified for seasonal use and other reasons. The 2020 rate of vacant units for sale or rent was only about 2.6%.

"Would like small easy to care for single story home with little yard, on a trail with amenities. Or something with a mother in law suite for parents to live with me." - survey respondent

Figure 3.11: A Household Profile of Carroll County, 2021

	CARROLL COUNTY	2010 - 2021 % POINT CHANGE	TOTAL REGION	2010-2021 % CHANGE
Median Household Income Range	$52,823 - $61,035	19	$52,617 - $68,136*	19-38%
% Owner Occupied	80.4%	0.8	62.%	-1.2%
Percent Homeowner 65+	33.9%	5.4	28.9%	4.4%
% Cost Burdened Owners	19.0%	-3.8	16.4%	-5.2%
% Renter Occupied	19.6%	-0.8	37.9%	1.2%
% Cost Burdened Renters	25.6%	-7.8	56.1%	-0.6%

Source: American Community Survey; * Lowest and highest median household income for counties in region

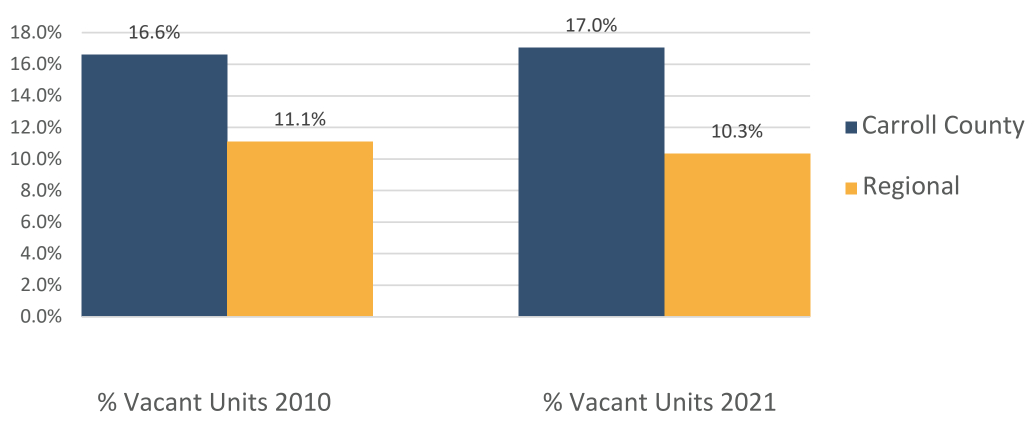


Figure 3.12: A Housing Stock Profile of Carroll County, 2021

	CARROLL COUNTY	TOTAL REGION
Median House Value	$138,300	$107,000 - $169,500*
Median Contract Rent	$592	$502 - $771*
Median Year Built of Housing	1965	1951-1988*

Source: American Community Survey; * Lowest and highest median for counties in region

HOUSING AFFORDABILITY

Figure 3.13 shows the number of households by income and the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of household income towards housing. The analysis shows larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

There are a number of ways to interpret this data:

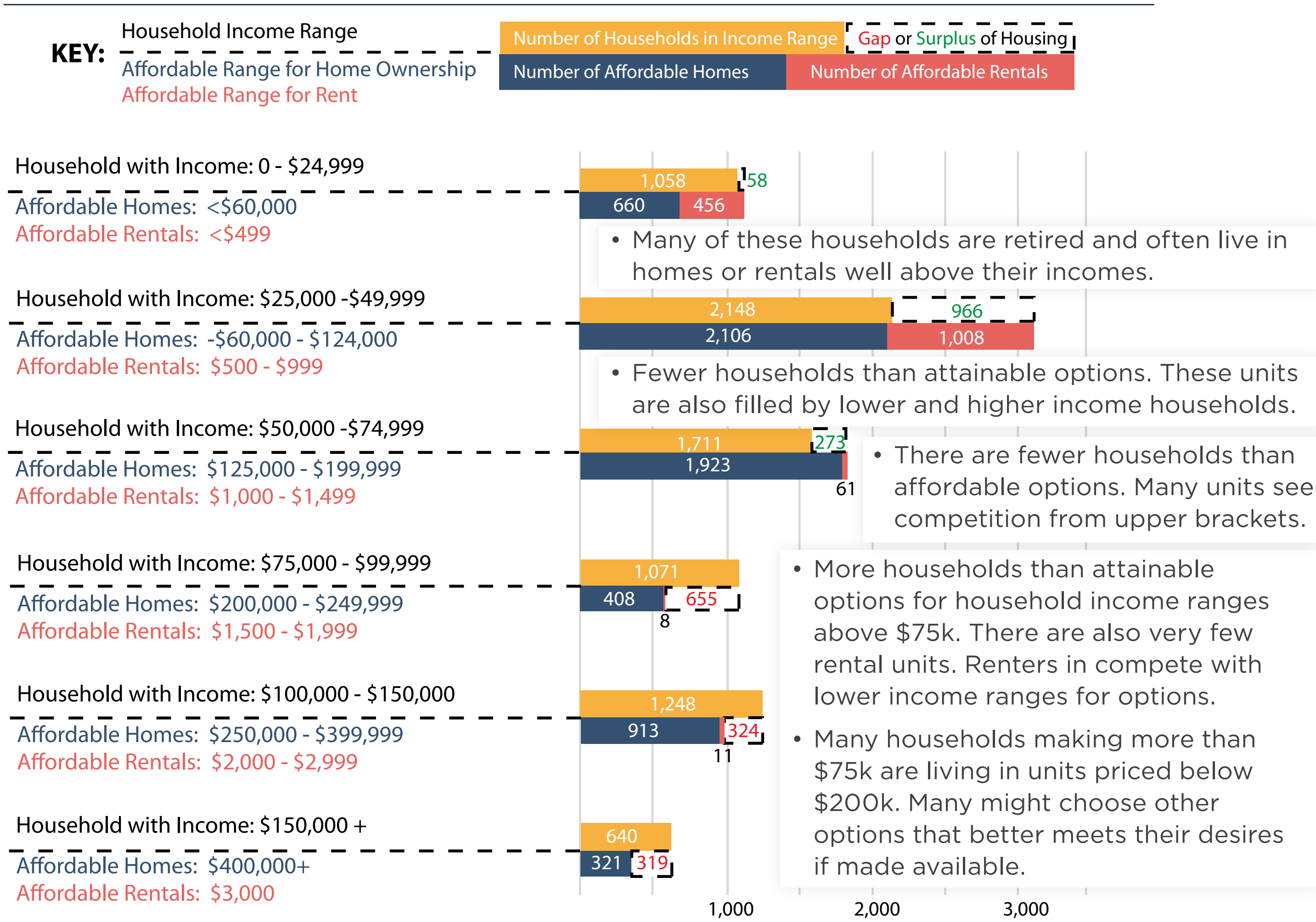
- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

An indicated "surplus" in units does not mean these units are unoccupied. The "gaps" for other income ranges means these households are living in units within other price ranges, typically lower priced.

For Carroll County, many households are living in homes less expensive than their income would suggest. There are also few market rate rental units available.

Expanding the supply of higher priced housing might encourage some of these households to "move up." Even if some may not have the ability to move up due to other expenses such as school loans or other personal debt, greater product variety that meets evolving lifestyle needs may have an impact.

Figure 3.13: Carroll County Affordability Analysis



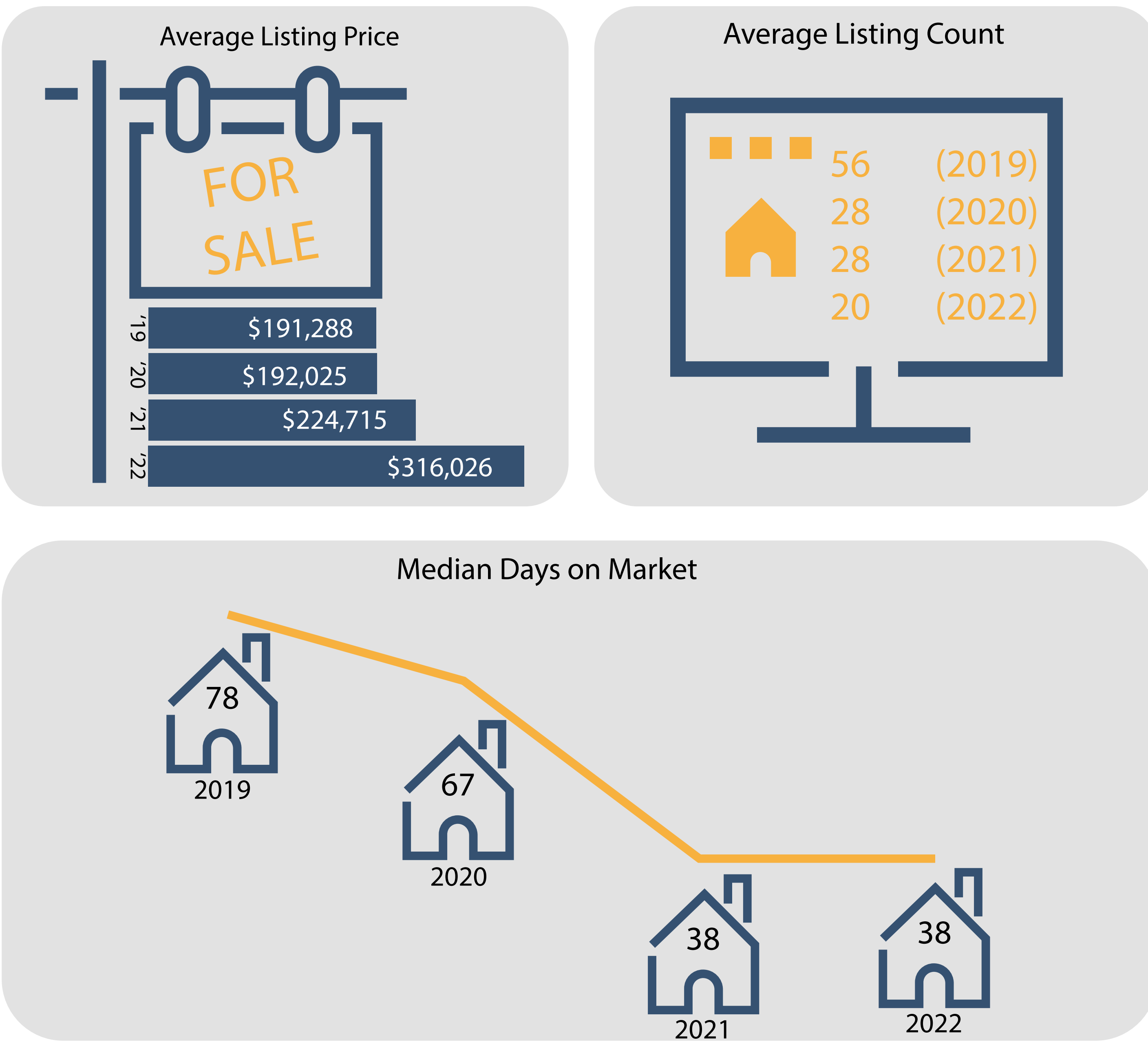
Source: American Community Survey; RDG Planning & Design

HOUSING MARKET TRENDS

How quickly homes sell in a market is a leading indicator of housing demand and supply. Figure 3.14 shows home sales data from 2019-2022. In Carroll County, similar to other areas in the Greater Lafayette READI Region:

- The average sales price of homes increased annually and accelerated after the pandemic.
- However, despite price increases from high demand and low supply, the average number of homes listed in any given month declined.
- These two data points reinforce each other and are reflected in the median number of days homes last on the market. Quality homes are selling almost immediately in Carroll County.

Figure 3.14: Carroll County Home Sales Trends



Source: Realtor.com

Unique Assets

- Active building is comparable to the metro on a per capita basis.
- Proactive planning to attract new housing, using strategies such as residential TIF, Opportunity Zones, Tax Credits, and more.
- Significant mixed-use development and building reuse planned in Delphi.
- Recent new Unified Development Ordinance to create clear expectations.

Unique Challenges

- Expanding Internet access to all (in progress).
- Limited infrastructure capacity (addressing solutions in Flora).
- Cross government department collaboration on housing development.
- Little housing variety - more places for people needing or wanting to rent.

The Housing Program in Carroll County is Driven by:

1. Proximity to regional employment centers and recreational assets.
2. Proven demand for development and active market interest in housing production. A future production level that increases the vacancy rate across the county to provide more options and stimulate movement in the market.
3. Infrastructure investments that open up additional lots and development opportunities.
4. A slightly declining household size that reflects aging populations that will also desire a variety of lower maintenance, smaller footprint housing products.

There were **403** total housing unit permits in Carroll County from 2015 through 2022

Figure 3.15: Carroll County Housing Demand Program

	2020	2025	2030	TOTAL
Population at End of Period	20,306	20,819	21,611	
Household Population at End of Period	20,199	20,709	21,498	
Average People per Household	2.56	2.56	2.55	
Household Demand at End of Period	7,890	8,105	8,430	
Projected Vacancy Rate	3.5%	4.3%	5.5%	
Unit Needs at End of Period	8,176	8,465	8,921	
Replacement Need (lost units)		24	40	64
Cumulative Need During Period		224	496	720
Average Annual Construction		75	99	90

Potential Community Distribution*	720
Delphi	30-40%
Flora	20-25%
All other communities and unincorporated areas	35-50%

* The potential distribution by community considers the current population, pending/planned projects, infrastructure, community amenities, and capacity to support housing programs in future years.
Source: RDG Planning & Design

"Nice condos would be sought after too. I fall in the baby boomer group. Would consider downsizing to a nice condo possibly so I would have help with the maintenance upkeep I currently have on my own home." - survey respondent

Housing Program Highlights

1. A split of renter and owner units that ranges across price points. Renters need immediate quality places to stay and owners look to invest in the community long-term.
2. Variety of housing types across price ranges. For example, senior oriented housing as identified in local comprehensive plans.
3. Most development in cities/towns but some of the program still gets achieved in county areas.

Strategies to reach program goals must be tailored to rural needs (next chapter).

Figure 3.16: Carroll County Demand By Occupancy Type and Price Point

	BY END OF 2025		2026-2030		2023-2030	
Total Owner Occupied						
Low: <$225,000	63	112	140	248	204	360
Low Market: $225-$275,000	18		39		57	
Moderate Market: $275-$400,000	20		45		66	
High Market: Over $400,000	10		23		34	
Total Renter Occupied						
Low: Less than $500	20	112	44	248	64	360
Affordable: $500-$1,000	40		89		129	
Market: $1,000-$1,500	32		71		103	
High Market: $1,500+	20		44		64	
Total Need		224		496		720

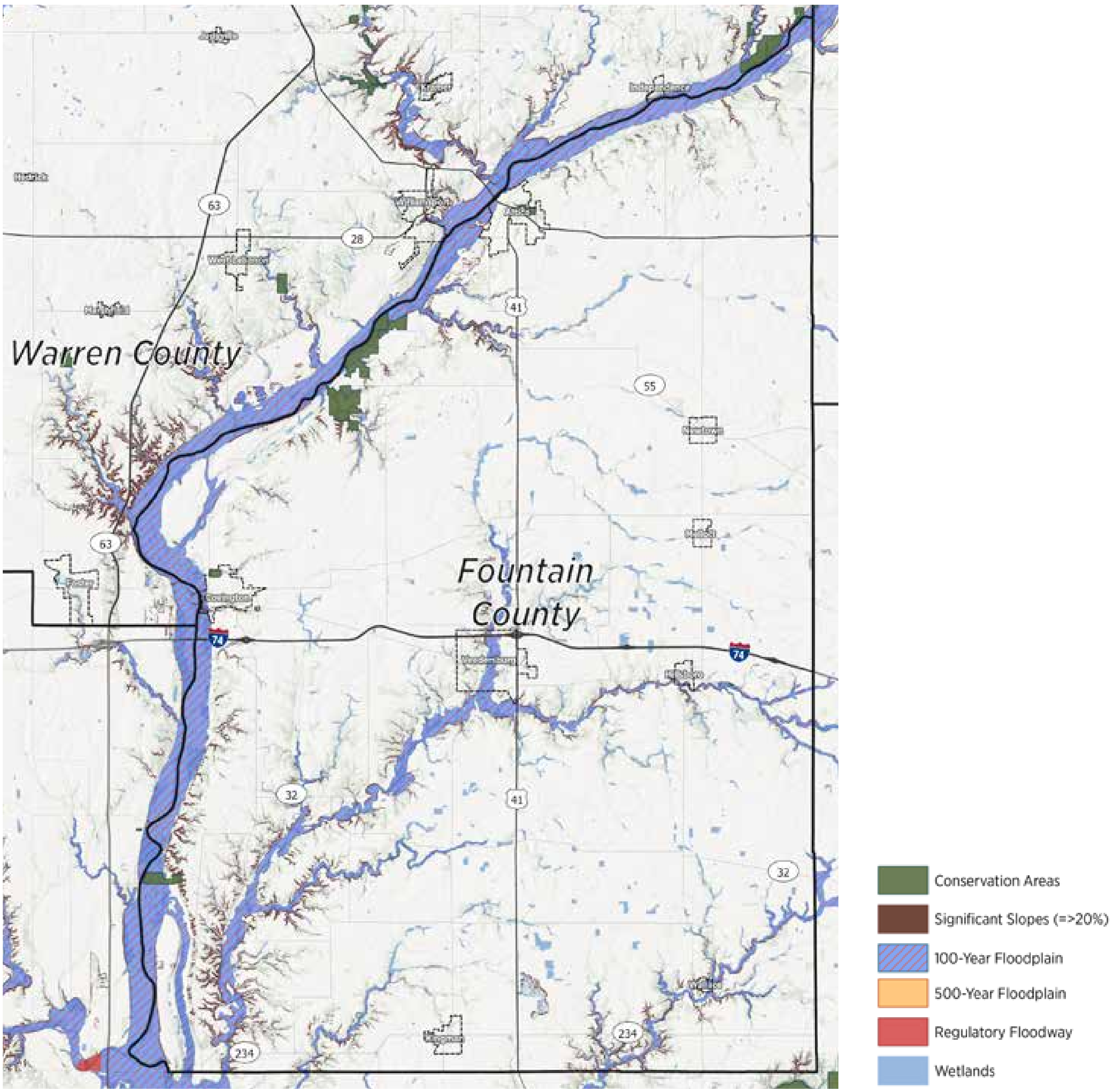
Source: RDG Planning & Design

Fountain County

COUNTY OVERVIEW

Fountain County borders the Wabash River with rich natural resources and amenities. Its three largest towns, Attica, Covington, and Veedersburg, have easy transportation to West Lafayette and Lafayette. Several local manufacturing companies also provide job opportunities in the county.

The housing stock is generally in good condition with only targeted areas in need of repair, despite the median age of housing in the county approaching 60 years old. There is active development interest for new housing projects in the county.



POPULATION PROFILE

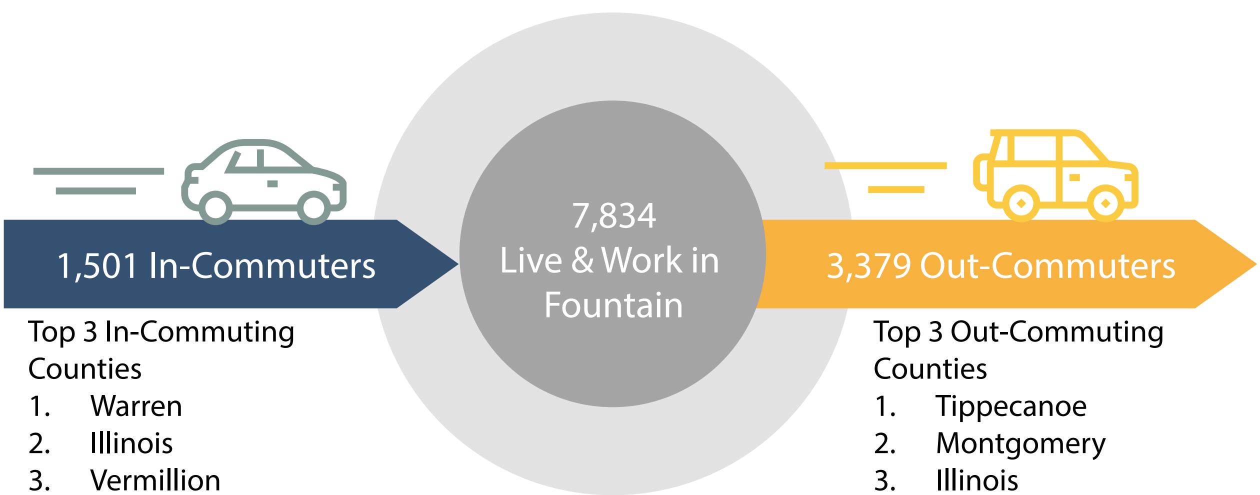
- Fountain County's population is aging and declining. For those not working at local businesses such as manufacturing, most employed people travel to other counties for their job - generally to the east and west to Danville, IL.
- Under a scenario of natural births and deaths from 2010 to 2020, the county would have seen a 3.0% higher population than reported by the Census. This means people were also moving out of the county since 2010.
- The future population in Fountain County is expected to decline according to the Indiana Business Research Center. However, conversations with local stakeholders, regional employment growth, and actively planned housing projects show demand for living in the county and the ability to capture a stable population in the coming years.

Figure 3.17: A Population Profile of Fountain County

	FOUNTAIN COUNTY	AVERAGE GROWTH RATE SINCE 2010	TOTAL REGION	AVERAGE GROWTH RATE SINCE 2010
2020 Population *	16,479	-0.45%	264,883	0.5%
2020 Non-White Population	6.2%	-5.8%	23.5%	4.9%
2020 Hispanic or Latino Population	2.5%	1.0%	8.7%	3.6%
2020 % Population 55+	36%	1.3%	25.9%	2.0%

Source: U.S. Census; *2022 Census population estimate is 15,259

Figure 3.18: Fountain County Commuting Characteristics



Source: Indiana Department of Revenue

HOUSING OCCUPANCY AND STOCK

Three Key Points

1. The percent of cost burdened owners and renters is lower overall than other parts of the Greater Lafayette READI Region. This does not indicate the quality of housing where lower income households reside.
2. A relatively high reported vacancy rate like the Greater Lafayette READI Region is not indicative of units that are actually available. Only about 3.3% of vacant units were for sale or rent in 2020. Most were for seasonal use and other reasons that keep these units off the market.
3. The lower value of homes can make attracting new development more difficult because of a lack of comparable products. There are developments in the planning stages in Covington and Attica that will help show possibilities.

Figure 3.19: A Household Profile of Fountain County, 2021

	FOUNTAIN COUNTY	2010 - 2021 % POINT CHANGE	TOTAL REGION	2010-2021 % CHANGE
Median Household Income Range	$51,369 - $57,581	25	$52,617 - $68,136*	19-38%
% Owner Occupied	74.7%	-1.8	62.%	-1.2%
Percent Homeowner 65+	31.2%	1.6	28.9%	4.4%
% Cost Burdened Owners	21.5%	-3.4	16.4%	-5.2%
% Renter Occupied	25.3%	1.8	37.9%	1.2%
% Cost Burdened Renters	39.3%	-7.9	56.1%	-0.6%

Source: American Community Survey; * Lowest and highest median household income for counties in region

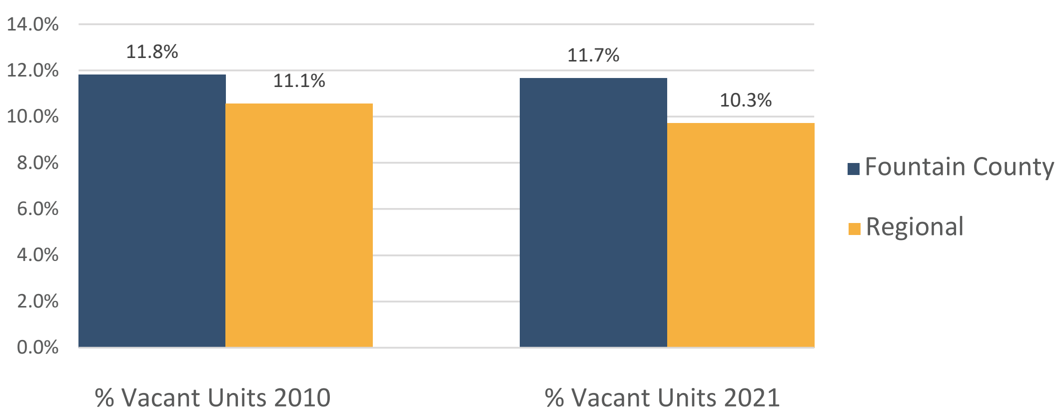


Figure 3.20: A Housing Stock Profile of Fountain County, 2021

	FOUNTAIN COUNTY	TOTAL REGION
Median House Value	$111,400	$107,000 - $169,500*
Median Contract Rent	$502	$502 - $771*
Median Year Built of Housing	1964	1951-1988*

Source: American Community Survey; * Lowest and highest median for counties in region

"Our rural towns need more $150,000 homes and apartment complexes to grow, not $250-$300,000 homes so hopefully this helps people understand that. Young families with school age children cannot afford the high priced lots and homes, only retired people moving from other states or established families in their 50's." - survey respondent

HOUSING AFFORDABILITY

Figure 3.21 shows the number of households by income and the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of household income towards housing. The analysis shows larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

There are a number of ways to interpret this data:

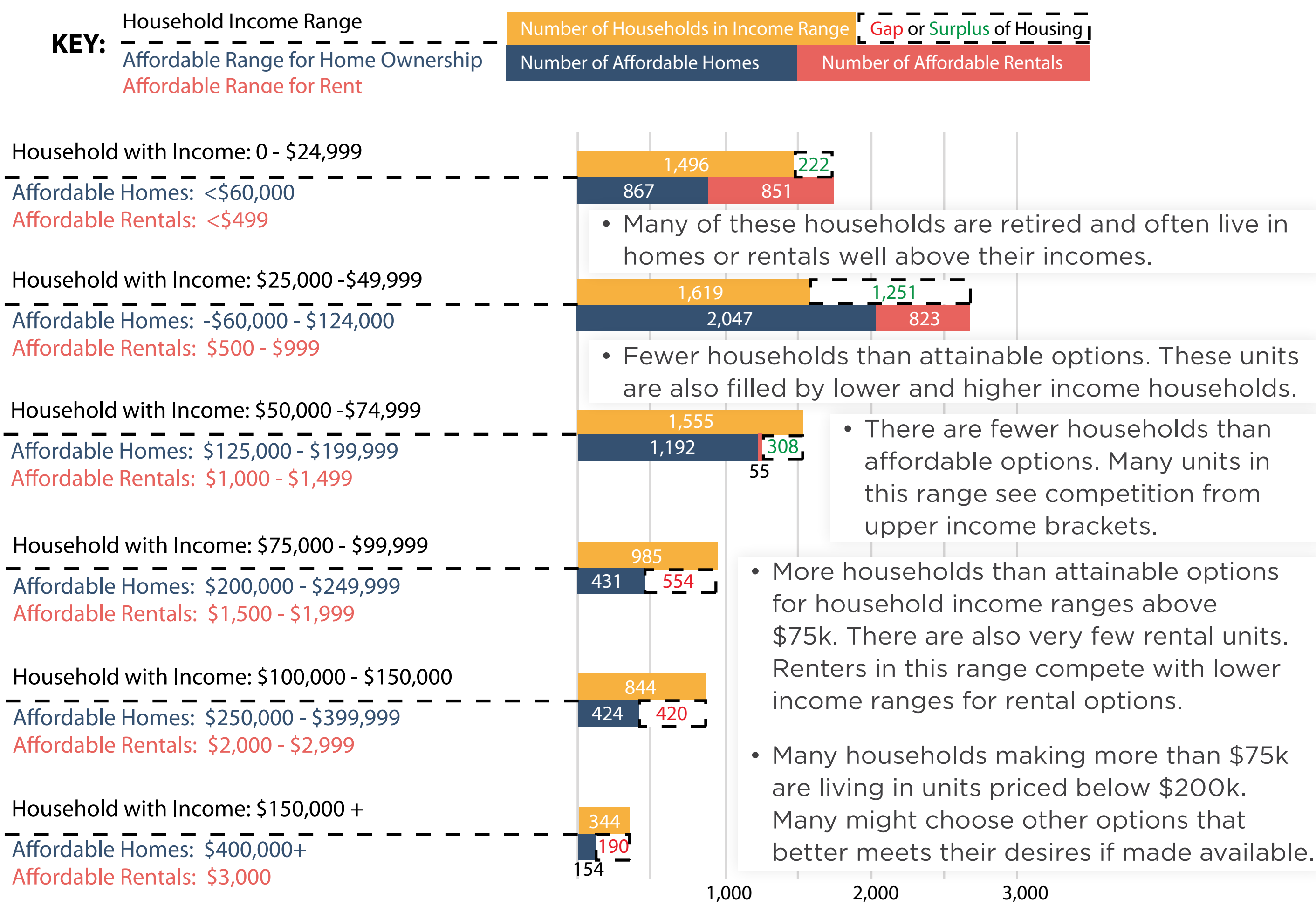
- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

An indicated "surplus" in units does not mean these units are unoccupied. The "gaps" for other income ranges means these households are living in units under other price ranges, typically lower priced.

For Fountain County, many households are living in homes less expensive than their income would suggest. There are also few market rate rental units available.

Expanding the supply of higher priced housing might encourage some of these households to "move up." Even if some may not have the ability to move up due to other expenses such as school loans or other personal debt, greater product variety that meets evolving lifestyle needs may have an impact.

Figure 3.21: Fountain County Affordability Analysis



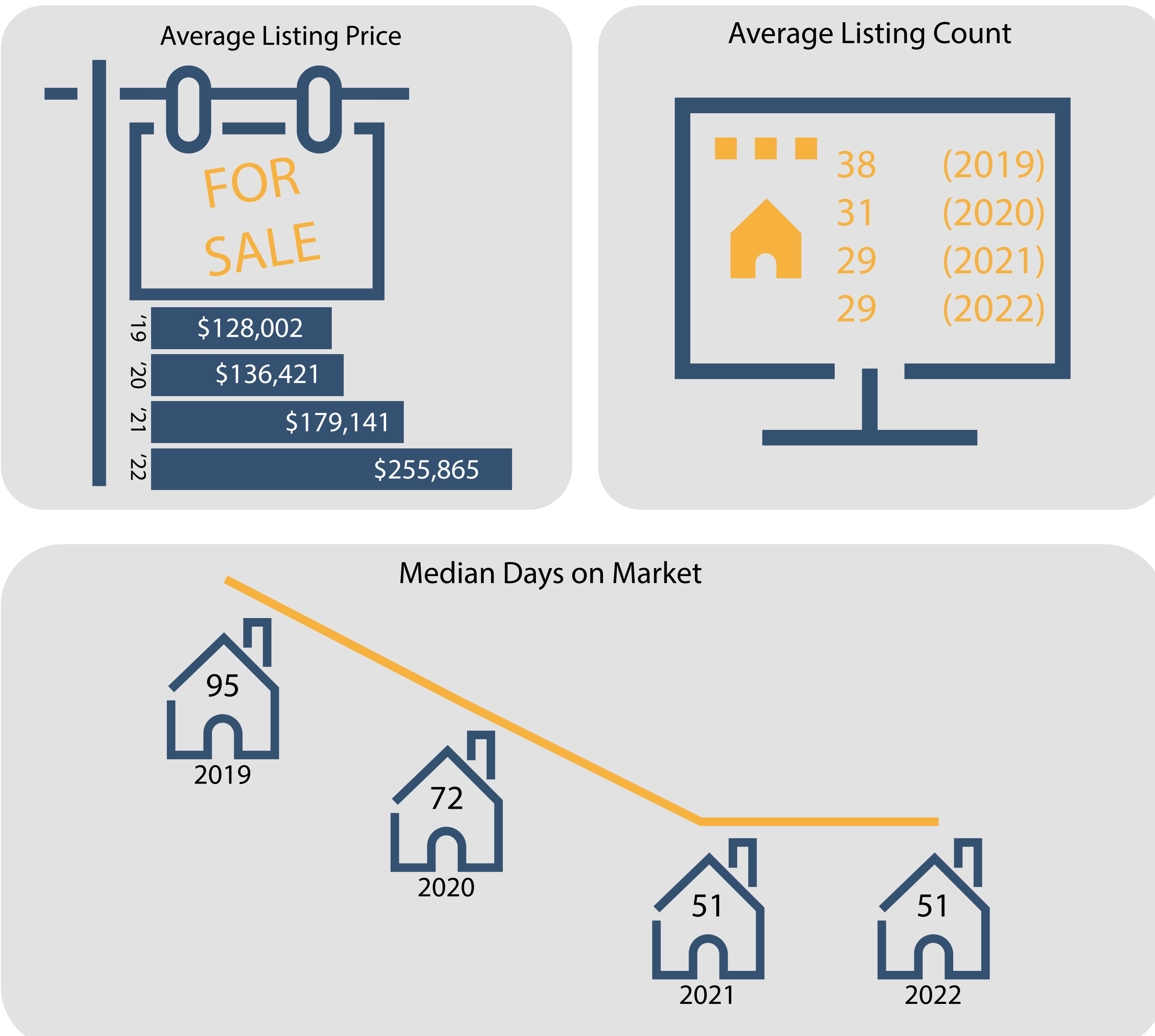
Source: American Community Survey; RDG Planning & Design

HOUSING MARKET TRENDS

How quickly homes sell in a market is a leading indicator of housing demand and supply. Figure 3.22 shows home sales data from 2019-2022. In Fountain County, similar to other areas in the Greater Lafayette READI Region:

- The average sales price of homes increased annually and accelerated after the pandemic.
- However, despite price increases from high demand and low supply, the average number of homes listed in any given month declined.
- These two data points reinforce each other and are reflected in the median number of days homes last on the market. Homes are generally selling quickly in Fountain County.

Figure 3.22: Fountain County Home Sales Trends



Source: Realtor.com

Unique Assets

- Being on the border with Illinois/near Danville, IL creates more interest in living in the county.
- A positive history of administering housing programs such as demolition and repair programs.

Unique Challenges

- Expanding Internet access to all (in progress).
- Reacting to opportunities versus not proactively preparing for them.
- Lower local incomes than other parts of the region.

The Housing Program in Fountain County is Driven by:

1. Regional job growth and local job openings.
2. The need to replace/rehabilitate older housing and demolish some units, as well as existing housing converted to other uses over time.
3. A declining household size and aging population that is seeking lower maintenance options, including rentals.
4. Momentum from currently pending housing projects that when completed prove market success in the county across different housing types.

There were **361** total housing unit permits in Fountain County from 2015 through 2022

Figure 3.23: Fountain County Housing Demand Program

	2020	2025	2030	TOTAL
Population at End of Period	16,479	16,686	17,107	
Household Population at End of Period	16,315	16,520	16,937	
Average People per Household	2.38	2.37	2.36	
Household Demand at End of Period	6,855	6,978	7,192	
Projected Vacancy Rate	4.2%	4.8%	5.8%	
Unit Needs at End of Period	7,155	7,329	7,635	
Replacement Need (lost units)		45	75	120
Cumulative Need During Period		168	380	548
Average Annual Construction		56	76	69

Potential Community Distribution*	548
Attica	25-30%
Covington	25-30%
Veedersburg	10-15%
All other communities and unincorporated areas	25-40%

* The potential distribution by community considers the current population, pending/planned projects, infrastructure, community amenities, and capacity to support housing programs in future years.
Source: RDG Planning & Design

"The internet options in the rural parts of our area are very limited, and that is a detriment to the attractiveness of such properties." - survey respondent

Housing Program Highlights

1. A split of renter and owner units that ranges across price points. Renters need immediate places to stay and owners will look to invest in the community long-term.
2. More single-family unit variation than only acreage development. Match solutions and incentives with housing types that match people's financial abilities.
3. Most development in cities/towns but some of the program still gets achieved in county areas.

Strategies to reach program goals must be tailored to rural needs (next chapter).

Figure 3.24: Fountain County Demand By Occupancy Type and Price Point

	BY END OF 2025		2026-2030		2023-2030	
Total Owner Occupied						
Low: <$225,000	50		113		163	
Low Market: $225-$275,000	15	84	35	190	50	274
Moderate Market: $275-$400,000	13		30		43	
High Market: Over $400,000	5		12		18	
Total Renter Occupied						
Low: Less than $500	22		50		73	
Affordable: $500-$1,000	24	84	54	190	78	274
Market: $1,000-$1,500	23		52		75	
High Market: $1,500+	15		33		48	
Total Need		168		380		548

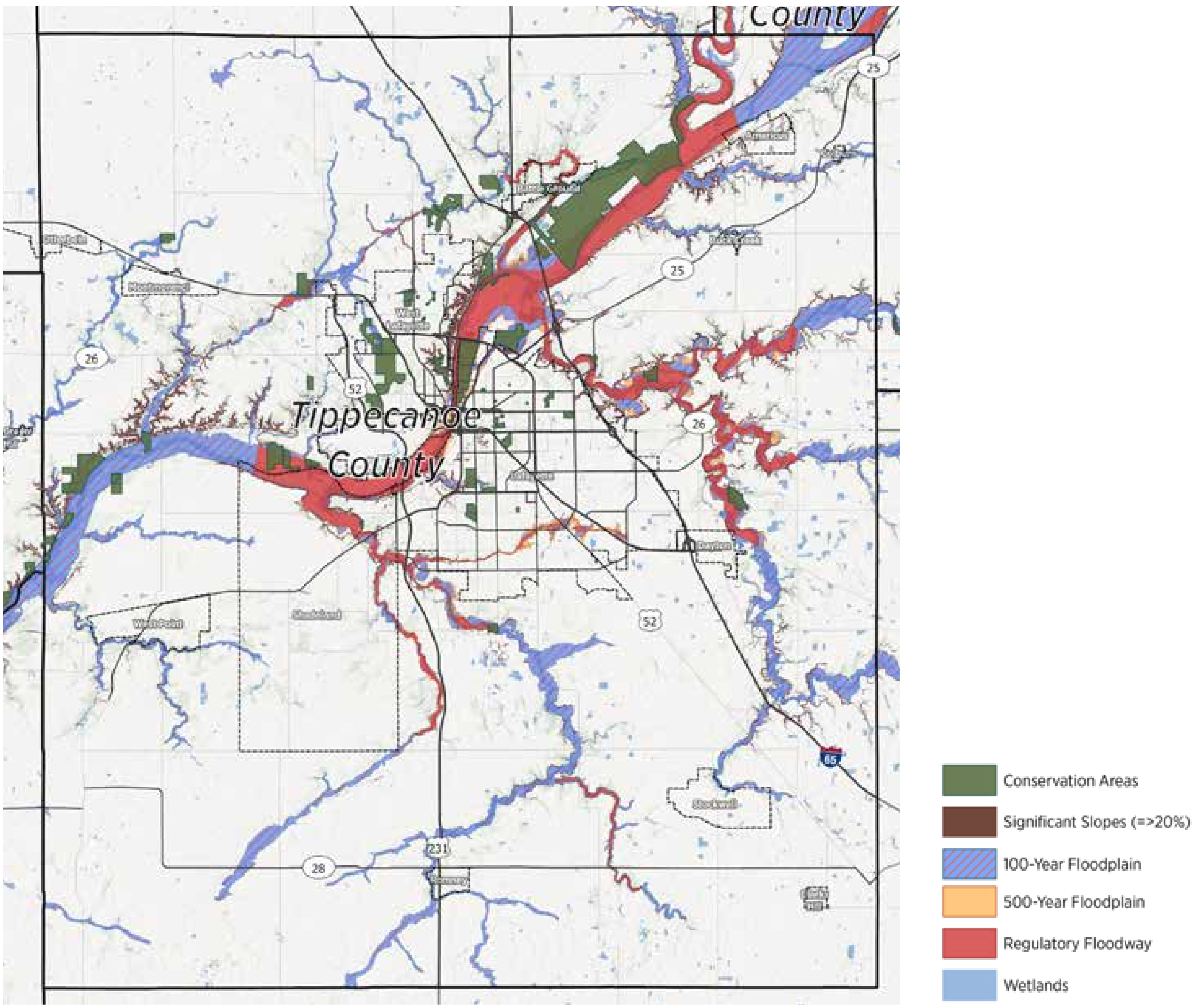
Source: RDG Planning & Design

Tippecanoe County

COUNTY OVERVIEW

Tippecanoe County is the economic and population driver in the Greater Lafayette READI Region. The growth of West Lafayette and Lafayette along the Wabash River and subsequently the growth of Purdue University supply jobs, amenities, and national recognition. Several smaller towns in the county provide separation from the cities but many are facing increased development pressure.

The county is also a center of many necessary government and social services for the Greater Lafayette READI Region, and provides the region with cultural amenities and goods and services. As such, the housing needs in Tippecanoe County are far reaching from student housing, executive housing, low-income housing, transitional housing, and temporary housing.



POPULATION PROFILE

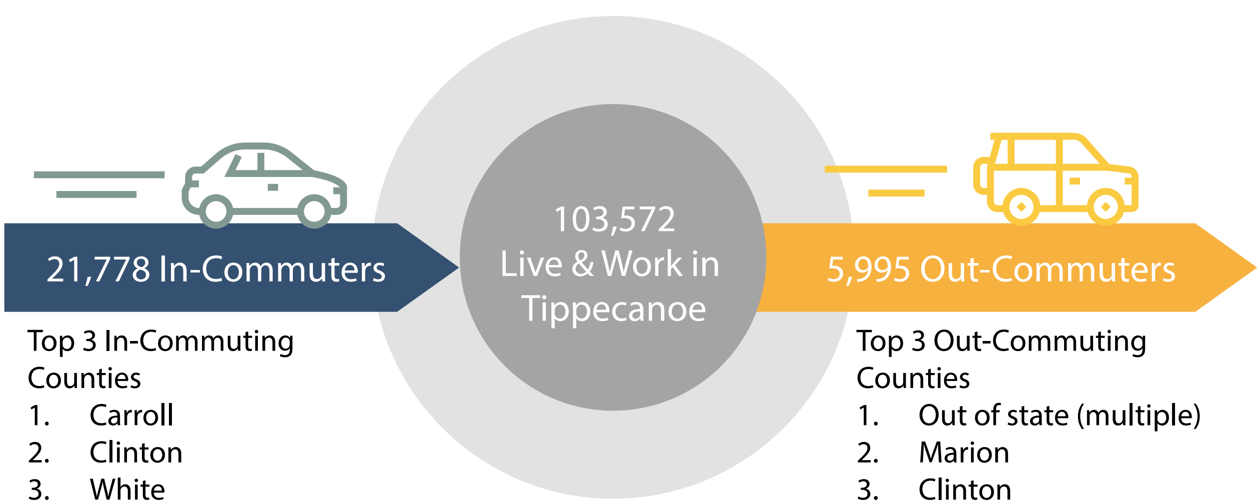
- Tippecanoe County's population is aging but also growing at a healthy rate. The county draws in a significant number of employees from surrounding areas each day. Most in-commuters are traveling from the west - Carroll County, the Frankfort area, and the Indianapolis metropolitan area.
- Under a scenario of natural births and deaths from 2010 to 2020, the county would have seen a 3.0% lower population than reported by the Census (this may be a result of the likely student population undercount referenced in Chapter 1). This means people were also moving into the county since 2010. Some of this under prediction is the annual cycle of college students into and out of the county.
- The future population in Tippecanoe County is expected to grow significantly according to the Indiana Business Research Center. Based on stakeholder conversations and industry expansions, it is feasible that potential population growth and housing demand is even higher.

Figure 3.25: A Population Profile of Tippecanoe County

	TIPPECANOE COUNTY	AVERAGE GROWTH RATE SINCE 2010	TOTAL REGION	AVERAGE GROWTH RATE SINCE 2010
2020 Population *	186,251	0.75%	264,883	0.5%
2020 Non-White Population	27.2%	4.9%	23.5%	4.9%
2020 Hispanic or Latino Population	10.0%	3.7%	8.7%	3.6%
2020 % Population 55+	22%	2.4%	25.9%	2.0%

Source: U.S. Census; *2022 Census population estimate is 188,717, but as discussed in Chapter 1 is an undercount.

Figure 3.26: Tippecanoe County Commuting Characteristics



Source: Indiana Department of Revenue

HOUSING OCCUPANCY AND STOCK

Three Key Points

1. An overall higher cost of housing in the county makes finding attainable housing for people needing to be close to jobs and services more difficult. Note, the high rate of cost burdened renters includes students who may be living in market rate units but making little income.

2. The relatively lower vacancy rate compared to other counties in the Greater Lafayette READI Region shows the influence of the student population on rental inventory. About 55% of the reported vacant units were units available for rent. This reported rate is affected by when the Census count was taken with students being away from campus. For example, during this study process, stakeholders, including students, noted that quality rentals are very limited.

3. The higher median year built of housing indicates the strong presence of new construction. However, conversations and input indicate the level of new construction is still behind what it needed to support local industry expansions.

Figure 3.27: A Household Profile of Tippecanoe County, 2021

	TIPPECANOE COUNTY	2010 - 2021 % POINT CHANGE	TOTAL REGION	2010-2021 % CHANGE
Median Household Income Range	$48,389 - $56,845	25	$52,617 - $68,136*	19-38%
% Owner Occupied	55.4%	-0.5	62.%	-1.2%
Percent Homeowner 65+	26.3%	4.4	28.9%	4.4%
% Cost Burdened Owners	23.3%	-2.6	16.4%	-5.2%
% Renter Occupied	44.6%	0.5	37.9%	1.2%
% Cost Burdened Renters	59.9%	0.1	56.1%	-0.6%

Source: American Community Survey; * Lowest and highest median household income for counties in region

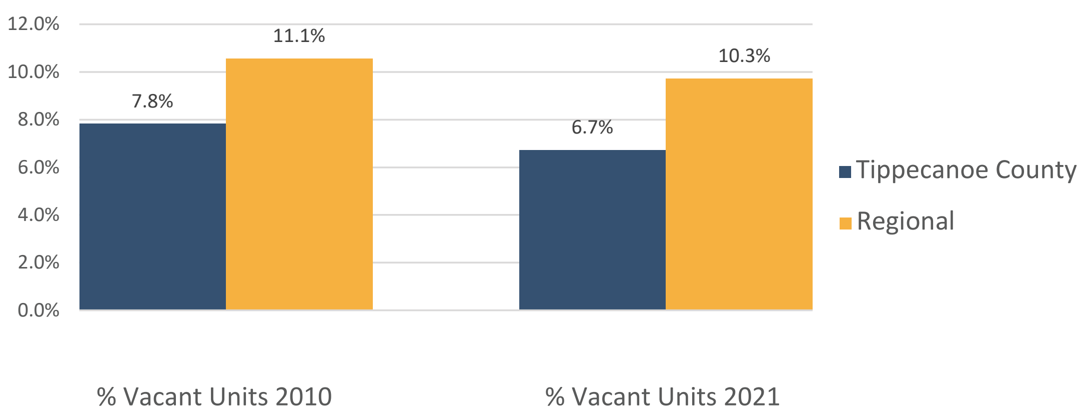


Figure 3.28: A Housing Stock Profile of Tippecanoe County, 2021

	TIPPECANOE COUNTY	TOTAL REGION
Median House Value	$169.500	$107,000 - $169,500*
Median Gross Rent	$771	$502 - $771*
Median Year Built of Housing	1988	1951-1988*

Source: American Community Survey; * Lowest and highest median for counties in region

HOUSING AFFORDABILITY

Figure 3.29 shows the number of households by income and the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of household income towards housing. The analysis shows larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

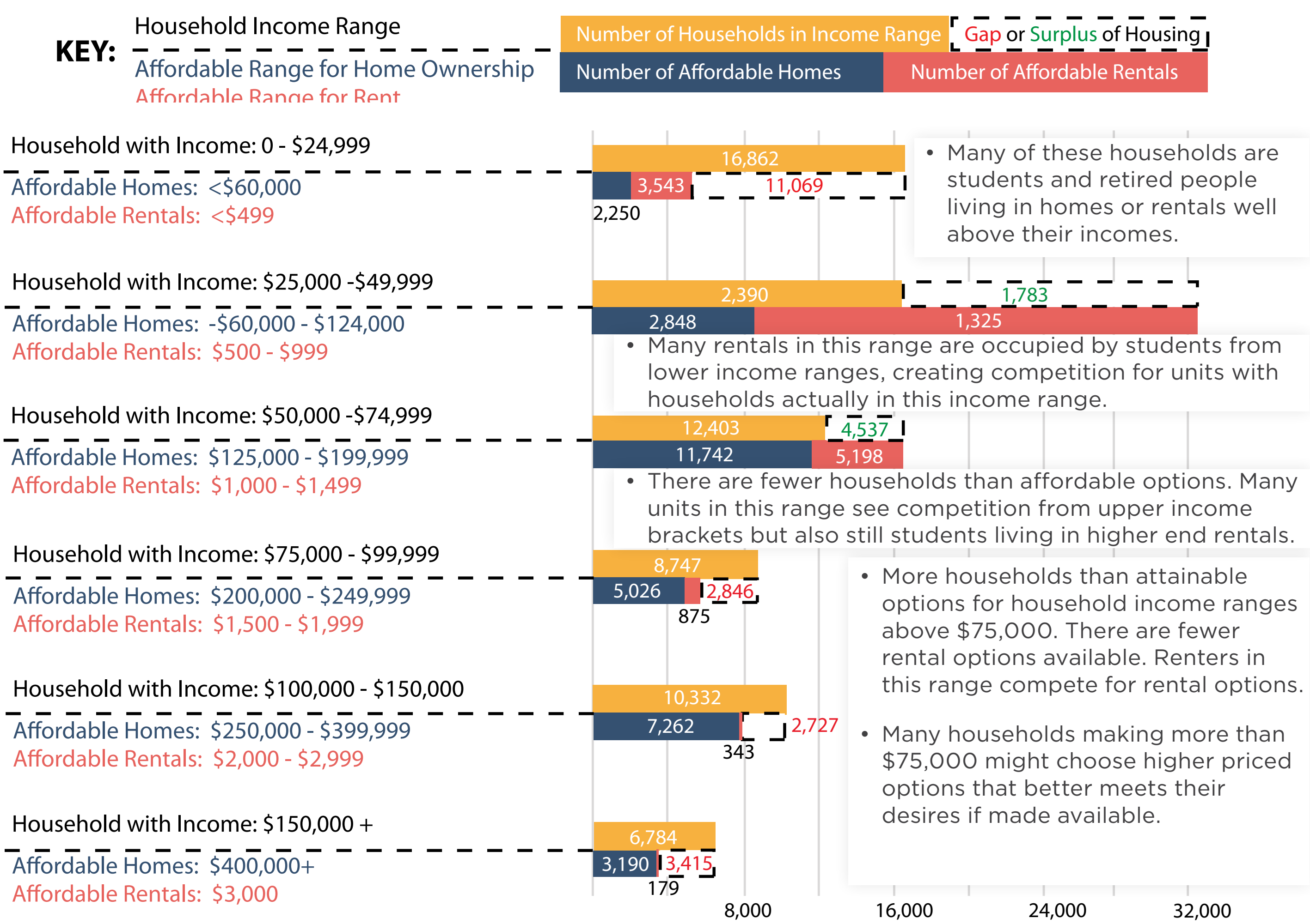
There are a number of ways to interpret this data:

- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

An indicated "surplus" in units does not mean these units are unoccupied. The "gaps" for other income ranges means these households are living in units under other price ranges, typically lower priced.

For Tippecanoe County, many households are living in homes less expensive than their income would suggest. Additionally, students with low to no income (income under $25,000) but living in housing subsidized by other sources and living with roommates to disperse costs are also competing for market rate and high end rental units.

Figure 3.29: Tippecanoe County Affordability Analysis



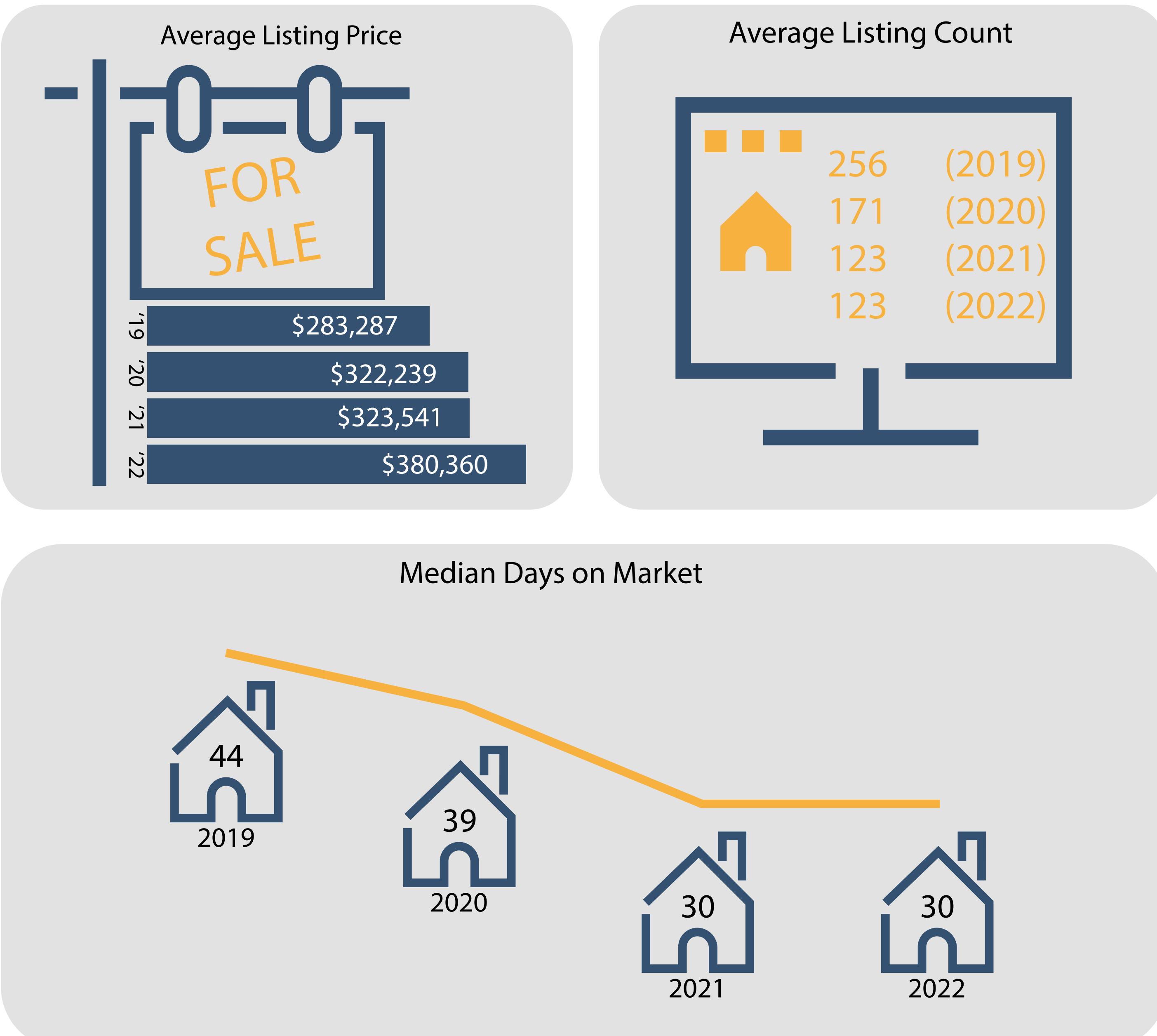
Source: American Community Survey; RDG Planning & Design

HOUSING MARKET TRENDS

How quickly homes sell in a market is a leading indicator of housing demand and supply. Figure 3.30 shows home sales data from 2019-2022. In Tippecanoe County, similar to other areas in the Greater Lafayette READI Region:

- The average sales price of homes increased annually and accelerated after the pandemic.
- However, despite price increases from high demand and low supply, the average number of homes listed in any given month declined.
- These two data points reinforce each other and are reflected in the median number of days homes last on the market. Quality homes are selling almost immediately in Tippecanoe County.

Figure 3.30: Tippecanoe County Home Sales Trends



Source: Realtor.com

Unique Assets

- Immediate proximity to major industry and high wage job growth.
- A wide range of services and amenities that are needed and desired by households.
- A larger variation of existing housing types than other areas of the region.
- Several recent examples of successful new housing products to the market.

Unique Challenges

- The influence of the student population on the price of rental units.
- Lot and housing prices that may not be attainable for many households.
- Streamlining housing applications, review, and approval processes.

The Housing Program in Tippecanoe County is Driven by:

1. Local employment growth and planned business expansions with high wages - new employees needing options that fit their lifestyles in the immediate area.
2. The strong trajectory of student population growth at Purdue University.
3. A growing need for attainable housing options at lower price points - through rehab of vacant units, conversion of non-residential structures, and subsidized projects.

There were **8,788** total housing unit permits in Tippecanoe County from 2015 through 2022

Figure 3.31: Tippecanoe County Housing Demand Program

	2020	2025	2030	TOTAL
Population at End of Period	186,251	199,209	211,262	
Household Population at End of Period	170,660	182,534	193,578	
Average People per Household	2.36	2.33	2.30	
Household Demand at End of Period	72,314	78,299	84,073	
Projected Vacancy Rate	4.5%	4.9%	5.5%	
Unit Needs at End of Period	75,721	82,298	88,928	
Replacement Need (lost units)		135	225	360
Cumulative Need During Period		4,224	6,855	$\boxed{11,079}$
Average Annual Construction		1,408	1,371	1,385

Potential Community Distribution*	11,079
Lafayette	40-45%
West Lafayette	25-30%
All other communities and unincorporated areas	25-35%

* The potential distribution by community considers the current population, pending/planned projects, infrastructure, community amenities, and capacity to support housing programs in future years.
Source: RDG Planning & Design

"Purdue faculty & staff need family homes & accessible housing for retirement."
- survey respondent

Housing Program Highlights

1. A split of renter and owner units that ranges across price points. Renters need immediate places to stay and owners will look to invest in the community long-term.
2. More owner and renter single-family unit variation. Matching solutions and incentives with housing types that match household's financial and physical abilities or preferences.
3. A large majority of development in cities/towns but some of the program still gets achieved in county areas.

Strategies to reach program goals must be tailored to rural needs (next chapter).

Figure 3.32: Tippecanoe County Demand By Occupancy Type and Price Point

	BY END OF 2025		2026-2030		2023-2030	
Total Owner Occupied						
Low: <$225,000	1,341	2,534	2,177	4,113	3,518	6,647
Low Market: $225-$275,000	403		655		1,058	
Moderate Market: $275-$400,000	477		774		1,250	
High Market: Over $400,000	313		508		821	
Total Renter Occupied						
Low: Less than $500	521	1,690	845	2,742	1,366	4,432
Affordable: $500-$1,000	515		836		1,351	
Market: $1,000-$1,500	383		622		1,005	
High Market: $1,500+	270		439		709	
Total Need		4,224		6,855		11,079

Source: RDG Planning & Design

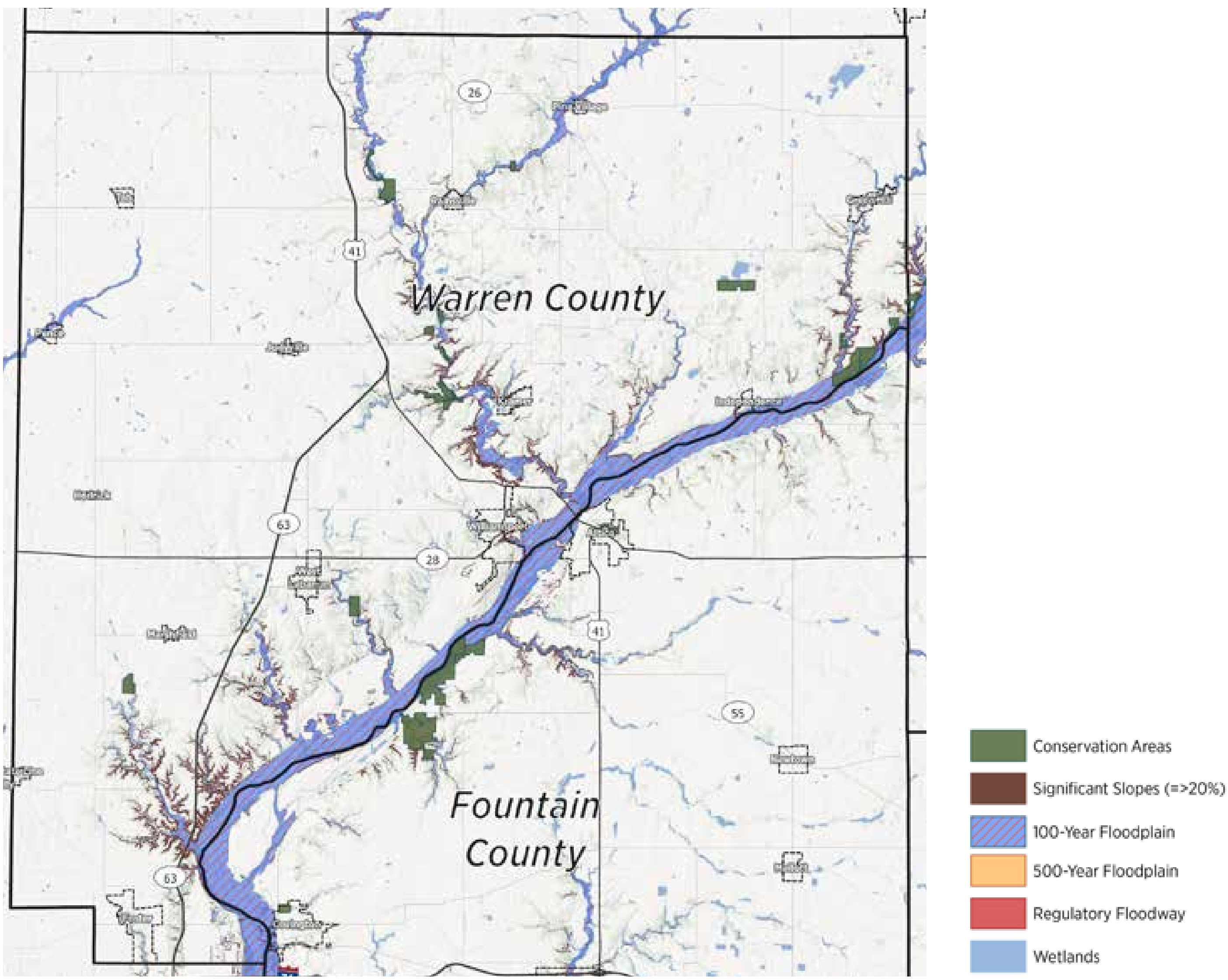
Warren County

COUNTY OVERVIEW

Warren County is a largely rural county in the western part of the Greater Lafayette READI Region. Its population center skews closer the Wabash River on the eastern part of the county. Most residing in the county are choosing to live in a rural atmosphere and commute to jobs, if not retired. These jobs are focused in West Lafayette, Lafayette, and Fountain County.

A key for the future of Warren County is continuing to build the catalog of community amenities that add quality of life and attract those households wanting to live in smaller communities or rural settings.

"There needs to be housing options available in all the incorporated towns... farmers would most likely have to give up some land and some of them will not do that. The more likely options for the time being would be to build within towns..." - survey respondent



POPULATION PROFILE

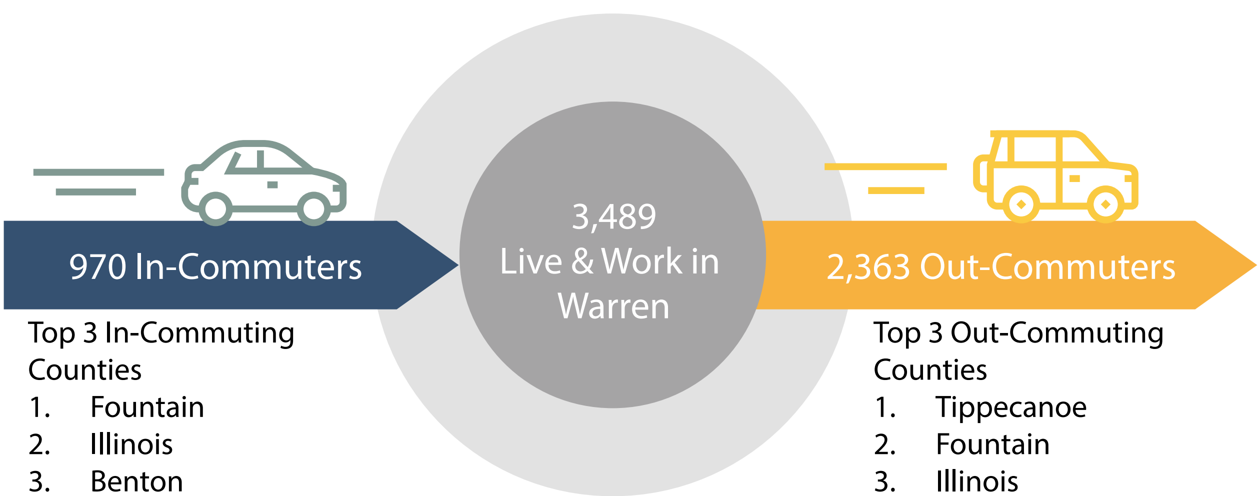
- Warren County's population is aging but stable. Most people in the workforce travel to other counties for their job - generally to the east and south.
- Under a scenario of natural births and deaths from 2010 to 2020, the county would have seen a 0.2% lower population than reported by the Census. This means there was generally a balance between people moving in and out of the county between 2010 and 2020.
- The future population in Warren County is expected to decline according to the Indiana Business Research Center. However, conversations with local stakeholders and regional employment growth indicate demand for new housing production and the ability to capture population in the coming years if people are presented with attractive living options.

Figure 3.33: A Population Profile of Warren County

	WARREN COUNTY	AVERAGE GROWTH RATE SINCE 2010	TOTAL REGION	AVERAGE GROWTH RATE SINCE 2010
2020 Population *	8,440	-0.08%	264,883	0.5%
2020 Non-White Population	4.5%	8.5%	23.5%	4.9%
2020 Hispanic or Latino Population	2.3%	10.7%	8.7%	3.6%
2020 % Population 55+	36%	1.6%	25.9%	2.0%

Source: U.S. Census; *2022 Census population estimate is 8,461

Figure 3.34: Warren County Commuting Characteristics



Source: Indiana Department of Revenue

HOUSING OCCUPANCY AND STOCK

Three Key Points

1. Total vacancy rates are lower than the region. About 3.1% of vacant units were reported as for sale or rent in 2020.
2. The Census reports higher median incomes in the county than all other counties in the Greater Lafayette READI Region. This is an interesting point and may reflect higher wage earners working in West Lafayette choosing to live in Warren County.
3. The high reported rate of owner occupied housing reinforces comments about virtually no quality rental options in the county. Rentals are a critical need for the local workforce and aging population.

Figure 3.35: A Household Profile of Warren County, 2021

	WARREN COUNTY	2010 - 2021 % POINT CHANGE	TOTAL REGION	2010-2021 % CHANGE
Median Household Income Range	$60,342 - $75,930	38	$52,617 - $68,136*	19-38%
% Owner Occupied	81.8%	1.5	62.%	-1.2%
Percent Homeowner 65+	33.6%	11.1	28.9%	4.4%
% Cost Burdened Owners	13.1%	-16.8	16.4%	-5.2%
% Renter Occupied	18.2%	-1.5	37.9%	1.2%
% Cost Burdened Renters	49.4%	2.8	56.1%	-0.6%

Source: American Community Survey; * Lowest and highest median household income for counties in region

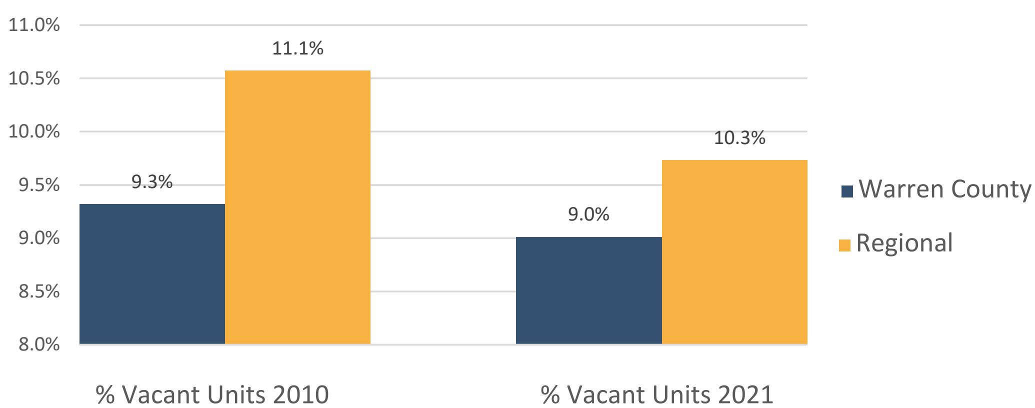


Figure 3.36: A Housing Stock Profile of Warren County, 2021

	WARREN COUNTY	TOTAL REGION
Median House Value	$121,900	$107,000 - $169,500*
Median Gross Rent	$532	$502 - $771*
Median Year Built of Housing	1968	1951-1988*

Source: American Community Survey; * Lowest and highest median for counties in region

HOUSING AFFORDABILITY

Figure 3.37 shows the number of households by income and the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of household income towards housing. The analysis shows larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

There are a number of ways to interpret this data:

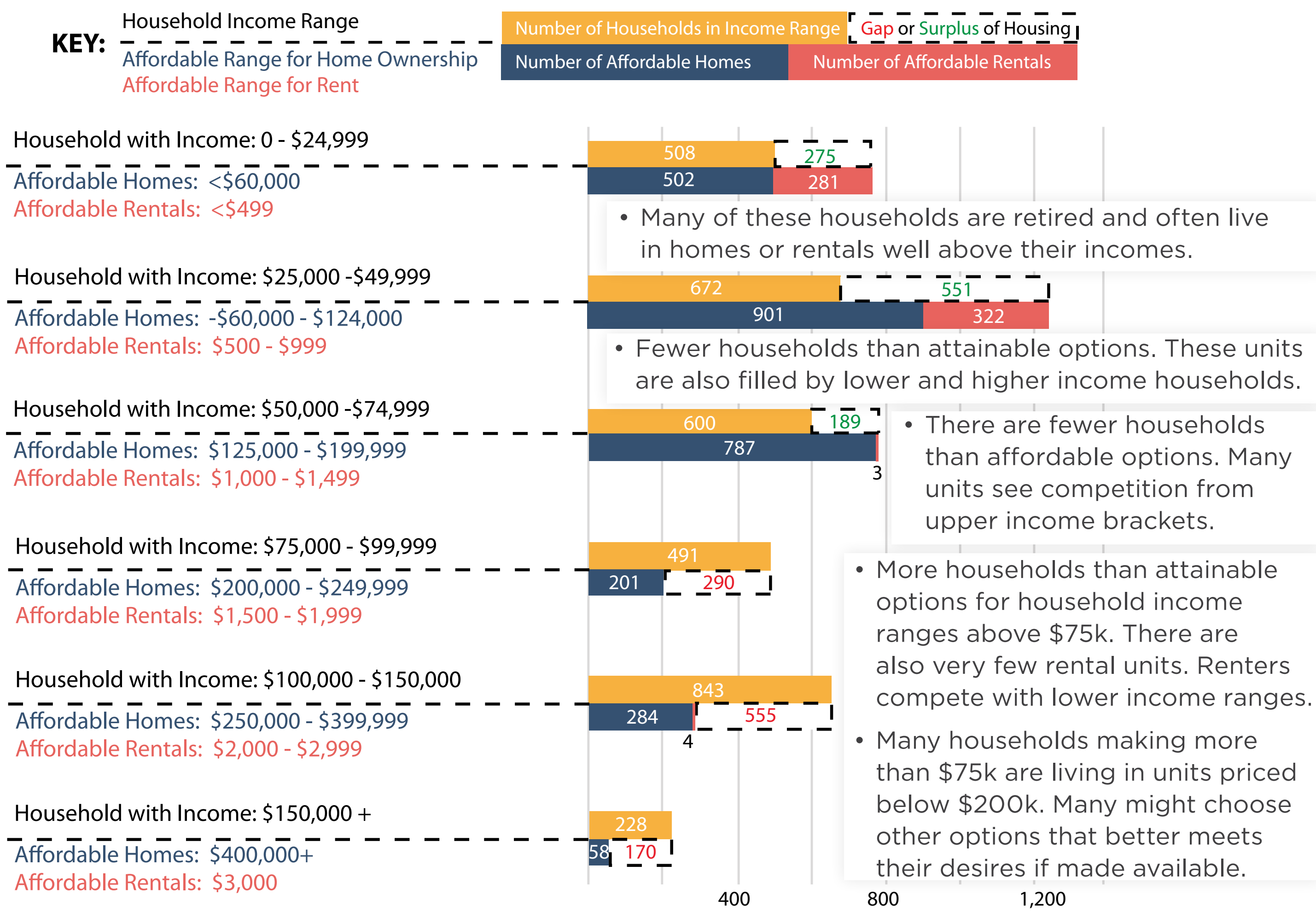
- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

An indicated "surplus" in units does not mean these units are unoccupied. The "gaps" for other income ranges means these households are living in units under other price ranges, typically lower priced.

For Warren County, many households are living in homes less expensive than their income would suggest. There are also few market rate rental units available.

Expanding the supply of higher priced housing might encourage some of these households to "move up." Even if some may not have the ability to move up due to other expenses such as school loans or other personal debt, greater product variety that meets evolving lifestyle needs may have an impact.

Figure 3.37: Warren County Affordability Analysis



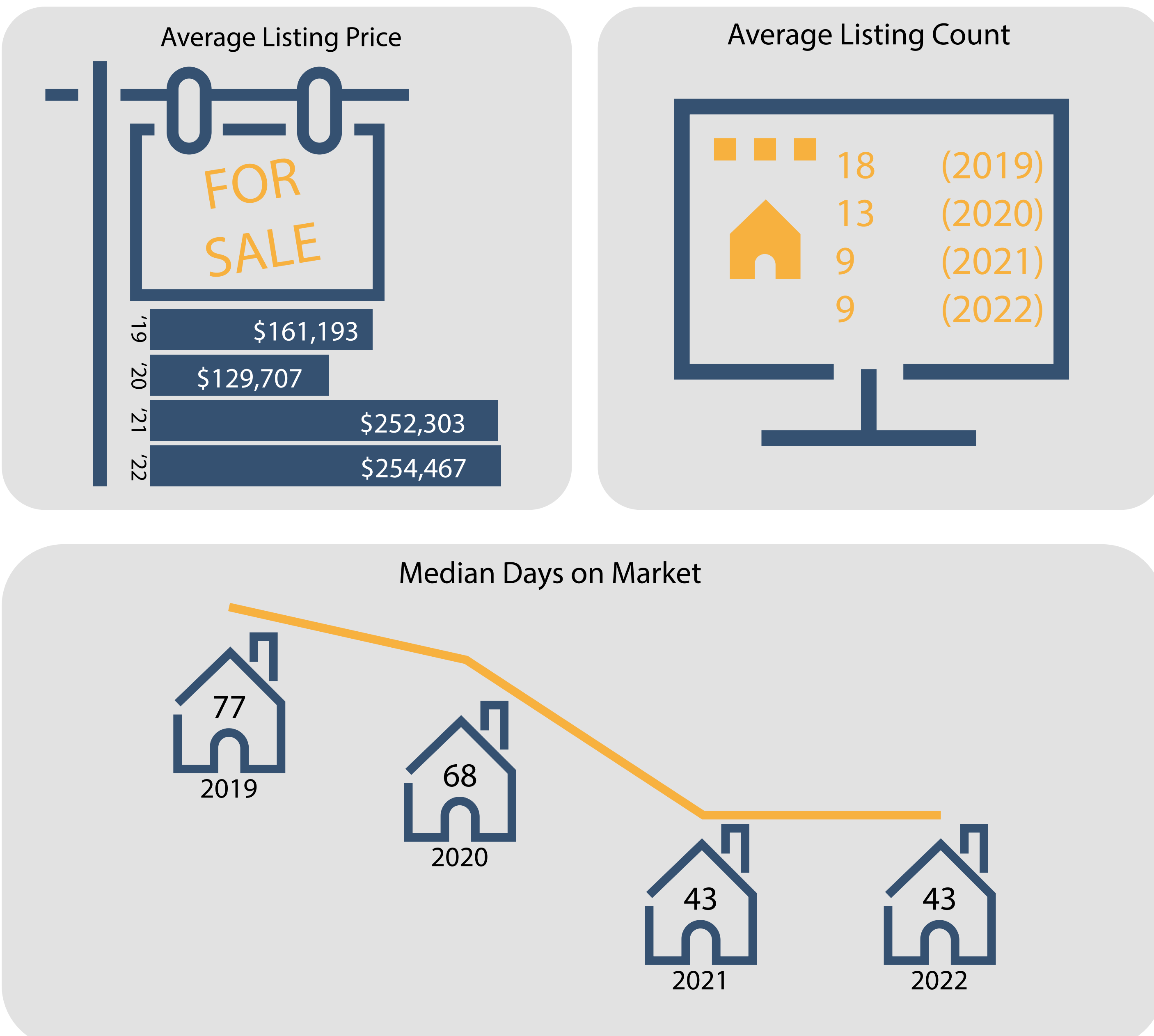
Source: American Community Survey; RDG Planning & Design

HOUSING MARKET TRENDS

How quickly homes sell in a market is a leading indicator of housing demand and supply. Figure 3.38 shows home sales data from 2019-2022. In Warren County, similar to other areas in the Greater Lafayette READI Region:

- The average sales price of homes decreased before accelerating after the pandemic.
- However, despite price increases from high demand and low supply, the average number of homes listed in any given month declined to almost nothing.
- These two data points reinforce each other and are reflected in the median number of days homes last on the market. Homes are generally selling quickly in Warren County.

Figure 3.38: Warren County Home Sales Trends



Source: Realtor.com

Unique Assets

- Being a "bedroom" county to West Lafayette and Lafayette - people live in the county and work elsewhere.
- Completed actions to address/create maintenance programs.
- Most people support housing incentives.
- A Comprehensive County Plan completed in 2022 with clear directions on target areas for housing.

Unique Challenges

- Attracting private contractor(s) that specialize in restoring, remodeling, updating and then selling single family homes.
- Extending reliable Internet across the county (in progress).
- Land availability for development.
- Limited infrastructure access outside of Williamsport.

The Housing Program in Warren County is Driven by:

1. Regional job growth and local job openings.
2. Investment in programs and community amenities to encourage housing variety and new product types for smaller household sizes.
3. Land being available for development to increase the number of available units over time to open up options and movement in the market.
4. Using the 2022 Comprehensive Plan as a guide for targeting new housing programs toward areas best able to be served by infrastructure.

There were **169** total housing unit permits in Warren County from 2015 through 2022

Figure 3.39: Warren County Housing Demand Program

	2020	2025	2030	TOTAL
Population at End of Period	8,440	8,546	8,762	
Household Population at End of Period	8,357	8,462	8,675	
Average People per Household	2.50	2.49	2.48	
Household Demand at End of Period	3,343	3,402	3,505	
Projected Vacancy Rate	4.0%	4.6%	5.6%	
Unit Needs at End of Period	3,482	3,566	3,713	
Replacement Need (lost units)		36	60	96
Cumulative Need During Period		95	207	303
Average Annual Construction		32	41	38

Potential Community Distribution*	303
Williamsport	40-50%
West Lebanon	5-10%
Pine Village	5%
All other communities and unincorporated areas	35-50%

* The potential distribution by community considers the current population, pending/planned projects, infrastructure, community amenities, and capacity to support housing programs in future years.
Source: RDG Planning & Design

"We are a town that is near West Lafayette. We will potentially be drawing people to leave near us due to the upcoming local semiconductor industry. I would love to take advantage of this." - survey respondent

Housing Program Highlights

1. A split of renter and owner units that ranges across price points. Improving the quality of rental options and an increase in new owner occupied housing stock for households.
2. More single-family unit variation than only acreage development. Matching solutions and incentives with housing types that match people's financial abilities. Bring poor condition units back as useful options to meet demand.
3. Most development in cities/towns but some of the program still gets achieved in county areas.

Strategies to reach program goals must be tailored to rural needs (next chapter).

Figure 3.40: Warren County Demand By Occupancy Type and Price Point

	BY END OF 2025		2026-2030		2023-2030	
Total Owner Occupied		48		104		151
Low: <$225,000	21		47		68	
Low Market: $225-$275,000	8		18		26	
Moderate Market: $275-$400,000	14		31		45	
High Market: Over $400,000	4		8		12	
Total Renter Occupied		48		104		151
Low: Less than $500	11		23		34	
Affordable: $500-$1,000	14		31		45	
Market: $1,000-$1,500	13		27		40	
High Market: $1,500+	10		22		33	
Total Need		95		207		303

Source: RDG Planning & Design

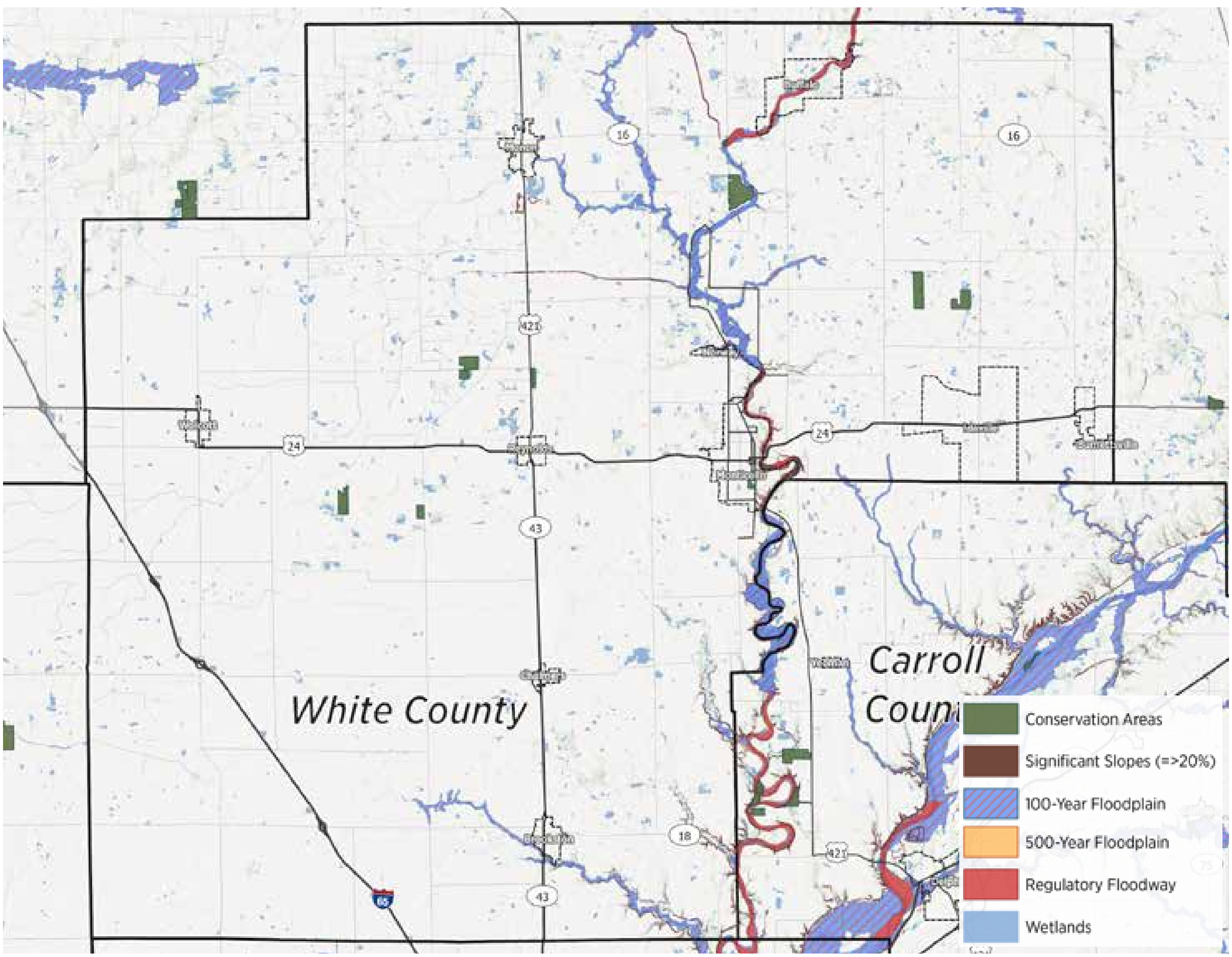
White County

COUNTY OVERVIEW

Located in the northeast part of the Greater Lafayette READI Region, White County is known best for its seasonal attractions around Indiana Beach. However, there is also a strong production industry that also drives the economy in Monticello, Monon, and Reynolds.

The seasonal aspect of a portion of the county's housing stock presents unique considerations in addition to demand for permanent housing for those wanting to be closer to these amenities.

> "We need more affordable housing units in our community. Everyone deserves housing." - survey respondent



POPULATION PROFILE

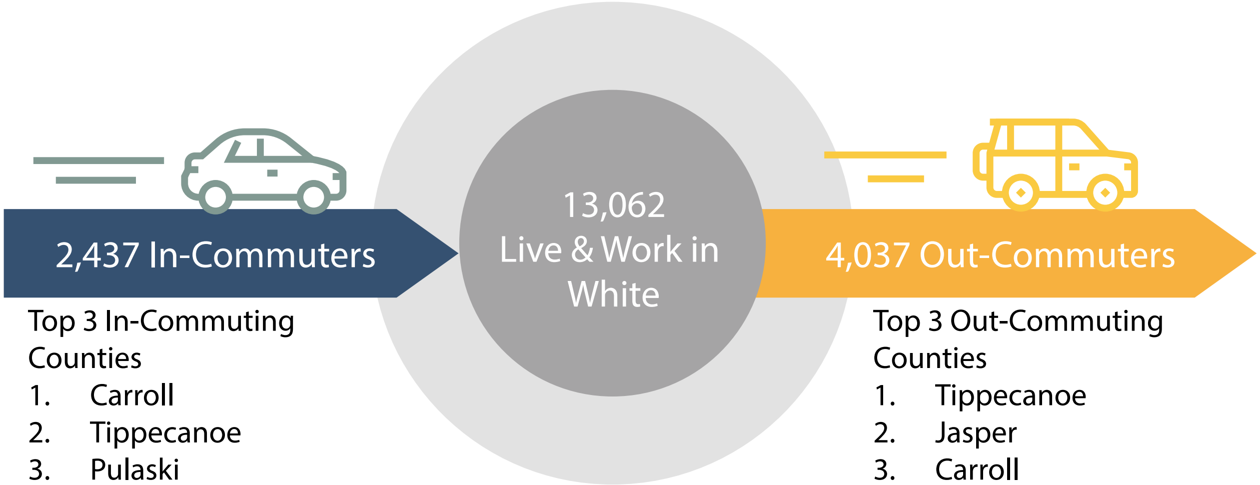
- White County's population is aging but stable. A large portion of the employed population lives and works in the county.
- Under a scenario of natural births and deaths from 2010 to 2020, the county would have seen a 1.6% lower population than reported by the Census. This means people were also moving to the county since 2010, mostly people over 55.
- The future population in White County is expected to decline according to the Indiana Business Research Center. However, this projection does not reflect conversations with local stakeholders and regional employment growth showing demand for housing production and the attraction the county is gaining as commuting becomes less of a consideration in housing choice.

Figure 3.41: A Population Profile of White County

	WHITE COUNTY	AVERAGE GROWTH RATE SINCE 2010	TOTAL REGION	AVERAGE GROWTH RATE SINCE 2010
2020 Population *	24,688	0.02%	264,883	0.5%
2020 Non-White Population	12.3%	4.8%	23.5%	4.9%
2020 Hispanic or Latino Population	9.9%	3.5%	8.7%	3.6%
2020 % Population 55+	36%	1.5%	25.9%	2.0%

Source: U.S. Census; *2022 Census population estimate is 24,598

Figure 3.42: White County Commuting Characteristics



Source: Indiana Department of Revenue

HOUSING OCCUPANCY AND STOCK

Three Key Points

1. White County is heavily influenced by the recreational uses around Indiana Beach.
   - The high vacancy rate reflects 75% of reported vacant units being for seasonal/recreational use. Only about 2.5% of vacant units were reported for sale or rent in 2020.
   - Home values differ greatly if located near the lake versus other parts of the county.
2. The decreases in cost burdened owners and renters are partially attributed to an influx of higher income households to the county.
3. A not as old of housing stock as other parts of the Greater Lafayette READI Region means fewer properties might be in need of demolition and more focus needed on rehabilitation and maintenance programs.

Figure 3.43: A Household Profile of White County, 2021

	WHITE COUNTY	2010 - 2021 % POINT CHANGE	TOTAL REGION	2010-2021 % CHANGE
Median Household Income Range	$60,342 - $75,930	31	$52,617 - $68,136*	19-38%
% Owner Occupied	78.4%	2.1	62.%	-1.2%
Percent Homeowner 65+	34.6%	12.5	28.9%	4.4%
% Cost Burdened Owners	20.2%	-7.0	16.4%	-5.2%
% Renter Occupied	21.6%	-2.1	37.9%	1.2%
% Cost Burdened Renters	36.6%	-11.1	56.1%	-0.6%

Source: American Community Survey; * Lowest and highest median household income for counties in region

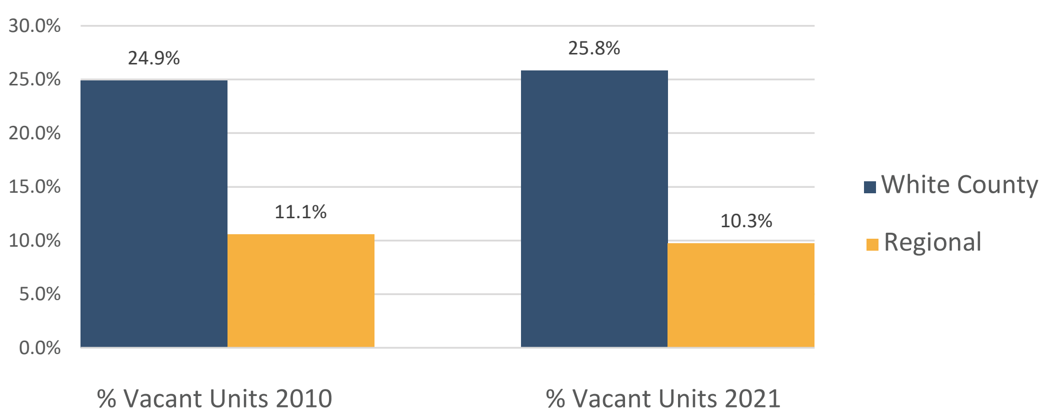


Figure 3.44: A Housing Stock Profile of White County, 2021

	WHITE COUNTY	TOTAL REGION
Median House Value	$128,100	$107,000 - $169,500*
Median Contract Rent	$550	$502 - $771*
Median Year Built of Housing	1972	1951-1988*

Source: American Community Survey; * Lowest and highest median for counties in region

HOUSING AFFORDABILITY

Figure 3.45 shows the number of households by income and the number of owner and renter units available based on affordable ranges requiring households to pay no more than 30% of household income towards housing. The analysis shows larger trends in how existing units are being occupied. It does not demonstrate exact market demand in certain price ranges.

There are a number of ways to interpret this data:

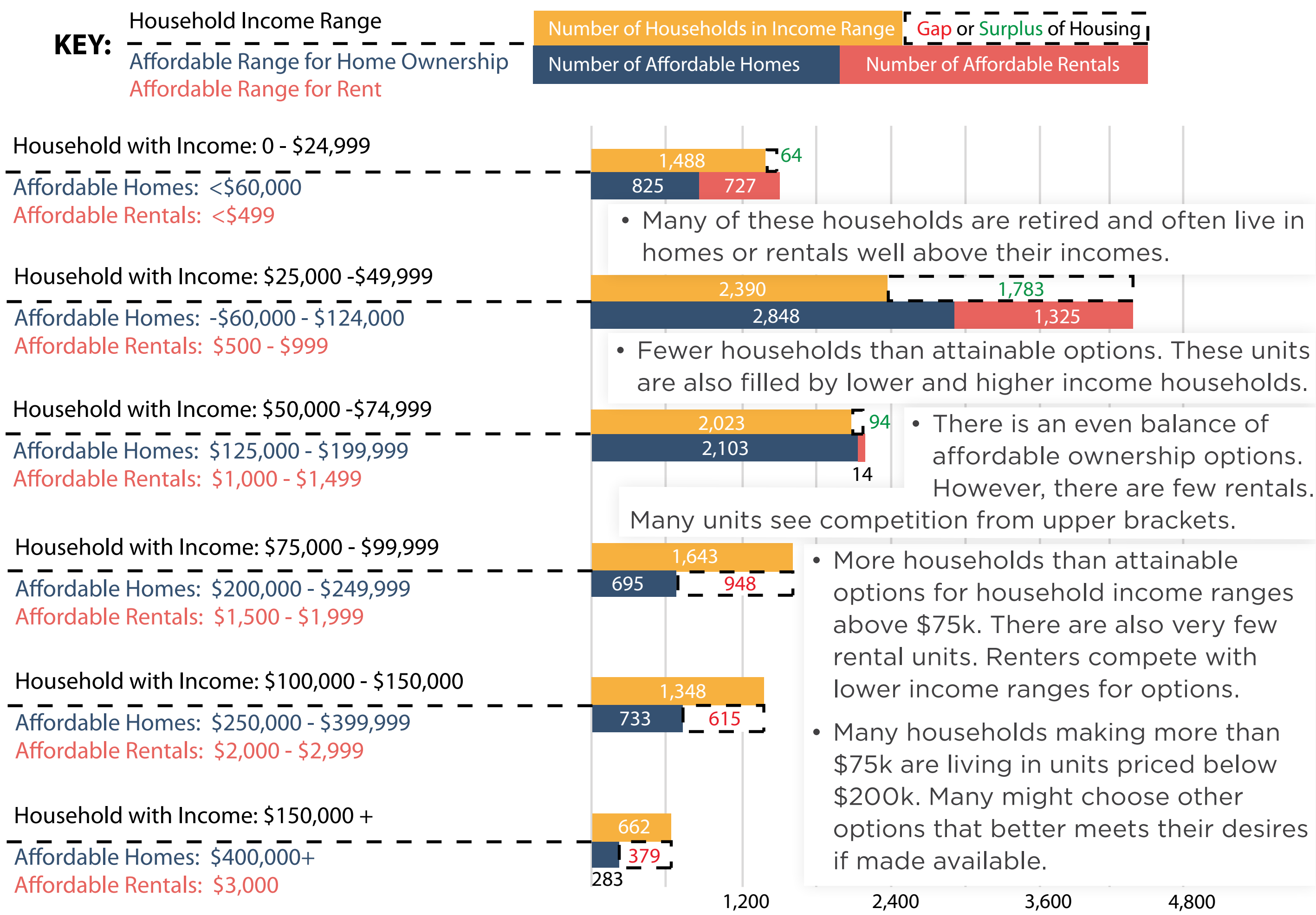
- If the number of households in an income range exceeds the number of units available, those households must seek options in other affordability ranges.
- If the number of units exceeds the number of households, it indicates that the units are occupied by households from other income ranges.

An indicated "surplus" in units does not mean these units are unoccupied. The "gaps" for other income ranges means these households are living in units under other price ranges, typically lower priced.

For White County, many households are living in homes less expensive than their income would suggest. There are also very few market rate rental units available.

Expanding the supply of higher priced housing might encourage some of these households to "move up." Even if some may not have the ability to move up due to other expenses such as school loans or other personal debt, greater product variety that meets evolving lifestyle needs may have an impact.

Figure 3.45: White County Affordability Analysis



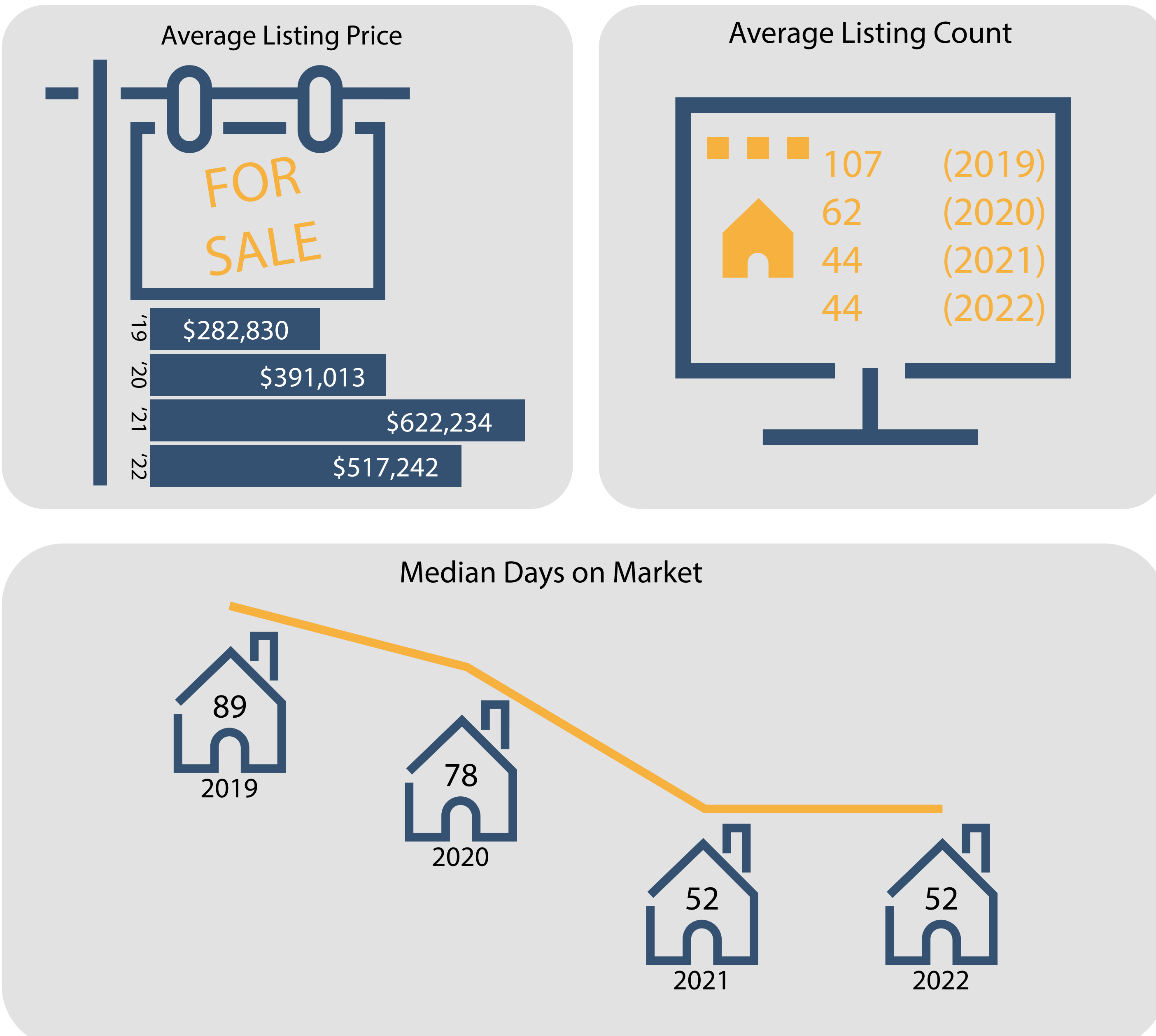
Source: American Community Survey; RDG Planning & Design

HOUSING MARKET TRENDS

How quickly homes sell in a market is a leading indicator of housing demand and supply. Figure 3.46 shows home sales data from 2019-2022. In White County, similar to other areas in the Greater Lafayette READI Region:

- The average sales price of homes increased annually and accelerated significantly after the pandemic.
- However, despite price increases from high demand and low supply, the average number of homes listed in any given month declined.
- These two data points reinforce each other and are reflected in the median number of days homes last on the market. Homes are generally selling quickly in White County.

Figure 3.46: White County Home Sales Trends



Source: Realtor.com

Unique Assets

- Recreational amenities and additional community investments in quality of life.
- Subdivision ordinance being updated for a simpler process
- A housing study was recently completed by the Area Plan Commission and an active housing committee meets regularly to move housing initiatives forward.
- New housing types being planned.

Unique Challenges

- Extending reliable Internet across the county (in progress).
- No significant local housing programs in place.
- Infrastructure costs when land is acquired.
- Maintenance of rental/seasonal homes.
- Still little diversity in types of homes being constructed.

The Housing Program in White County is Driven by:

1. Completing unique housing projects currently being planned in Monticello to show market success and demand for different products. Thus, stimulating more production and a higher vacancy rate over time to open up options and movement in the market.
2. Regional job growth with commuting no longer being a high factor in housing choice - people wanting to be near amenities.
3. A slightly declining household size of retirees and an aging population that desires more rental and community based housing options.

There were **308** total housing unit permits in White County from 2015 through 2022

Figure 3.47: White County Housing Demand Program

	2020	2025	2030	TOTAL
Population at End of Period	24,688	25,311	25,951	
Household Population at End of Period	24,380	24,996	25,627	
Average People per Household	2.55	2.54	2.53	
Household Demand at End of Period	9,561	9,841	10,129	
Projected Vacancy Rate	4.0%	4.5%	5.2%	
Unit Needs at End of Period	9,959	10,299	10,685	
Replacement Need (lost units)		21	35	56
Cumulative Need During Period		245	421	665
Average Annual Construction		82	84	83

Potential Community Distribution*	665
Monticello	30-35%
Monon	5-10%
Brookston	5-10%
All other communities and unincorporated areas	45-60%

* The potential distribution by community considers the current population, pending/planned projects, infrastructure, community amenities, and capacity to support housing programs in future years.
Source: RDG Planning & Design

"Mid-size homes are needed for incoming companies. Based on feedback from local developers, infrastructure projects need to start NOW, and will require state officials to be involved."
- survey respondent

Housing Program Highlights

1. A split of renter and owner units that ranges across price points. Improving the quality of rental options and an increase in new owner occupied housing stock for households.
2. A demand for variety and options with smaller square footages that meet targeted financial and lifestyle needs.
3. A portion of the program gets achieved in county areas near recreational areas.

Strategies to reach program goals must be tailored to rural needs (next chapter).

Figure 3.48: White County Demand By Occupancy Type and Price Point

	BY END OF 2025		2026-2030		2023-2030	
Total Owner Occupied						
Low: <$225,000	67		115		182	
Low Market: $225-$275,000	25	122	43	210	68	333
Moderate Market: $275-$400,000	20		35		56	
High Market: Over $400,000	10		17		27	
Total Renter Occupied						
Low: Less than $500	24		41		66	
Affordable: $500-$1,000	39	122	67	210	105	333
Market: $1,000-$1,500	33		56		89	
High Market: $1,500+	27		46		72	
Total Need		245		421		665

Source: RDG Planning & Design

Greater LAFAYETTE REGION

STRATEGIES FORWARD INTRODUCTION

STRATEGIC APPROACH

GOING FORWARD

Housing Strategy

Housing strategies, when approached collectively with the right partners, can stimulate needed steps to move the housing market in a positive direction forward in the Greater Lafayette READI Region.

Strategies Forward Introduction

There are many forces influencing why housing does or does not get built. Not just quantity, but also the type and location. Thinking about these data, input, themes, and goals, this chapter presents action steps to move forward.

The market itself is not trending to fix these gaps. Therefore, this chapter's strategies explore how local governments, organizations, builders, and other partners can work together to meet the housing needs in the Greater Lafayette READI Region. The strategies identified will not overcome all housing challenges but should be seen as a first step in a journey that is regularly re-evaluated.

WHAT THE HOUSING ACTION STRATEGY CAN DO

- Establish a blueprint for new public policy and programs for different housing products.
- Stimulate conversation on existing programs and levels of funding.
- Show builders and developers the high demand for products and the price points needed.
- Motivate other partners and employers to get involved in solutions, whether staff assistance, housing development, or funding of programs.
- Show residents opportunities available to them to improve their homes and living conditions.

WHAT THE ACTION STRATEGY CANNOT DO

- Force builders or developers to construct a certain housing product, or housing at all.
- Force residents to make improvements to their homes (although code enforcement can).
- Affect challenges at the national level including interest rates, lending standards, raw material costs, and federal funding sources. However, it can help organize policy/programs that decrease risk in lending, create gap financing methods, and offset material costs when appropriate.
- Require redevelopment of a specific site or building.

WHO NEEDS TO BE AT THE TABLE? - BUILDING THE HOUSING PARTNERSHIP

Like the structure of the listening session and groups gathered to create this study, a wide spectrum of partners will help bring together expertise from across the Greater Lafayette READI Region. Building upon existing regional public/private partnerships with adequate financial and human resources will be central to deliver housing. As shown in this chapter, these partners include:

- **Greater Lafayette Commerce and County Economic Development Organizations.** Economic development leaders are already gathering to advance housing strategies. They are a primary reason for this study. The roles of economic development organizations in the housing partnership may (or already do) include:
  - › Continuing to convene with partners and leading grant programming.
  - › Helping educate the public on the importance of housing to the overall economy and inviting members to expand their role in the partnership.
  - › Promoting housing incentive programs to employers and their employees.
  - › Bringing funding partners together and championing their partners' involvement in programs.
- **Local Jurisdictions.** A commitment to housing and neighborhoods from the local jurisdictions is an enormous asset. The greatest opportunity exists in layering multiple programs from local jurisdictions with other regional resources that specifically focus on filling gaps in the market and in creating demonstration projects.
- **Realtors, Builders, and Developers.** Realtors, builders, and developers in the partnership will be as the contractors, marketers, and when appropriate as financial partners.

- **Housing Authorities.** Traditionally, housing authorities have focused their mission and programs on housing for the lowest income households. They will be an important partner in the future, especially related to their knowledge of programs and management. Federal regulations and capacity may limit their role at times, but their expertise and perspective on the housing market will be a valuable resource.

- **Employers.** Employers know that the housing market condition impacts their ability to recruit and retain employees. Each company invests a significant amount of time, energy, and money training their employees, and, therefore, it is in their interest to support all aspects of retention including housing. Employers can play multiple roles in the housing partnership:
  - › Direct construction or support of new ownership.
  - › Provide rent subsidies and down payment assistance for employees residing within the Greater Lafayette READI Region.
  - › Market local housing opportunities, including rental and ownership options, rehabilitation, or first-time home-buyer programs.
- **Schools.** Schools are major drivers of housing choice and a significant employer in many communities. They can be involved in housing partnerships through:
  - › Establishing or enhancing building trades programs for students.
  - › Providing assistance or incentives for teachers and staff to be able to live in the community.
  - › Making available land not for future expansions to be used for housing development.
- **Purdue University.** The University plays a major economic role in all aspects, including housing development and occupancy. Due to the significant impact on the housing market, the University can play a valuable role in housing development such as providing executive housing for visiting faculty or data collection and analysis.

- **Lending Community - Banks, Non-profits, etc.** The lending community is intimately involved in all aspects of the housing market. While many aspects of their business and practice are tightly regulated, other aspects do permit innovation and proactive participation in the housing market. The role of the lending community in a housing partnership may include creating a lending consortium that would allow the community to share investment risk across multiple lenders.

- **Not-for-Profit Community Housing Providers.** The not-for-profit development community such as Habitat for Humanity and other community based organizations, can play a valuable role in the housing partnership. These organizations can bring many valuable benefits to the housing partnership including the following:
  - › Continue and expand operations in the READI Region.
  - › The ability to access disadvantaged populations through outreach. Reaching these populations is essential to connect those who need housing with the appropriate housing programs such as affordable rentals, affordable ownership options, or the rehabilitation of existing homes.
  - › Not-for-profit status enables tax deductible contributions and gifts from a diverse array of constituents. This includes donations of land, homes, and time donated by contractors. These donations could be used for a Habitat for Humanity home or could be passed along to the housing partnership.
  - › Expanding the proven model of engaging new homeowners in the process of construction through “sweat equity” and home-buyer education.
- **State of Indiana.** The State of Indiana continues to explore new and revise programs to generate housing investment. Resources are limited and spread across many communities. However, READI 2.0 funds are on the way. The Greater Lafayette READI Region’s six county population base has the power to advocate for housing programs that would be more effective.

THE DEVELOPMENT PROCESS - A PRIMER

A general understanding of the housing development process is essential to maximize the potential benefits of each strategy. Each component of the development process - from initial land search to final sale - presents an opportunity to address housing goals.

The Producer Perspective

From a business perspective, housing producers (developers, subdividers, homebuilders) are driven by two fundamental and highly rational objectives: maximizing return and minimizing risk. Clearly, people in the industry are motivated by other factors as well – the desire to help build their community, contribute to society, continue family businesses and traditions, and gain personal satisfaction by doing good work.

But regardless of secondary motives, their business viability depends on two basic objectives: maximizing return and minimizing risk. Thus, each step in the development process seeks to address these two factors.

The Consumer Perspective

The development process is also heavily influenced by what housing consumers want to live in or live next to, both owners and renters. Their most essential expectation is for an affordable home that provides a safe, secure, and comfortable place to establish a household, raise a family, or live out various periods of their respective lives. But the meaning of that expectation varies for people in different situations. The relative value of a house is determined by a variety of factors: changing market tastes, the condition and character of the structure itself, the state of the neighborhood and surrounding property, marketplace competition, and the availability of financing, among other things.

PHASE 1: PLANNING APPROVALS | *1-2 Years*

DEVELOPER

PRE-DEVELOPMENT | 1-2 Years

» Site due diligence
» Secure financing for land acquisition
» Draft development plan
» Draft project life budget
» Marketing to investors
» Initial design presented to Planning Department

DESIGN & REVIEW

SCHEMATIC DESIGN | 6 mo » 1 year

» Hiring of architect & engineer
» Finalize market analysis
» Review process with government staff begins
» Revisions related to administrative reviews completed
» Potential appeals process

GOVERNMENT

PUBLIC PROCESS | 1-2 years

» Neighborhood engagement
» Review by government departments completed
» Finalize site revisions based on codes and environmental regulations
» Conditional approvals requested
» Biggest time variables in the development process

PROJECT APPROVAL

PHASE 2: FINANCING & FINAL DESIGN | *6 months-2 years*

FINANCING | Up to 1 year

» Potentially hold on project or sell to another investor
» Secure final financing
» Complete final construction drawings

BUILDING PERMIT | 6 months » 2 years

» Building department and related agencies, such as the fire marshal and public works review construction drawings for compliance
» Revise drawings based on review

BUILDING PERMIT ISSUED

PHASE 3: CONSTRUCTION | *18 months-3 years*

CONSTRUCTION | 18 Months » 3 years

» Selection of contractor
» Sales and leasing work begins
» Construction period of 12 to 36 months and potentially longer for full build-out of a subdivision or mixed use development

INSPECTIONS | Throughout Construction

» Inspections by building department
» Certificate of Occupancy issued with final inspection

BUILDING PERMIT ISSUED

PHASE 4: POST-CONSTRUCTION

LEASING & SALES | 6 Months » 1 year

» Final lease up or sale of units
» On-going monitoring for non-traditional financing up to 15 or more years.

EXISTING PROGRAMS, STRATEGIES, AND INITIATIVES

Like understanding the development process, understanding existing efforts helps form a path forward that does not duplicate efforts, can leverage existing connections, and evaluate why certain programs are not producing results. Many initiatives were brought up during the process of developing this study. **The list below is not meant to be exhaustive of all potential initiatives happening in the Greater Lafayette READI Region and is generally gleaned from conversations and public website information.**

State of Indiana

- **Indiana Affordable Housing and Community Development Fund (Development Fund).** For new construction, and/or rehabilitation of homes for sale, permanent rental units, and permanent supportive housing done by nonprofits, for-profit developers, and local governments.
- **Indiana Affordable and Workforce Housing Tax Credit.** The tax credit aligns with the federal Low-Income Housing Tax Credit (LIHTC), and qualified projects can receive awards between 40% to 100% of their federal 4% LIHTC amount.
- **Owner Occupied Rehabilitation Pilot Program.** Directly assists homeowners of low-moderate income to make needed repairs on their homes through financial assistance.
- **Weatherization Assistance Program (WAP).** Repairing and replacing furnaces and water heaters, installing insulation, reducing air infiltration and pressure imbalances, and sealing and repairing ducts.
- **Low Income Home Energy Assistance Program (LIHEAP).** Financial assistance and energy education to low-income households to maintain utility service.
- **Redevelopment Tax Credit.** Incentivizes redevelopment in vacant and underutilized land by providing developers income tax credits for their projects.
- **Indiana Housing and Community Development Authority programs (IHDCA).** Regional planning councils oversee programs that develop and implement strategies to mitigate homelessness.
- **IndianaHousingNow.org (emergency rental assistance).** A housing locator service through the IHDCA and provides information about rental properties and helps residents find the type of housing that works best for them.

Regional

- **Prairie Land Community Housing (applicable in various communities statewide).** Owns and operates senior living and affordable housing units while also managing the USDA Rural Development program that creates affordable rural housing in rural communities.
- **Community Action Program of Western Indiana (applicable to Benton, Fountain, and Warren Counties).** Provides services and other supportive measures to communities and individuals that lead to self-sufficiency; some of the housing-related services they provide are finding affordable rental properties, facilitating public housing programs, weatherizing homes, testing for lead-based paint, and offering financial assistance for energy and utilities.

Jurisdictions in the READI Region

- **City of Delphi Rental Property Registration and Inspection.** Potential ordinance for registering and inspecting rental properties.
- **Delphi Redevelopment Commission (DRDC).** Addresses barriers to development, underutilized spaces, and blighted areas; Commission members review economic development strategies and develop a plan to bring in new development through TIF, bonds, or invested funds.
- **Rural Opportunity Zone Initiative (applicable to the City of Delphi).** This program serves to build capacity in rural communities to attract private, public, and philanthropic investment that includes (but is not limited to) housing.
- **City of Veedersburg Redevelopment Commission.** The Redevelopment Commission facilitates TIF funds for public improvement projects in the community.
- **City of West Lafayette CDBG Advisory Board.** Facilitates HUD's CDBG funds for West Lafayette.
- **City of Lafayette Redevelopment Authority.** Governing body that handles land acquisitions and infrastructure project bonding as well as establishes economic development and TIF districts.
- **City of Lafayette Redevelopment Commission.** Responsible for the rehabilitation and redevelopment of spaces; provides financial assistance to households below the area median household income to purchase or lease residential units and to neighborhood development corporations to provide the units.
- **City of Lafayette Tax Abatements Policies.** Tax abatements are an incentive aimed at promoting community improvement programs like affordable housing.
- **Lafayette Housing Consortium (applicable to Tippecanoe County).** Organization that receives HOME funds from HUD that can be used to create and rehabilitate affordable homes.
- **HomesteadCS (applicable to communities in Tippecanoe County).** A nonprofit organization that provides educational services and resources to boost affordable housing opportunities and financial stability by increasing housing development and revitalization.
- **LTHC Homeless Services (applicable to Tippecanoe County).** A nonprofit that coordinates services and resources for individuals experiencing homelessness due to a housing crisis.
- **White County Housing Subcommittee.** Within the Area Planning Commission, this subcommittee researches and analyzes housing conditions within the county to develop reports.
- **White County Subordinate Housing Subcommittee.** Within the Area Planning Department, this housing subcommittee is discussing alternative locations for housing.

Strategic Housing Approach: Summary

HOW DO WE GET STARTED?

Action will be ongoing and ever changing. For example, no one could have reasonably predicted the nature of the 2020 pandemic and how exactly it would affect housing. Thus, the strategy is flexible and should use tools as opportunities arise and warrant. This action strategy is targeted to address the most imminent needs in the Greater Lafayette READI Region.

The following tables summarize potential tools that can be used to achieve each housing goal from the previous section and where they are most appropriate. Note, when price points and household incomes are referenced, these are in 2022 dollars and will need to be updated over time.

GOAL 1: INNOVATE IN THE WAY LOT DEVELOPMENT IS FINANCED	MOST APPLICABLE AREAS	TARGET PRODUCT	TARGET PRICE POINT
1.1 Site Preparation	All counties and regional partnerships	New options, medium to high density	All
1.2 Land Development			
A. Shared cost	All counties and regional partnerships	All	Low mix
B. Special assessments	All counties	Market rate owner and renter units	Medium to High
C. Infrastructure bank	Tippecanoe County	Owner occupied	Low mix
D. Tax abatement	All counties	All	All
E. TIF or HOTIF	Larger counties	Varies	Varies
F. Leverage READI 2.0	Regional partnerships	All	All
G. Community land trusts	Tippecanoe County	New options, medium to high density	Low to medium
1.3 Redevelopment			
A. Inventory available or potential sites and lots	All counties	N/A	N/A
B. Aggressive program to acquire and demolish deteriorated structures	All counties	N/A	N/A
C. Negotiation with property owners to acquire targeted vacant lots	Benton, Warren, Fountain, White, Carroll	N/A	N/A
D. Prepare a redevelopment plan for lots	All counties and regional partnerships	New options, medium to high density	Low to medium
E. Establish a Regional Development Authority or expand to include housing development	All counties and regional partnerships	All	All
F. Community land trust	Tippecanoe County	New options, medium to high density	Low to medium

GOAL 2: ADD HOUSING VARIETY ACROSS ALL LOCATIONS	MOST APPLICABLE AREAS	TARGET PRODUCT	TARGET PRICE POINT
2.1 Create a development fund	All counties and regional partnerships - different funds for Tippecanoe and rest of counties	Small lot, attached, mixed-use	Low to medium
2.2 Review zoning and subdivision codes	All counties	N/A	N/A
2.3 Establish pattern books	Tippecanoe, Carroll, White (areas with more development activity)	New products, “missing middle”	Low to medium
2.4 Long-range planning	All counties and regional partnerships	N/A	N/A

GOAL 3: PRESERVE EXISTING NATURALLY OCCURRING AFFORDABLE HOUSING	MOST APPLICABLE AREAS	TARGET PRODUCT	TARGET PRICE POINT
3.1 Establish and fund Healthy Home Programs	Tippecanoe County	Existing homes and rentals	Low to medium
3.2 Review Zoning Codes. Ensure that desired or older homes are conforming uses	All counties	N/A	N/A
3.3 Review rental registration programs. Where allowed, to identify allowed improvements	Tippecanoe County	Rentals	N/A
3.4 Establish and fund a rental rehabilitation program	All counties and regional partnerships	Existing rentals	Low to medium
3.5 Purchase-Rehab-Resale Program (PRR). Work with local non-profit developers to establish a PRR program	All counties and regional partnerships - different programs for Tippecanoe and rest of counties	Owner occupied attached/ detached	Low to medium
3.6 Property maintenance codes & enforcement - Share resources to enforce property maintenance	Benton, Warren, Fountain, White, Carroll and regional partnerships	Existing homes and rentals	N/A
3.7 Central information centers for property owners/ renters to access resources	Regional partnerships	N/A	N/A

GOAL 4: ENSURE THAT ALL PARTS OF THE REGION HAVE ADEQUATE RENTAL HOUSING	MOST APPLICABLE AREAS	TARGET PRODUCT	TARGET PRICE POINT
4.1 Identify pre-approved sites for the development of multi-family housing	Warren, White, Carroll, Tippecanoe	Rental	Medium to high
4.2 Assist with lot and site development	All counties and regional partnerships	Rental	All
4.3 Review zoning codes to expand locations for allowed housing types	All counties	Rental	All
4.4 Lower the risk in low rental markets - provide gap financing or rent guarantees	All counties and regional partnerships	Rentals	All
4.5 Establish rental rehabilitation program	All counties and regional partnerships	Existing rentals	Low to medium
4.6 Build the narrative around housing needs for all, build public support for projects	All counties and regional partnerships	Rentals	All
4.7 Review or create standards on short term rentals	White, Carroll, Tippecanoe	N/A	N/A

GOAL 5: FOSTER HOUSING INNOVATION TO LOWER COSTS	MOST APPLICABLE AREAS	TARGET PRODUCT	TARGET PRICE POINT
5.1 Embrace new technologies and techniques	All counties and regional partnerships	All	All
5.2 Adopt energy efficiency programs	All counties and regional partnerships	All	Low
5.3 Tap into existing resources	Regional partnerships	All	All
5.4 Expand workforce development programs	All counties and regional partnerships	N/A	N/A

Strategic Approach to Housing

The following section outlines the Greater Lafayette READI Region's housing goals and identifies strategies for implementation around common categories.

Adopting policy to apply the goals, objectives, and strategies should also be mindful to incorporate:

- Environmentally friendly approaches to design. Sustainability initiatives are already taking place across the counties in the READI Region.
- Connections between incentives and projects that create attainable housing or address specific needs for the region, county, or respective jurisdiction.
- Design of housing projects that do not overly strain city infrastructure capacity and fiscal ability to maintain public services in the future.
- Partnerships with other organizations and the private market. It should not be the full responsibility of a jurisdiction to take on all the risk in housing programs. Greater Lafayette Commerce can be a starting point to help create these partnerships.
- The recommendations and guidance of local housing committees, studies, and comprehensive plans.

Regional Housing Goals

Innovate in the way lot development is financed

Add housing variety across all locations

Preserve existing naturally occurring affordable housing

Ensure that all parts of the region have adequate rental housing

Foster housing innovation to lower costs

Reaching the Goals

The strategic approach to housing in this document outlines multiple strategies and objectives to reach region wide goals.

OBJECTIVES

The objectives outline specific measurable outcomes to reach and satisfy each goal.

STRATEGIES

The strategies involve suggested programs, policies, actions, and investments to undertake to meet the objectives and realize each goal. Each county and city in the Greater Lafayette READI Region is unique. Therefore, not every strategy is applicable everywhere. The following icons are used to identify target areas for application:

R — Regional effort or partnership

B — Benton County

W — White County

W — Warren County

C — Carroll County

F — Fountain County

T — Tippecanoe County

Applicable for all counties

These icons are a guide and not meant to preclude a jurisdiction or organization from pursuing a strategy they feel best matches their resources and abilities.

CONTEXT APPROPRIATE SOLUTIONS

As the strategies explore housing interventions and partnerships that can be used to generate energy in the housing market, it is important to note that there are unique aspects of the housing market within different areas of the Greater Lafayette READI Region. For example, the smaller communities surrounding West Lafayette and Lafayette will continue to serve a share of the region's workforce including those who prefer a more rural environment. Further, there are aspects of the housing market, including higher-cost production, that do not require policy interventions. The tools are offered as a buffet of options to help address the variety of issues.

Goal 1: Innovate in the way lot development is financed

Discussions in every county in the READI Region included the lack of sites available for housing development. Reasons cited often relate to infrastructure capacity, the price of farm land being a disincentive to develop, and private property owners simply not wanting to sell. A critical step in providing new housing to alleviate pent-up demand requires finding ways to create developable residential lots.

COMMUNITY COMMENTS

"Mid-size homes are needed for incoming companies. Based on feedback from local developers, infrastructure projects need to start NOW, and will require state officials to be involved." - survey respondent

"It's going to take some forward thinking that doesn't currently exist by county and town administrations to position their towns with infrastructure or incentives to attract people to build and move there." - survey respondent

Regional Housing Goals

1. Innovate in the way lot development is financed

2. Add housing variety across all locations

3. Preserve existing naturally occurring affordable housing

4. Ensure that all parts of the region have adequate rental housing

5. Foster housing innovation to lower costs

Goal 1: Innovate in the way lot development is financed

OBJECTIVES

- **Increase the number of buildable lots.**
- **Share risk on lot development.**
- **Reduce the amount of lot development cost passed on to buyers and renters.**
- **Create opportunities for more housing variety.**

STRATEGIES

1. **Site Preparation.** Lot assembly and site prep assistance that targets needed housing types.

   A. Low income

   B. New housing types

   C. Innovative construction/partnerships

2. **Land Development.** Possible approaches for medium to higher density product types.

   A. Shared cost

   B. Special assessments

   C. Infrastructure bank

   D. Tax abatement

   E. TIF or HOTIF

   F. Leverage READI 2.0 and other State funds

   G. Community Land Trusts

3. **Redevelopment.** Focusing on land assembly in larger communities.

   A. Inventory available or potential sites and lots

   B. Aggressive program to acquire and demolish deteriorated structures

   C. Negotiation with property owners to acquire targeted vacant lots

   D. Prepare a redevelopment plan for lots

   E. Establish a Regional Development Authority or expand to include housing development

   F. Community Land Trusts

Housing Bonds: Greensboro, NC

In October 2016, Greensboro put to vote a $25 million bond project to fund the purchase, construction, and improvements to housing for low to moderate income households. Projects include housing or neighborhood revitalization programs or providing loans and grants to individuals, developers, or other organizations for both single and multi-family projects. The bonds are projected to leverage $54 million in investments on 1,007 housing units.

Projects include:

- Development or buyer assistance for 320 units of middle income housing.
- Code compliance repair through a revolving loan fund for 120 home repairs with property liens.
- Accessibility improvements for 80 units.
- 27 new supportive housing units targeted to homeless/disabled/ veterans.
- Revolving loan fund for 50 low income homebuyers.
- 150 units of heating systems, lead-based paint, health hazards and emergency repairs.
- 150 affordable multi-family units.
- 30 owner-occupied home rehabs.

Using a city bond initiative is not exclusive to larger cities like Greensboro. Newton, Iowa (population 15,000), used a bond initiative to assist with subdivision development and incentivizing housing construction after the Maytag closing resulted in a loss in confidence by the development community.

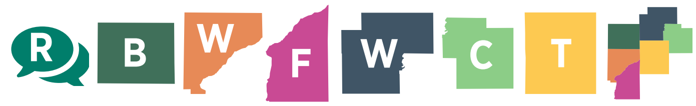
https://www.newtongov.org/752/Housing

1.1 SITE PREPARATION

Offering affordable sites is one of the easiest ways to lower risks and foster innovation. Through the assembly of vacant lots or assistance with site preparation (infrastructure), communities can help increase the economy of scale for developers and lower the development project's cost. This should only be done for one of the following types of projects:

- Housing affordable to households making less than 120% of the area median income (AMI).
- Housing types not found or in low supply in the community or metro area.
- Innovative construction or partnerships that help fill gaps in the housing market.

1.2 LAND DEVELOPMENT



Each jurisdiction should explore using a shared cost model, special assessments, and/or infrastructure banks to assist in lot development costs. Lot development is challenging and is generally done by the private sector. The developer must cover their costs, and most cities do not have a pot of money to fund new lot development (most are struggling to maintain existing streets and infrastructure). In this scenario, all costs are passed through the final sale price of the home or through rent. Due to rising costs, the ability to finance lot development in smaller markets often means that lot development is just not happening.

Developments should use these programs as efficiently as possible. Low-density developments should generally not be eligible for these programs. Rather, these strategies should apply to higher density developments or innovative medium density (above six units per acre) projects that address missing product types.

Possible approaches for medium to higher density product types:

A. Shared cost

In a cost-share model, the public would share 30% to 50% of construction costs with the developer. This cost-share level is required to impact the cost of the home and be a large enough incentive for a developer to want to get involved. Repayment is derived from the added property taxes created by new development. Under this type of program, shared cost would only occur when 50% or more of the units are affordable, with the blend of affordability tied to the level of shared cost by the jurisdiction.

B. Special assessments

In many communities, special assessments where property owners in an area pay a higher tax for a given time period can be used to finance new infrastructure or other amenities in the targeted area. While assessments reduce the initial purchase price of the house, they are repaid as an addition to property tax payments, adding to the monthly and overall cost. However, they make it easier for developers to develop subdivisions because developers are not personally responsible for carrying the debt on the development of the subdivision. The developer is responsible for paying the property taxes/special assessments on unsold lots and any debt on the purchase of the land and therefore continue to share some risk.

C. Infrastructure bank

This approach only applies to projects that include a targeted mix of affordable units and assumes homes will appreciate in value. With an infrastructure bank, the public sector finances the infrastructure as a “participatory” deferred loan. The loan sits dormant until the home sells and then a portion of the appreciation in cost goes to paying off the deferred loan. This lowers the household’s monthly payment, however, can also reduce the amount of equity the household builds in the unit.

D. Tax abatement

Tax abatement can come in various forms but simply provides an offset in property taxes paid. For the developer of lots, this reduces the costs they have in the lots and lessens the pressure to sell the lots. This strategy can be especially effective with rental developments where the cost of higher taxes is not always fully passed on to the renter, thus keeping rents lower.

E. TIF or HOTIF

Using Tax Increment Financing (TIF) or Housing Tax Increment Financing (HOTIF) rules can change year-to-year based on State legislation. These tools allocate the increment of taxes created by new additional investments that are made and can be used for debt financing, site preparation, infrastructure development, and public improvements.

F. Leverage READI 2.0, other State funds

The READI funding allocations through the State of Indiana are already producing results to improve the quality of life in the Greater Lafayette READI Region. Planning for a second round of funding in the Greater Lafayette READI Region is underway. Housing related efforts and investments must be included as significant projects in READI 2.0 and other State funding opportunities.

G. Community land trust

Discussions and preliminary actions on creating a community land trust are happening in Tippecanoe County. A community land trust creates several advantages as a private, nonprofit organization that owns land on behalf of a jurisdiction to ensure affordability. In a CLT, homeowners purchase just the improvements, and those units may have deed restrictions that limit the appreciation of the home. In this shared equity model, a homeowner builds equity, but the amount of equity is limited in order to maintain affordability for the next homeowner.

A community land trust partnership could include providing lots/land, assisting with site prep, or providing funding for the initial housing construction.

1.3 REDEVELOPMENT

Creating residential lots should also come from changing the use of existing sites that are vacant, obsolete, or not meeting their market potential. Redevelopment has several benefits over greenfield site development, such as already having the base infrastructure in place. However, the challenge with redevelopment is often having an individual site or assembly of sites large enough to make a project worthwhile for a developer.

A land assembly or redevelopment program may include:

A. Inventory available or potential sites and lots

This action may seem obvious, but a consolidated list of possible sites eliminates an initial barrier. By simply knowing what is available, the public sector can begin the conversation with potential developers on a redevelopment package that can make their investment worthwhile.

Mobile Home Buyout Program: Faribault, MN

The Housing and Redevelopment Authority (HRA) in Faribault has used its Mobile Home Buyout Program to acquire and remove substandard housing from its existing mobile parks.

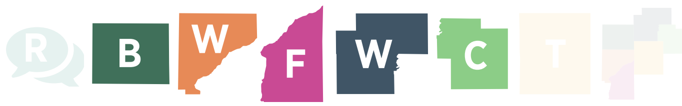
Through this voluntary program, owners of uninhabited, dilapidated, or substandard mobile homes may apply to participate in the buyout program. If the unit is determined to be substandard, uninhabited, or dilapidated, the HRA will buy the mobile for a flat rate of $2,000, not including property tax or lot rent. Upon acquisition, the home is then properly demolished, removed, and the lot repurposed.

www.ci.faribault.mn.us/427/Mobile-Home-Buyout-Program

B. Aggressive program to acquire and demolish deteriorated structures

These sites are opportunities to increase the lot inventory. A program would include incentives and/or enforcement to remove structures in the worst condition that are beyond repair. These could be residential or non-residential structures. Many of the tools in this section could apply to a demolition program.

C. Negotiation with property owners to acquire targeted vacant lots



Sometimes owners of vacant lots have no desire to keep the lot but have little incentive or time to dispose of it, or the lot is not marketable because of its size, location, or cost to develop. Beginning conversations with these owners, using the inventory in item (A), can often stimulate action on their part to part ways with their holdings.

D. Prepare a redevelopment plan for lots

There must be a use plan when a critical mass of lots are acquired or items (A) through (C) produce a critical mass. Simply advertising lots for redevelopment will not produce the desired housing results, especially when these lots might have size constraints. A public plan for redevelopment that lays out the housing types, parameters, incentive packages, and timeline eliminates a lot of questions for a potential investor.

E. Establish a Regional Development Authority or expand to include housing development

There are many models and scopes of redevelopment authorities. Some local examples are already being discussed in the Greater Lafayette READI Region. A regional approach could provide more resources and opportunities for a broader influence in areas without the capacity to form their own entity to leverage the benefits that come with a non-profit organization.

Land Banks for the Greater Lafayette READI Region

Land banks are governmental nonprofit organizations that can acquire vacant, abandoned, or dilapidated properties for renovation or demolition for future development. Most cities and not-for-profits organizations regularly can acquire property through estate gifts, tax delinquency, or property liens. This land must be maintained and likely best kept under a land bank.

Land banks are appealing because they allow for land assembly without the public sector entity having to hold and maintain properties. However, cities can sell the lots for projects that meet specified needs. It is crucial that the land bank is coupled with a steady funding source such as a lending consortium or devoted local funds.

Creating municipal or regional land banks would be a good approach for lots acquired through strategy 1.3 for redevelopment. The State of Indiana allows cities and counties to establish land banks, listing the requirements to do so. As of 2023, Indiana had 4 municipal and 1 regional land banks.

F. Community land trust

A community land trust, as described in the previous section, can also be leveraged for redevelopment programs and used for developing scattered sites.

Goal 2: Add housing variety across all locations

Households have different housing needs. For many years the housing market focused on single-family detached homes, with rental construction happening primarily in urban areas. The lack of varying housing types results in individuals staying in homes they do not prefer (or need) or entering homes that do not fit their stage of life or lifestyle.

A greater variety of housing products should provide options for households' needs at every stage of life, especially the gap for the middle-income ranges.

COMMUNITY COMMENTS

"There's no housing for the middle people. We have low income housing or the small houses. Or we have the expensive newly build houses that only people who live outside of the community can afford. Our community is making it hard for people to want to stay or be able to stay." - survey respondent

"There is a definite need for quality, affordable rentals. Garage apartments, mother-in-law apartments, granny flats, small apartment buildings, and tiny homes would all be assets." - survey respondent

Regional Housing Goals

Innovate in the way lot development is financed

Add housing variety across all locations

Preserve existing naturally occurring affordable housing

Ensure that all parts of the region have adequate rental housing

Foster housing innovation to lower costs

Goal 2: Add housing variety across all locations

OBJECTIVES

The objectives for this goal intend to increase the portion of housing building activity going towards units other than conventional detached single-family and large apartment complexes.

- **Provide rental options beyond traditional apartments, including duplexes, townhomes, and accessory dwelling units.**
- **Lower the risk of developing underbuilt housing products that fill local needs.**
- **Build and free up more housing for middle incomes – those that do not qualify for low-income programs but still have trouble affording market rate new housing.**

STRATEGIES

1. **Create a Development Fund.**

   A. Assist with funding projects that add variety.

2. **Review Zoning and Subdivision Codes.**

   A. Remove barriers to developing certain products and medium density housing.

3. **Establish Pattern Books.**

   A. Establish a set of pre-approved plans that encourage housing diversity through streamlined processes.

4. **Long-Range Planning.**

   A. Leverage recent comprehensive plans and housing partnership work for targeted areas.

   B. Update long-range plans for more specific directions on growth, redevelopment, and neighborhood investment areas.

Omaha 100 Incorporated (Lending Consortium): Omaha, NE

Omaha 100 was incorporated to provide homeownership opportunities enabling low and moderate income borrowers to own their own homes. The group provides affordable mortgage loans, grant underwriting, and down payment assistance services.

Omaha 100 works with a consortium of lenders to provide lower interest rates on home loan products, down payment assistance, and second mortgages to make homeownership affordable. Clients must complete a home-buyer education course.

www.omaha100.org

Affordable Housing Fund: Grand Rapids, MI

The City of Grand Rapids set an aggressive policy target for a citywide inventory of 30% affordable housing units. One tool created to help with the effort is an Affordable Housing Fund leveraged by dedicated city revenues, private contributions, and interest earnings. Additionally, a board provides recommendations for policy changes and managing allocations. Funds come from:

- City appropriations from tax growth
- Private contributions, State funds, County, and other grants
- Excess revenues from General Funds

Eligible applicants include non-profit and for-profit affordable housing developers, and public housing authorities. Individuals are eligible for homeownership financial assistance. Fund allocation is used only for situations that meet city needs, like mixed-use development, projects with other funding sources, and small scale development.

https://www.grandrapidsmi.gov/Government/Programs-and-Initiatives/Housing-NOW

2.1 CREATE A DEVELOPMENT FUND

Establish a development fund(s) used to assist with funding projects that add variety

Simply put, a development fund is a pool of money that comes from many different sources allocated to specific housing goals. For the Greater Lafayette READI Region two separate funds could be formed to target Tippecanoe County and the rest of the counties in the region separately, possibly managed by the same group. The fund could be capitalized in several ways:

- **Lenders Consortium.** A partnership where lenders in a city, county, or region pool resources to make loans to higher risk projects or buyers meeting the objectives in this study. Thus no one lender is taking the full risk on the financing. The concept of a lenders consortium is fundamental to many of the strategies in this chapter.
- **Community Housing Bonds.** Some cities initiate a bond issue to fund housing projects. The bonds require a vote by the community and have been a demonstrated approach in both large and small cities, but can be challenging due to bonding capacity.
- **Affordable Housing Fee.** This fee would be applied to all new housing developments that do not meet an affordability or accessibility threshold.
- **General Fund.** A jurisdiction can choose to fund a program like this out of general fund dollars, but this is usually very challenging to do because these dollars are limited, and priority is given to essential services and existing programs.

For any development fund approach, the distribution of funds must assist in funding projects that add housing variety, such as:

- **New rental products with rents that support workforce housing.** Generally these rents would be affordable for households making under 120% of Area Median Income (AMI). This could be through mixed-income projects.
- **Small lot or attached housing arrangements that result in lower sale or rental prices.**
- **Applying Universal Design standards.**
- **Downtown upper-story or mixed-use developments.**

2.2 REVIEW ZONING AND SUBDIVISION CODES

Remove barriers to developing certain products and medium density housing

Many communities in the Greater Lafayette READI Region have already taken a close look at their zoning and subdivision codes and made updates to remove barriers to housing development. Development regulations are one of the first and relatively easiest strategies to address for adding housing variety. A zoning and subdivision code audit should occur in every county and community to remove barriers to developing certain products and medium density housing. The information below provides common initial items to reconcile in development codes.

Zoning for Housing Opportunity

Nationally, there is a growing discussion regarding the adverse impact of regulations on housing development. Jurisdictions need to ensure municipal codes do not prohibit or add time to desirable housing development.

An individual ordinance review for each jurisdiction is beyond the possibility of this study. However, the following is the start of a general checklist, which may benefit jurisdictions that have not recently updated regulations or without a zoning official on staff.

- Review past exceptions granted on residential development. If there are several similar exceptions granted each year, evaluate if these are contributing to better development and consider making the exception allowed everywhere.
- Review setbacks, site coverage, and parking requirements to allow building on nonconforming small lots that exist in many jurisdictions today.
- Allow more residential uses in commercial/employment districts. At a minimum, upper story residential should be allowed in downtown districts.
- Allow duplexes, attached housing, and even tri-plexes in more zoning districts. Jurisdictions may find many of these uses in "single-family" neighborhoods today as nonconforming uses that function just fine, and have for many years.
- Evaluate nonconforming building regulations to ensure compliance requirements focus mostly on properties with records of nuisance or building code violations rather than merely seeking more properties to align with regulations that did not apply at the time of construction. Examples include:
  - Restoration after damage – Exempt residential uses in residential zoning districts from any compliance trigger for lot size, setbacks, building size, and parking when damaged. Instead, allow restoration of these damaged structures to the condition at the time of damage.
  - Adaptive reuse and reconstruction – Specify adaptive reuse and reconstruction are allowed for any nonconforming building so long as the property has no known nuisance complaints or safety violations.
  - Special permits for nonconforming structures – Exempt special permit requirements for reconstruction or structural alteration of residential uses if not changing the setback, height, or area as existing today.
- Reduce or eliminate parking requirements for multifamily housing units. Multifamily type uses can typically have standards lower than two parking spaces per unit through shared parking arrangements, off-site or street parking, availability of alternative transportation and some residents choose not to have vehicles.

2.3 ESTABLISH PATTERN BOOKS

Establish a set of pre-approved plans that encourage housing diversity through streamlined processes

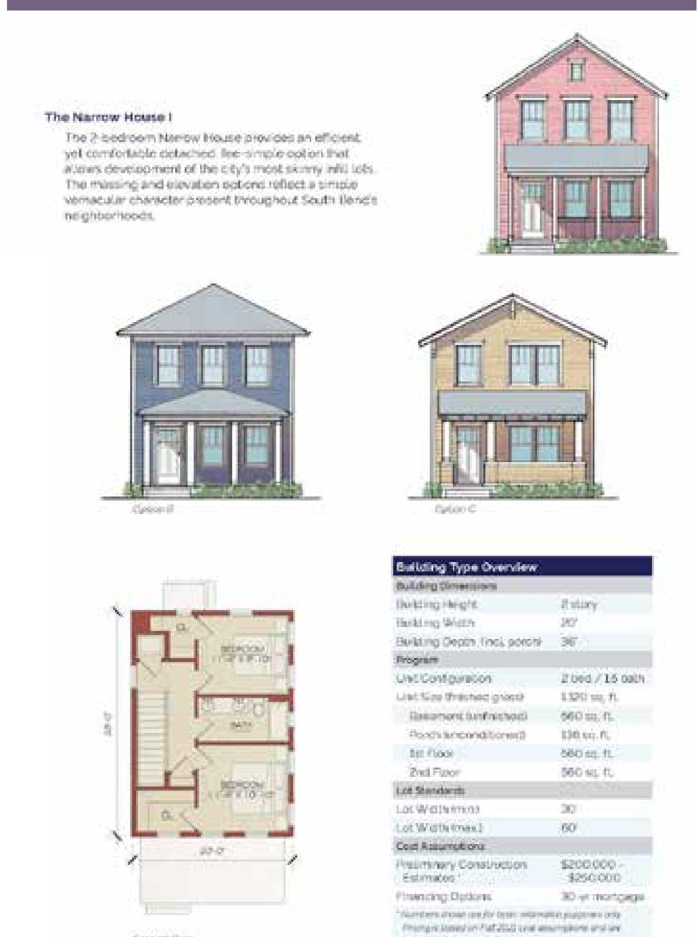
There are ways to accelerate approval for more desired products – a possible incentive to reduce development costs. This can come from a coordinated departmental review where administrative approval criteria are agreed upon.

Even after amending codes to fast-track approvals with guidance, developers may still be cautious about changing their building model. There are few developers building anything beyond single-family homes or large apartment complexes. That is understandable because of historical consistency in profits and evidence of past local approvals reduces the risk of a project falling through. By creating a package of example site plans and products that will get approved, the builder has less risk.

Pre-Approved Housing: South Bend, IN

Facing a shortage of affordable housing and hundreds of potential infill lots, the City of South Bend, Indiana developed a set of pre-approved, ready to build housing plans. The plans are small to middle scale housing developments or what the city has described as a "Sears Catalog" of housing options that are contextually appropriate to South Bend's neighborhoods and fit with local building materials and techniques. The plans can be used in any zoning district that allows the selected building type per the current zoning ordinance.

South Bend Neighborhood Infill

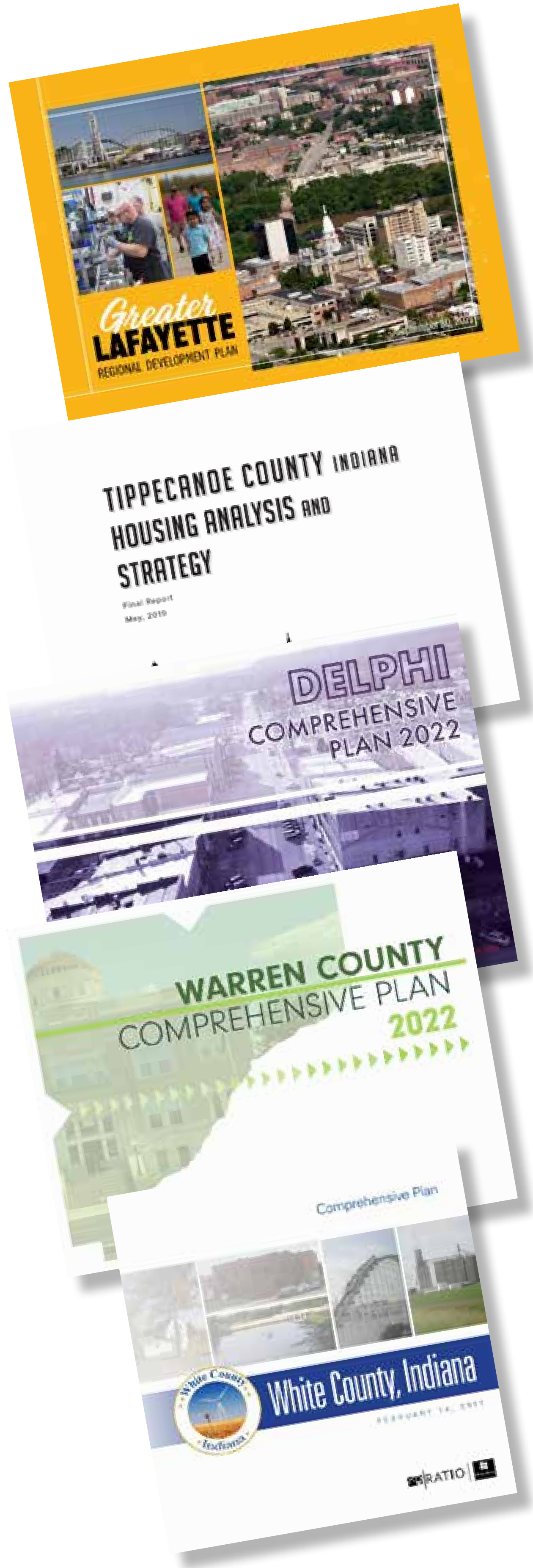


2.4 LONG-RANGE PLANNING

Leverage recent comprehensive plans and housing partnership work for targeted areas and update long-range plans for more specific directions on growth and change areas

The benefit of long-range planning cannot be understated for achieving housing goals. Communities in the Greater Lafayette READI Region with long-range land use and strategic plans tend to see more housing development interest. This is partially because builders and developers know what is expected, as well as governing bodies and the public. A common vision eliminates some level of uncertainty from all parties. Additionally, the process of creating or updating long-range plans builds local partnerships to stimulate action.

Note, some cities and counties have recent housing studies or housing elements to other plans. For example, the 2019 Tippecanoe Housing Analysis and Strategy. These recent efforts should supplement the findings and strategies of this study.



Goal 3: Preserve existing naturally occurring affordable housing

Most of the housing stock in the Greater Lafayette READI Region is more than 50 years old. Consequently, the housing condition in many areas, especially more rural areas, needs more maintenance investments. This housing is often referred to as naturally occurring affordable housing.

Continual reinvestment in this housing stock will be important to meet existing and future housing needs. Reoccupying many of the suitable vacant units within this housing supply is also essential to add affordable units without the need for new construction.

COMMUNITY COMMENTS

"My rent has increased by more than 50 percent ($630 to $1,020/month) in five years. My salary has not kept pace." - survey respondent

"Currently in an apartment and love it, but looking to purchase a home, but houses have dramatically increased in cost over past 3 or more years and standard 3 bed, 2 bath, with 2 car garage are going for $250,000 or more." - survey respondent

Regional Housing Goals

Innovate in the way lot development is financed

Add housing variety across all locations

Preserve existing naturally occurring affordable housing

Ensure that all parts of the region have adequate rental housing

Foster housing innovation to lower costs

Goal 3: Preserve existing naturally occurring affordable housing

OBJECTIVES

The objectives for this goal is to maintain the existing housing stock in a quality, livable condition for future generations.

- **Ensure a continued supply of entry level housing.**
- **Preserve and protect historic cores of cities.**
- **Reduce waste.**

STRATEGIES

Identify strategies most appropriate to the community.

1. Establish and Fund Healthy Home Programs.
2. Review Zoning Codes. As noted previously in this chapter.
3. Review Rental Registration Programs. Where allowed, to identify allowed improvements.
4. Establish and Fund a Rental Rehabilitation program.
5. Purchase-Rehab-Resale Program (PRR). Work with local non-profit developers to establish a PRR program.
6. Property Maintenance Codes & Enforcement. Share resources to enforce property maintenance.
7. Central Information Centers. For property owners/renters to access resources.

Partnerships for Housing Preservation

Many different programs could assist with the preservation of affordable housing where the public sector role would be a strategic partner, not the implementor.

Low Income Housing Tax Credit, LIHTC

Working with local partners a program regionally or in larger cities can be established to track and recapitalize units within the LIHTC program. The program should identify which projects will likely not be refinanced in the LIHTC program and how to fund the affordable units. Funding could come from either a development fund or from the private sector.

Purchase Protection Programs

Nationally and locally, nonprofits are beginning to purchase homes to protect unsubsidized affordable units. In these cases, they work with Realtors and local leaders to protect housing from outside investors and cash buyers who out-compete local buyers using traditional financing. Some homes may be existing rentals and the goal is to maintain unsubsidized affordable rents. Generally, the nonprofits are not looking to hold the properties but rather ensure affordability and help build wealth for traditionally marginalized populations or neighborhoods. Partnerships may also be created between this program and a purchase-rehab-resale program. A nonprofit or foundation may have the funding to purchase homes but not the capacity or interest in doing rehab work. While the nonprofit executing the rehab may not have the capital to purchase potential homes when they become available.

Community Land Trusts or Shared Equity Housing

Land trusts and shared equity housing are not only ways to create more affordable units and potentially greater variety but also permanent affordability. Each are discussed under strategies in this chapter.

3.1 ESTABLISH AND FUND HEALTHY HOME PROGRAMS

The HUD Healthy Homes Program helps address health concerns commonly associated with older homes, such as mold, lead, radon, and other home safety precautions. Grants through HUD get awarded to non-profits, for profit firms, state and local governments, and universities. Not only should systems be in place to help entities apply for these grants, but a similar local program could be developed using local funds that can be distributed easier than HUD grant funds.

3.2 REVIEW ZONING CODES TO ENSURE THAT DESIRED OR OLDER HOMES ARE CONFORMING USES

The same approach as strategy 2.2 applies here for maintaining and permitting improvements to the existing housing stock. The difference between a residential structure being classified as a nonconforming structure versus a conforming structure in the zoning code is a significant financing factor. Financing through the Federal government will often stipulate conforming zoning status and thus eliminate a potential funding source for purchasing or improving classified nonconforming structures.

3.3 REVIEW RENTAL REGISTRATION PROGRAMS CURRENTLY IN PLACE TO IDENTIFY ALLOWED IMPROVEMENTS

Under current State laws, non-complaint based interior rental inspection programs are prohibited in most jurisdictions (West Lafayette is grandfathered). However, rental registration programs are permitted. Rental registration programs allow a jurisdiction to keep track of the number of rentals in the community and establish connections with landlords.

For West Lafayette, the use of inspection programs has both its supporters and detractors. The detractors are concerned with adding more costs and regulations for landlords that are then passed on to tenants in the form of higher rents. Supporters note the need to ensure that housing is safe and healthy for all residents, especially vulnerable populations and the lowest income households who often have few housing options.

Most inspection programs are established to prevent or eliminate substandard or deteriorating rental housing, and preserve residential rental properties, property values, and neighborhoods. In turn, West Lafayette should review the program to ensure intended outcomes are being met and lessons learned from past enforcement.

3.4 ESTABLISH AND FUND A RENTAL REHABILITATION PROGRAM

More rural cities with fewer staff resources might have code enforcement lower on the list of priorities. In a tight rental market, rental property owners often have no incentive to make improvements. Rental rehabilitation programs should focus on workforce housing, providing leveraged loans combined with code enforcement. The best aspects of a strategic approach include:

- Rental rehabilitation must include incentives and consequences to create a balanced "carrot and stick" program. Therefore, effective housing code enforcement is the key to ensuring that units meet minimum housing standards.
- All or a majority of the units rehabilitated may be affordable to households making less than the median income for either five years or the financing period plus some additional time.
- Properties should be available for inspection by the public sector or a third party. Any property that receives funds must be maintained.
- Affordability should be connected to the unit. Under many programs, if a household finds a better job or receives a raise, they will no longer qualify to live in the unit. Finding quality affordable units for households making between 80-100% AMI is also challenging. Allowing a household to improve their financial footing without immediately losing their housing should be encouraged. Additionally, the paperwork of checking each resident's income on an annual basis can discourage some property owners from participating in the program. Only requiring income verification at the time of the rental application can remove some of these hurdles. This type of approach is usually not allowed using federal dollars and therefore would require local funding.
- A special emphasis should be placed on energy conservation in the rehabilitation investment.

4d Affordable Housing Incentive Program: Minneapolis, MN

The 4d program in Minneapolis is a good model of combining property tax relief and preserving naturally occurring affordable housing (NOAH) units in any city. The program preserves affordable housing in Minneapolis by assisting apartment building owners with property tax reductions in exchange for their agreement to keep 20% or more of their rental units affordable for 10 years. It also provides funding for energy efficiency improvements and solar installations. Affordability is defined as households making less than 60% Area Median Income (AMI). https://www.minneapolismn.gov/government/programs-initiatives/4d-affordable-housing-incentive/

Benefits to Property Owners:

- 40% tax rate reduction on qualifying units for 10 years.
- $100 per affordable unit grant (up to $1k).
- Payment of first year application fee for the Low Income Rental Classification ($10/unit).
- Free or low cost energy efficiency and healthy homes assessment.
- Cost share funding up to 90% of qualified upgrades for green energy upgrades.
- Priority for Solar Project funding up to $75,000 per project.

Requirements/Eligibility:

- Building must have at least 2 units.
- Can include owner occupant units, but those units are not eligible for 4d tax status.
- Property must not have rental license revocations or outstanding housing orders.
- Owner must record a 10-year affordability declaration that runs with the property.
- Annual income verification is not required but as units turn over, new tenants must have incomes at or below 60% AMI.
- Must accept tenant based assistance.

3.5 PURCHASE-REHAB-RESALE PROGRAM (PRR). WORK WITH LOCAL NON-PROFIT DEVELOPERS TO ESTABLISH A PRR PROGRAM

In this model, houses are acquired and sold in a rehabilitated or "turnkey" state to owner-occupants. Traditionally these programs are administered by a nonprofit housing developer or development corporation. The model recognizes the limited number of prospective buyers who want to carry out a major home rehabilitation project. This program works best when candidate houses can be purchased at a relatively low cost, usually because of their quality.

Under the program, a development corporation buys existing homes, rehabilitates them, and resells them to new homebuyers. The lending community may participate cooperatively in this effort by providing interim financing. Mortgage financing for low- and moderate-income buyers may be assisted by CDBG or HOME "soft-second" loans. Realtors may also participate by reducing commissions on selected projects. **The program would be most successful if one was through already established non-profits in Tippecanoe County and another group managing the remainder of the region.**

3.6 PROPERTY MAINTENANCE CODES & ENFORCEMENT - SHARE RESOURCES TO ENFORCE PROPERTY MAINTENANCE.

Property maintenance codes received high support in the community survey and conversations. People understand that poor property maintenance often leads to dilapidated homes and a decrease in surrounding property values. Communities and perhaps counties should share resources on developing necessary codes and funding staff to enforce these codes. This often is in the form of a staff person whose salaries are funded by multiple entities.

Neighborworks of Northeast NE Purchase/ Rehab/Resale Program: Columbus, NE

Over five years, NeighborWorks Northeast Nebraska has implemented a highly successful Purchase Rehab Resale program. Under the program, a qualifying household identifies a home and completes an assessment of the home for structural stability. Subsequently, NeighborWorks Northeast Nebraska purchases the home to complete any repairs needed. Repairs can range from $2,000 to $25,000. Following the completion of the repairs, the home is sold to the applicant who identified the home. Down payment assistance can also be provided at 20% of the final purchase price (up to $20,000). For Columbus, Nebraska, this has resulted in 140 homes being updated and owned, often by first time home buyers.

http://www.nwnen.org/what-we-do/homeownership-assistance/purchase-rehab-resell-program/

3.7 CENTRAL INFORMATION CENTERS FOR PROPERTY OWNERS/RENTERS TO ACCESS RESOURCES

There are many resources scattered throughout the Greater Lafayette READI Region, as mentioned previously. Most of these programs are tailored to local community needs. However, this can lead to fragmented efforts targeted at specialized solutions. Each public entity understandably has its own plans and targeted programs that could be included in a central information center of housing programs and resources.

The database can also include a page for other financial assistance programs. Housing is typically the highest regular expense for a household. However, the cost of other necessities affects the price that can be spent on housing. For families, other expenses such as childcare, transportation, and education costs are a non-negotiable barrier to attainable housing options. Reducing these costs can increase housing options.

Invest DSM Block Challenge Grant Program: Des Moines, IA

An initiative started in 2020, Invest DSM offers programs targeted to specific local neighborhoods in Des Moines. One program called the Block Challenge Grant aims to create momentum through a batch improvement approach. To participate in the program, groups of at least five neighbors within a visible distance of one another's front doors must apply together. They are then eligible for matching funds up to $2,500 for exterior improvements depending on the size of the application.

Six months into the program, Invest DSM granted funds to 240 homeowners and landlords who were current on their taxes or lease obligations. The average investment per property was $4,576.

With a central information center to access resources, a similar type of program could be successful in the Greater Lafayette READI Region.

Invest DSM Block Challenge Website

Similar program in Fulton, NY: https://www.fultonblockbuilders.com/

Goal 4: Ensure that all parts of the region have adequate rental housing

All parts of the READI Region need to increase the number of rental units. Rental units can come in many different forms and housing types. No matter the type, a rental unit provides flexibility for people moving to the area, options for low maintenance or accessible living, and housing for people that cannot afford or do not want to purchase a home. Variety in rental options will be important, and Goal 2 strategies could be coupled with the strategies under this Goal.

COMMUNITY COMMENTS

"Accessibility might be an issue in the future and would cause me to leave my current home." - survey respondent

"Few rental properties for higher-income newcomers." - survey respondent

"Rental rates in this community are unsustainably high. We need more affordable housing to support students, young families, low-income workers, etc." - survey respondent

Regional Housing Goals

Innovate in the way lot development is financed

Add housing variety across all locations

Preserve existing naturally occurring affordable housing

Ensure that all parts of the region have adequate rental housing

Foster housing innovation to lower costs

Goal 4: Ensure that all parts of the region have adequate rental housing

OBJECTIVES

The objectives for this goal focus on increasing the supply of attainable rental options for households of all income ranges and stages in life.

- **Expand the number of rental units.**
- **Slow price inflation on existing rental units.**
- **Encourage rehabilitation of existing older rental housing.**
- **Preserve existing single-family homes as entry level ownership options.**

STRATEGIES

Identify strategies most appropriate to the community.

1. Identify pre-approved sites for the development of multi-family housing.
2. Assist with lot and site development.
3. Review zoning codes to expand locations for allowed housing types.
4. Lower the risk in low rental markets - provide gap financing or rent guarantees.
5. Establish a rental rehabilitation program.
6. Build the narrative around housing needs for all, build public support for projects.
7. Review or create standards on short term rentals.

Employee Housing: Schuyler, NE

The Schuyler Community School District adopted a Workforce Housing Initiative Pilot Program (WHIPP) to reinforce their commitment to the philosophy that employees should reside within the community they work. This philosophy recognizes the mutual benefits to the organization (increased retention), the community (additional residents), and the employee (increased stability and decreased transportation costs). In addition to developing new single family homes, the WHIPP offers the following incentives to employees to rent or buy the new housing units:

Eligibility for a $1,000 bonus to employees moving into the district and the following:

- Home renter subsidy of $1,000 annually for a maximum of five years; or
- Home owner subsidy:
  - $2,000 annually for a maximum of five years; or
  - Lump sum subsidy of $10,000 for downpayment and closing costs on a WHIPP approved home.

Funding is budgeted annually by the school district for the program.

This type of program is a great example of how a major employer and community partner can play a role in housing. The employer could transfer this type of funding or budget allocation to development of rental units that would be affordable to their particular workforce.

www.livene.org/nifa/resources/?item=10688

A similar program recently happened in Owen County, IN through a partnership with Cook Medical.

4.1 IDENTIFY PRE-APPROVED SITES FOR THE DEVELOPMENT OF MULTI-FAMILY HOUSING

Sites under public sector ownership or identified under the land assembly strategy 1.3, jurisdictions or economic development organizations could release Requests for Proposals (RFP) to develop assembled sites under specific criteria and standards. This is a straightforward way to eliminate approval risks and set clear intentions for development. In return, the RFP could specify project requirements such as the type, design, or price point.

4.2 ASSIST WITH LOT AND SITE DEVELOPMENT

See the strategies under Goal 1. The difference in strategy 4.2 is tying any strategies directly to rental housing production.

4.3 REVIEW ZONING CODES TO EXPAND LOCATIONS FOR ALLOWED HOUSING TYPES

The same general recommendations of strategy 2.2 apply to permitting rental housing more broadly, assuming a recent long-range plan is in place.

However, it is worth noting the current national dialog around the elimination of single-family zoning. Often this approach eliminates zoning districts that only allow single-family detached housing but does not eliminate or prohibit the production of single-family detached homes. This can streamline the process for producing other product types, but it does nothing to guarantee that a builder will change from building what they know best, which may be a single-family detached home. These zoning changes reduce a barrier, but this strategy needs to be proactively combined with others to produce results in most instances outside of West Lafayette and Lafayette.

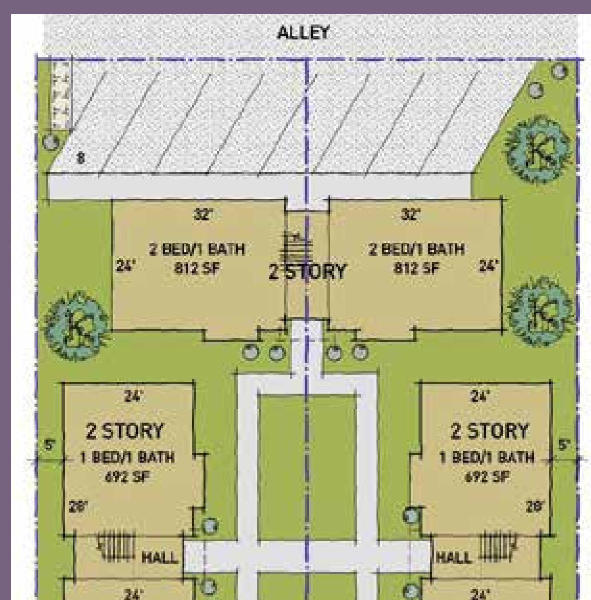
Missing Middle Site Development: Chattanooga, TN

With help from the Incremental Development Alliance, Chattanooga leaders and stakeholders undertook an intensive developer workshop to identify solutions for missing middle housing types. The process resulted in a development packet that lays the framework for a developer to pursue these projects including:

- Picking a building type based on the developer's financing options and site circumstances.
- Guides and site plans for good urban design amid traditional single-family neighborhoods.
- Technical considerations for packaging development applications.
- Bank packages for different building types to show how to bring the project to life by proving profits for lenders.

https://www.incrementaldevelopment.org/

https://www.cneinc.org/creating-homes



4.4 LOWER THE RISK IN LOW RENTAL MARKETS - PROVIDE GAP FINANCING OR RENT GUARANTEES

In some more rural areas, the rent needed to cover costs may seem higher than what the market would accept. Perceptions of what people are willing to pay for a quality rental do not always align with reality. Nonetheless, financing challenges and generating builder interest can prevent projects when there are few recent rental unit developments for comparison. Two possible strategies to overcome this challenge in markets with little rental development activity include:

A. Gap Financing Tools

This type of financial support is needed to cover the difference between cost and appraisals or the extra capital required by traditional lending for untested or demonstration projects. This financing may come from a variety of sources:

- **Lending Consortium.** Introduced in strategy 2.1, a lending consortium is a cooperative venture among lending institutions active in the market to spread individual risk. In addition, these cooperative ventures can attract the support of major employers or other agencies such as the Indiana Housing & Community Development Authority, Federal Home Loan Bank, and Indiana Economic Development Authority. A lending consortium is an ideal instrument to:
    - Finance the additional capital necessary to "fill the gap" between the cost of housing and appraisal. Gap financing should be used when the cost of construction is more than the finished value of the housing/unit or, for this strategy, when developers are tasked with building more affordable housing options or housing untested in the local market.
    - Provide short-term financing or "patient financing" for builders and contractors in the community, and to provide interim financing for projects developed by local housing partnerships, cities, or even the county.

B. Rent Guarantees

Rent guarantees are a method to reduce risk for a builder/developer/lending institution when there is low confidence that the level of rents can be obtained to make a project profitable. These rent guarantees can come from a variety of sources, but essentially is an agreement with the developer to guarantee they will obtain a certain level of rent payments for a certain period of time. For example, an economic development organization may guarantee that a percentage of rent-paying units will be occupied within six months after project completion. If units are not occupied, the organization will start paying the lost rent amount per month.

Conversely, if a project has public subsidy particularly in a market with appreciating rents, stipulations to limit rent increases or sharing of excess rental revenue beyond local inflation/ Consumer Price Indices should be considered.

4.5 ESTABLISH RENTAL REHABILITATION PROGRAM

See strategy 3.3. Jurisdictions with a large rental housing stock should consider developing a program to track rental activity and monitor conditions.

4.6 BUILD THE NARRATIVE AROUND HOUSING NEEDS FOR ALL, BUILD PUBLIC SUPPORT FOR PROJECTS

Fortunately, the narrative around housing needs and affordability is changing in a positive way as more and more people experience housing challenges firsthand. However, opposition to housing development in certain locations and of certain types is still present. While sometimes warranted, opposition is often based on perceived personal gain.

Building a positive narrative starts by creating a common framework of housing development facts. There is not a common understanding of the cost of development and how that affects housing prices. Additionally, there are misconceptions that certain housing products cause crime, deterioration, and lower property values.

An advocacy framework might include:

- Prototypical development proformas for different housing products, showing the profit margins and gaps in financing.
- Design examples of density ranges, using products in the Greater Lafayette READI Region as examples.
- Prototypical factors affecting property tax rates.
- Cost comparisons of infrastructure for low-density housing development (3 units per acre and under) versus medium density housing development (5-12 units per acre).
- Demographics of renter-occupied households in the READI Region, counties, or cities, taken from the U.S. Census or other sources.
- Goals statements and long-term actions related to housing in strategic and comprehensive plans.
- The typical local salaries or hourly wages of essential workers like teachers and nurses and the associated rent/home they could reasonably afford.

For a coordinated large region like the Greater Lafayette READI Region, this advocacy should also occur at the State level. State level housing advocacy is especially important for ensuring policies and programs are diverse enough to also meet the needs of the entire region.

4.7 REVIEW OR CREATE STANDARDS ON SHORT TERM RENTALS

Short-term rentals, also commonly referred to as Airbnbs or VRBOs, have benefits and drawbacks.

Benefits

- Gives individual property owners a way to supplement their mortgage.
- Supplements the tourism market with more options for people visiting the area.
- Can provide a short-term option besides a hotel for someone just moving to an area but still looking for more permanent housing.
- A way to use unique spaces or units that might otherwise be difficult rent full-time.

Drawbacks

- Can incentivize conversion of long-term rentals into short-term rental when higher annual rents can be obtained.
- Could destabilize neighborhood social connections if many homes and units are converted to short-term rentals.
- Do not provide the same level of taxes for infrastructure support that might otherwise be obtained from similar uses like hotels that have a high number of guests.

It will ultimately be up to each jurisdiction to agree on its approach to short-term rentals. White County and Carroll County may want to create more detailed standards than others because of their limited housing options but strong short-term rental demand.

Criteria to consider when creating short-term rental standards:

- Create a permit system to ensure that new short-term rentals comply with necessary code standards.
- Identify the right balance of short-term rentals versus total housing stock and create a threshold of total short-term rental permits allowed.
- Take a close look at which residential areas to permit short-term rentals. The objective is to not have a proliferation of long-term rental or home conversions.
- Establish a monitoring system for staff to enforce permits. There are several platforms available that track short-term rental listings, which can be compared with those that have submitted a local permit.

Goal 5: Foster housing innovation to lower costs

The construction of new housing and the rehabilitation of existing housing at the levels and price points needed will be difficult to achieve without new approaches to building and development. Existing contractors are busier than ever and have little time to experiment with new methods, especially smaller contractors.

Partnerships can invest in technological advancements and innovations that experiment with new construction methods, faster construction processes, or other ways that help existing tradespeople be more efficient.

COMMUNITY COMMENTS

"We would have preferred to stay in Tippecanoe County, but it was not the financially wise option." - survey respondent

"Age of the building makes repair needs constant, energy costs are super high" - survey respondent

Regional Housing Goals

Innovate in the way lot development is financed

Add housing variety across all locations

Preserve existing naturally occurring affordable housing

Ensure that all parts of the region have adequate rental housing

Foster housing innovation to lower costs

Goal 5: Foster housing innovation to lower costs

OBJECTIVES

The objectives for this goal focus largely on the supply side of the housing market - target ways to get units on the market.

- **Lower housing costs using new technologies.**
- **Expand the number of businesses or individuals building and developing housing.**
- **Increase the number of quality units on the market.**
- **Improve energy efficiency in new and existing units.**

STRATEGIES

1. Embrace New Technologies and Techniques.
    A. Find ways to be flexible with new building technologies while still ensuring life safety standards are met.
2. Energy Efficiency Programs.
    A. Expand programs that improve the energy efficiency of existing and new homes.
3. Expand workforce development programs.
    A. Include building trades; support existing successful local programs as models.
    B. Sponsorship programs.
    C. Succession planning programs.
4. Tap into existing resources.
    A. Purdue Extension.

Modular Construction

There are several new and older techniques that are being refined in the building trades. Modular construction is one of those techniques that has been refined over the years. Modular construction is a process in which a building is constructed off-site, under controlled plant conditions, using the same materials and designing to the same codes and standards as conventionally built structures.

Often this approach to building can take half the time. Building components, from individual apartment units to bathrooms for a multi-unit structure, are then put together on site. This type of construction can add affordability if the manufacturing facility is close in order to control shipping costs. Expansion and attraction of these types of businesses to the Greater Lafayette READI Region can be one way to expand production options.

5.1 EMBRACE NEW TECHNOLOGIES AND TECHNIQUES

Policy should encourage and moderate the risks of non-conventional or emerging forms of residential development that accommodate emerging markets but are unfamiliar to many conventional developers and builders.

A key strategy approach is finding ways to be flexible with new building technologies while ensuring life safety standards are met. New technologies have the potential to reduce the cost of housing construction, but cities are often slow to adopt or approve changes. This is often for a good reason. Cities have a responsibility to protect the life and safety of all residents and new does not always mean safe or durable. Partnerships in demonstration projects might be part of the process.

A Note: Universal Design

Nearly all of the programs, strategies, and tools in this chapter could have criteria targeted toward improvements/renovations to create more accessible homes, applying Universal Design principles. It could be a requirement for any significant funding allocations to follow these principles, either for new development or existing homes so that they are accessible for the next homeowner. The additional costs of accessibility will require additional funding allocations or partnerships for people to be interested in applying. Alternatively, programs could only require a percentage of Universal Design units in large projects.

SEVEN PRINCIPLES OF UNIVERSAL DESIGN

- Equitable use
- Flexible use
- Intuitive use
- Perceptible information
- Tolerance for error
- Low physical effort
- Size and space for approach and use

POLICY EXAMPLES

- City of Sacramento: Universal Design Ordinance that requires builders of single-family residential developments over 20 units to provide Universal Design options.
- City of Pittsburgh: Gives tax credits for builders who incorporate universal design features into new or renovated housing.
- City of Alexandria, Virginia: Rental Access Modification Program offers grants to help low-income tenants make accessibility modifications to their units. Source: Center for Universal Design at North Carolina State University.

5.2 ENERGY EFFICIENCY PROGRAMS

The initial cost to purchase or rent a home is one aspect of housing affordability. Another is the monthly costs for utilities and maintenance. A low cost home can quickly become unaffordable for many households if utility bills are hundreds of dollars a month.

A strategy should include expanding programs that improve the energy efficiency of existing and new homes.

Older homes tend to be the least energy efficient. Lack of insulation, single-pane windows, and older heating and air conditioning units means higher utility bills. Often the households most affected by these issues, whether rural or urban, are lower income or elderly on fixed incomes. There are some weatherization programs available across the READI Region. Many of these programs have income limits and with the large stock of older housing, only scratch the surface of the need. Other organizations like utility companies could be partners to expand program offerings to more households and more areas.

5.3 TAP INTO EXISTING RESOURCES

The benefit of a regional approach to housing is there are more resources to draw from and successful models to emulate. Those more closely involved with the Greater Lafayette READI Region groups know many of these resources, and others were uncovered during this housing study process. Innovation in housing production is perpetual, and there are many regional resources to include in conversations.

A great example is Purdue University Extension and their work branching out (and future plans) to assist communities with community development efforts.

Great Housing Strategies Toolkit: Grand Rapids, MI

The City of Grand Rapids has made housing a forefront policy for the community. Much like this study and its Task Force follow up, Grand Rapids began their initiative with a robust community listening schedule. The efforts evolved into a series of focused work groups to develop policy and program recommendations. Work groups include:

- Land use and zoning
- Housing finance, economic
- Workforce development
- Low-income and vulnerable populations

The efforts are ongoing and have resulted in a Housing Strategies Toolkit listing all the available programs or initiatives in progress and what they will address.

https://www.grandrapidsmi.gov/Government/Departments/Community-Development/Housing-Rehabilitation-Program/Great-Housing-Strategies

5.3 EXPAND WORKFORCE DEVELOPMENT PROGRAMS

Workforce development is a significant issue across many industries and the building trades are no different. As part of the work already being done around workforce development, programs should be adequately designed, funded, and implemented to train the next generation of professionals and craftspeople for the building trades. Strategies include:

A. Include building trades; support existing successful local programs as models.

- "Leadership transition" should be a component of this program. Many current builders and specialty tradespeople are nearing their retirement years with well-established businesses and no one to sell or hand-off their business to. Through small business loans, young crafts-people can purchase an established business and the retiree can capture the equity that they have built into their business over the years. The workforce development program should market the career satisfaction and economic rewards that the construction industry offers young people. Partners in the program may include:
  - Area School Districts. Many school districts over the years have moved away from traditional building trade classes and focused more on college preparation. However, this trend is changing in the READI Region.
  - The Building Community. Students can learn first-hand experience through internship programs. An introduction session may need to be developed that prepares students for their internships to create an asset to the builders rather than a burden.
  - Recruitment of Developers. As demonstrated in the market analysis, it appears that there is significant pent-up demand for housing in addition to a strong base demand for new housing construction. This demand includes a variety of housing types ranging from single family detached units to multi-family developments. A component of workforce development may include the recruitment of builders to focus on products and price points that are not currently being met by the development community. Builders and developers can be recruited through the adoption of builder incentives for contractors who choose to build units in certain areas.

B. Sponsorship programs for students in building trade programs.

This is not a new concept, many other industries have tried this approach, including the medical industry. Students are sponsored by a business or local initiative that can include tuition assistance or student loan payments. For this assistance, the students agree to spend a certain amount of time employed at the business or in the area.

C. Succession planning programs for existing businesses.

In many communities, especially rural communities, trade businesses are owned and operated by individuals at or near retirement age. Many of these business owners are too busy focusing on their current workload to plan for passing their business on to the next generation. Local development groups can be a great resource and may need to proactively reach out to business owners.

Going Forward

A targeted approach is needed to provide housing for current and potential new residents of the region and stabilize increasing housing costs. Without intervention from the governing entities and their partners, housing for all age groups will continue to be in short supply, the housing market will continue to be less affordable, and communities will continue to struggle to have adequate housing options for students, the workforce, and aging populations.

Some strategies in this housing study may be appropriate in one jurisdiction but not another. However, a regional approach involving several counties may make more sense for some strategies to allow larger scale developer opportunities and share resources among counties (including other grant opportunities). Leaders have already recognized a need for action and are taking action in many areas.

The next step is for leaders to continue proactively organizing the partnerships necessary to develop strategic programs that address the goals in this chapter.

As communities look to fill jobs and attract new residents, housing is only one component. Investments in communities to create high quality neighborhoods, schools, medical facilities, recreational amenities, and access to high speed internet are all important.

Strategy Constraints

Most of the strategies in this chapter will be specifically tailored to the area applied. However, currently or in the future, there may be State and Federal policies and regulations that supersede the local options. It will be imperative to continue open lines of communication with State representatives to ensure the needs of the Greater Lafayette READI Region are adequately understood and used to form policy. Some items specific to Indiana that the Greater Lafayette READI Region must work within State parameters include:

- **Tenant protections**
- **Mental health services**
- **Housing counseling agencies**
- **Residential TIF**

Greater

LAFAYETTE

REGION

SUMMARY OF PROCESS AND ENGAGEMENT

EXPANDED SURVEY RESULTS

Appendix

Summary of Process and Engagement

Conversations with people living and working in the Greater Lafayette READI Region were essential to fully understand the housing market. Point-in-time quantitative data never tells the whole story. The consultant team worked closely with the Greater Lafayette Commerce organization and economic development representatives from each of the six counties to develop the process. The purpose of engagement was to:

- Consult with community members to garner feedback on the analysis and alternatives.
- Involve community members by working directly with them throughout the process to ensure that their concerns and aspirations are understood and considered.
- Partner with community members in evaluating alternatives.
- Build partnerships necessary for implementation of housing goals and strategies.

The following methods in early 2023 contributed to the qualitative findings to inform the study:

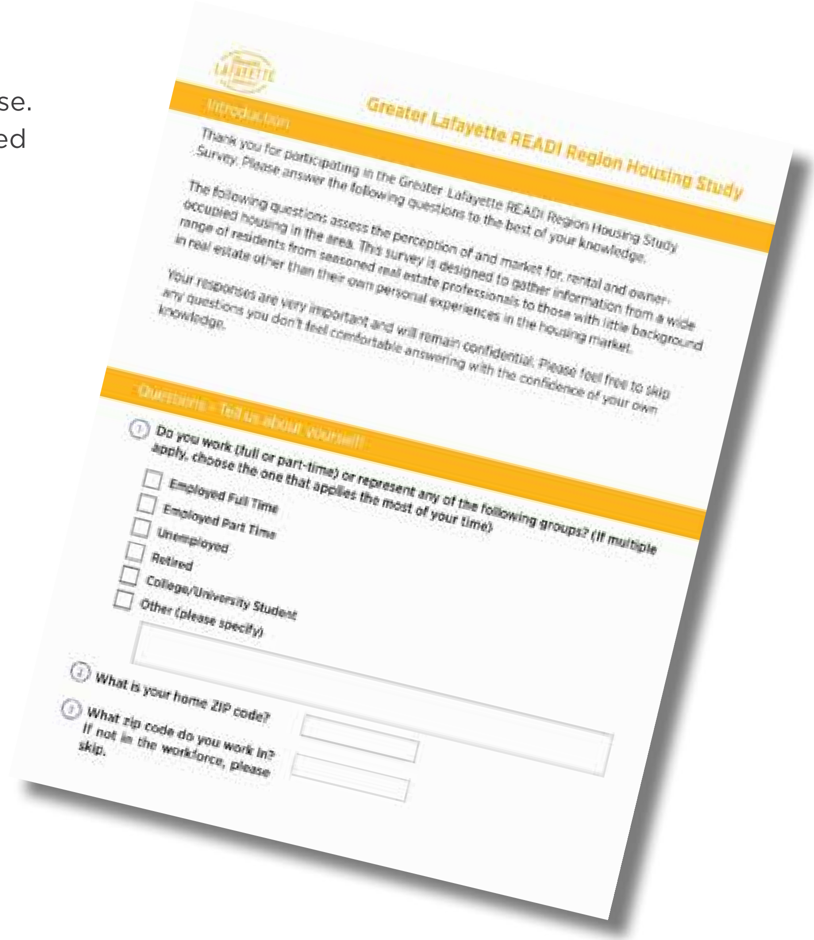
- A series of listening sessions in each county to better understand what is happening in the local market.
- A general public survey about housing. All were invited to complete the survey about housing needs and desires.
- A detailed survey about specific market conditions given to listening session participants to gain further insight into various topics.

The importance of personal accounts provided as part of the public engagement process of this study cannot be overstated. These stakeholders voiced their experiences, opinions, and ideas through the surveys and listening sessions. These accounts provide a strong foundation on which the strategies are built including several big ideas that resonate across all input and discussions.

LISTENING SESSIONS

From January through April 2023, the consultant team held 28 listening sessions with over 138 targeted stakeholders. These smaller groups were invited to provide specific comments on topics pertaining to their interests and expertise. Individuals invited to these sessions represented varying interests, including:

- Non-profit and for-profit developers
- Real estate agents
- Property managers
- Seniors
- Young professionals
- University students
- City and County staff
- Elected and appointed officials
- Economic development professionals
- Major employers
- Bankers and lenders
- Housing social service providers
- Purdue University representatives



Greater Lafayette READI Region Housing Study

Introduction

Thank you for participating in the Greater Lafayette READI Region Housing Study Survey. Please answer the following questions to the best of your knowledge.

The following questions assess the perception of and market for, rental and owner-occupied housing in the area. This survey is designed to gather information from a wide range of residents from seasoned real estate professionals to those with little background in real estate other than their own personal experiences in the housing market.

Your responses are very important and will remain confidential. Please feel free to skip any questions you don't feel comfortable answering with the confidence of your own knowledge.

Questions - Tell us about yourself!

1. Do you work (full or part-time) or represent any of the following groups? (If multiple apply, choose the one that applies the most of your time)
   - Employed Full Time
   - Employed Part Time
   - Unemployed
   - Retired
   - College/University Student
   - Other (please specify)
2. What is your home ZIP code?
3. What zip code do you work in? If not in the workforce, please skip.

DETAILED HOUSING SURVEY

Listening session participants received a follow-up survey about more specific housing market details in their respective areas of expertise.

Expanded Survey Results

GENERAL HOUSING SURVEY

To complement the more focused nature of the listening sessions, a region-wide housing survey was distributed online for anyone to take (with paper and Spanish versions available).

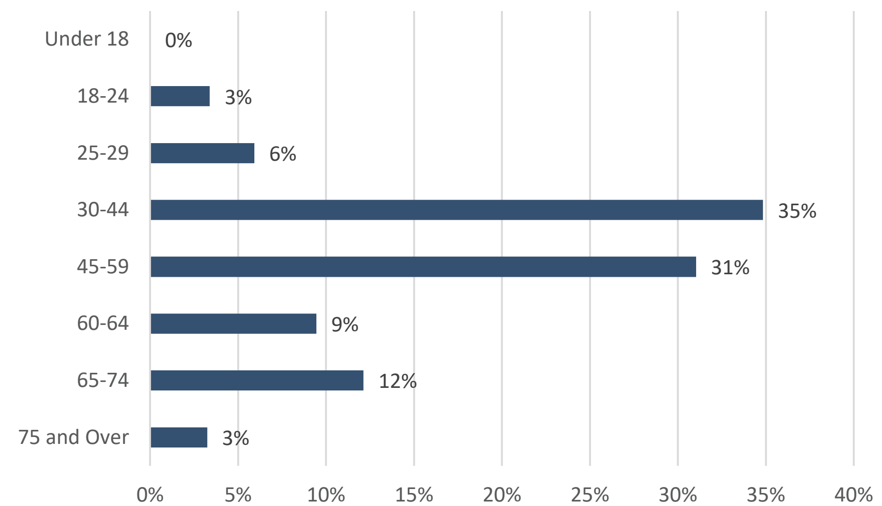
The general online survey received 795 responses. The survey asked about how residents feel about their current housing situation, options available, their ability and desire to relocate, and some demographic information. The following section summarizes the responses.

Demographics

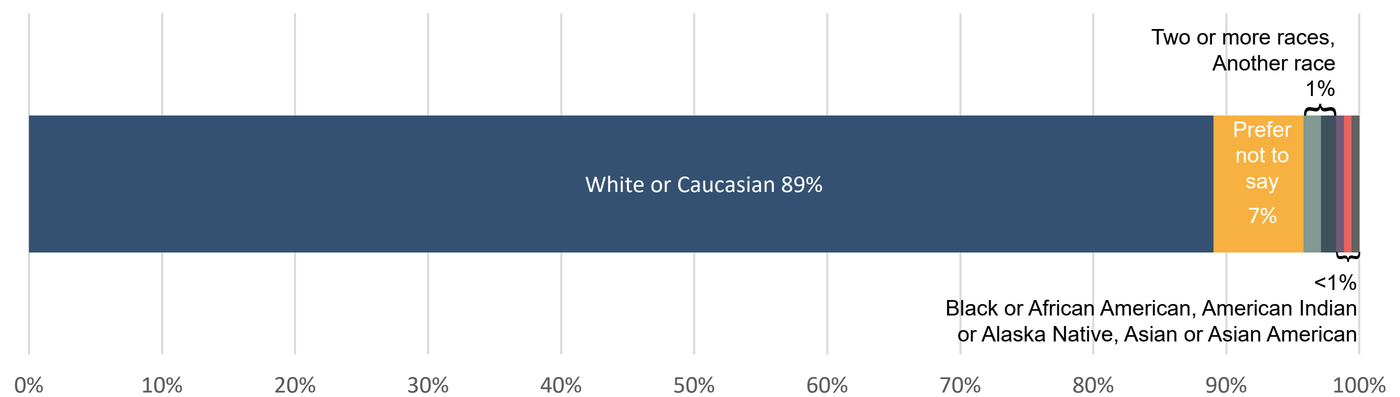
Responses from the survey reflected the regional demographics, giving a more accurate understanding of general trends.

- The majority of the Greater Lafayette READI Region is between the ages of 40.4 and 44.2 with the exception of Tippecanoe County's median age of 28.9.
- Most of the residents in the region and the survey identify as White or Caucasian.

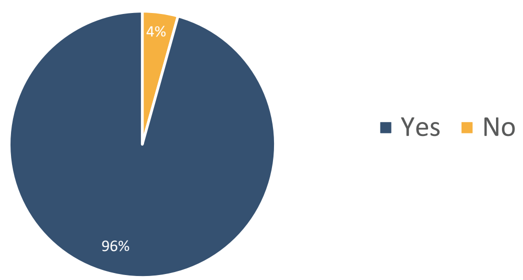
What is your age?



What is your race?



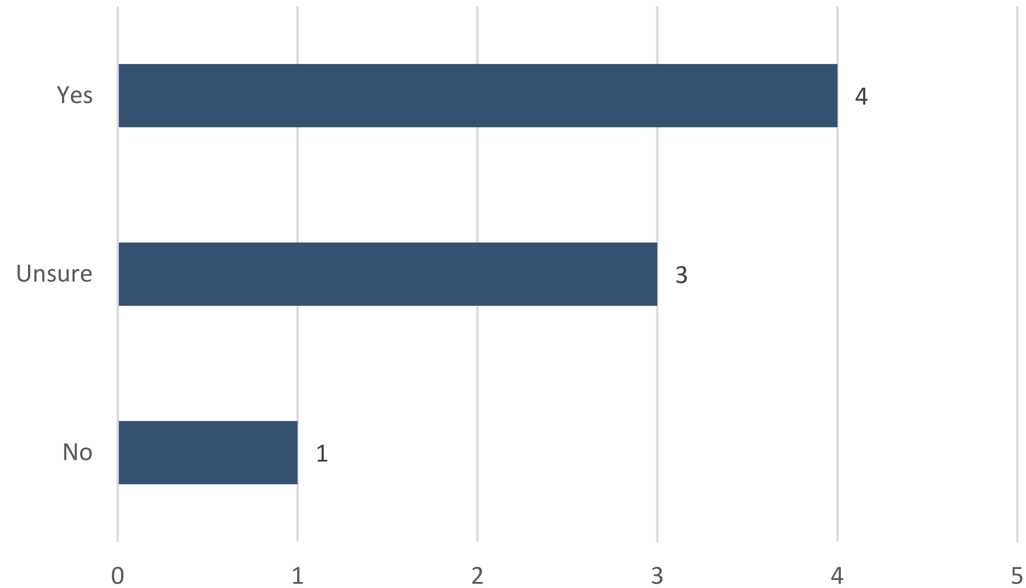
Are you Hispanic or Latino?



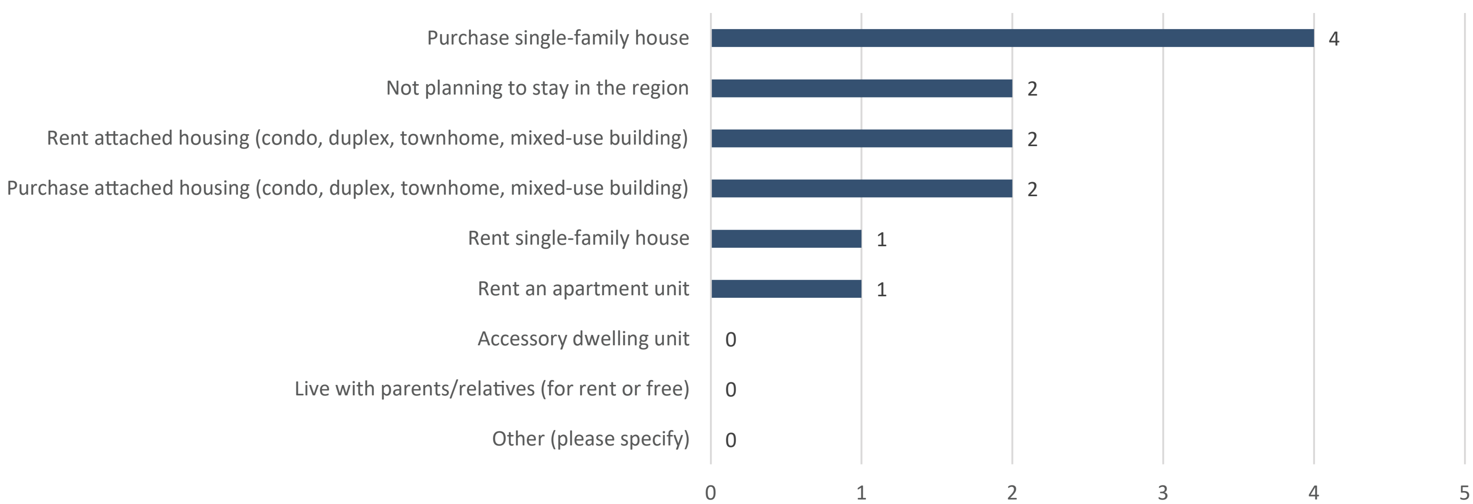
College/University Students

Figures on this page were respondents who indicated that they were university students and whether they planned on residing in the region after receiving their degree along with what type of housing they preferred in this next stage in life.

Do you plan to stay in the region after completing school?



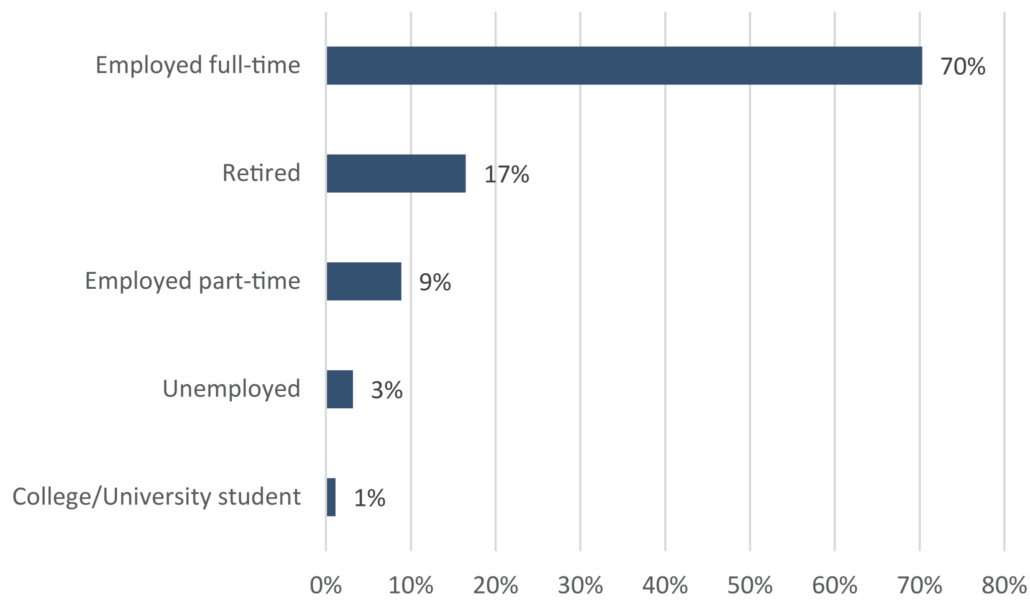
If you plan to stay in the region, what type of housing would you desire? (check all that apply)



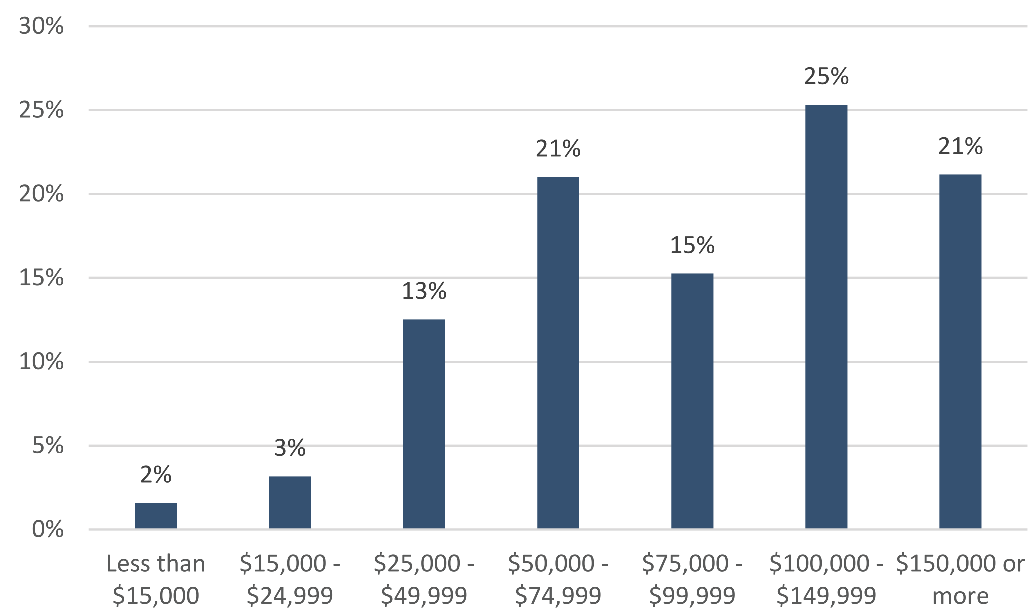
Occupancy Status, Household Income and Expenses, Future Living Arrangements

- The majority of people who filled out the survey are employed full-time and had a slightly higher household annual income compared to the regional statistics.
- Most of the respondents reported an annual income higher than the average income for the Greater Lafayette READI Region.
- Most of the respondents own their home, which reflects regional trends.

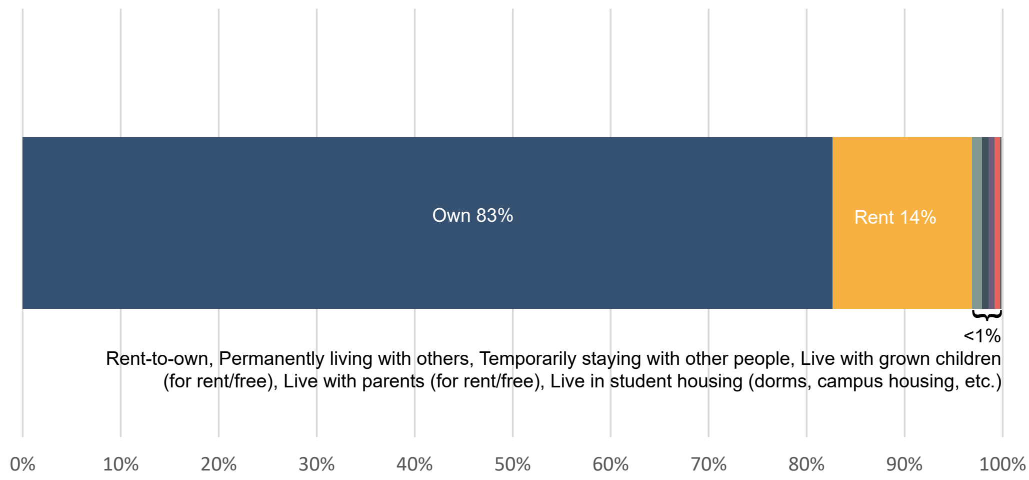
Do you work (full or part-time) or represent any of the following groups? (If multiple apply, choose the one that applies the most of your time)



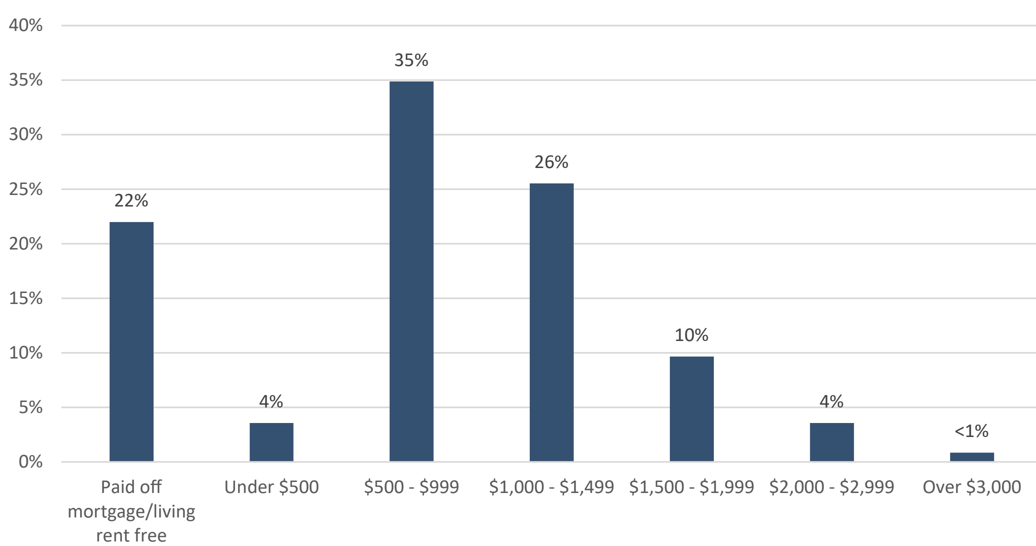
What is your household's estimated annual income?



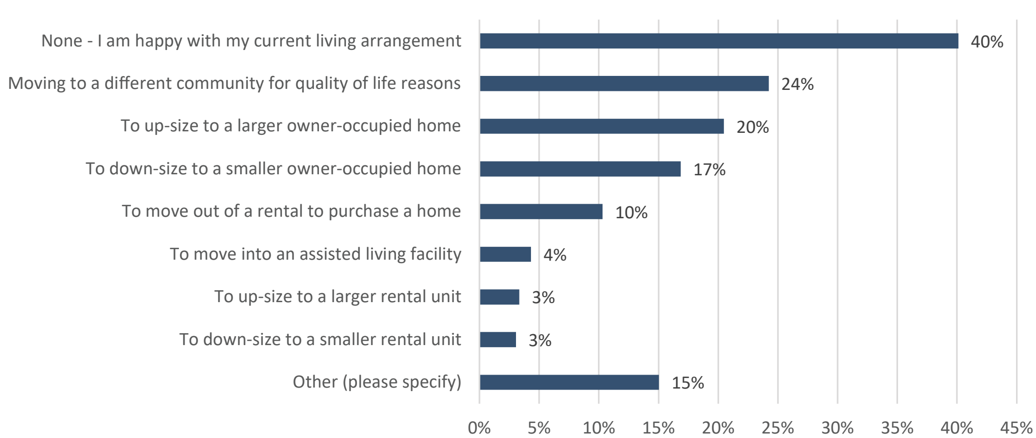
Do you own or rent your home?



How much is your monthly rent or mortgage payment?



Is there any reason you'd look for a new place to live in the next three years? (Choose all that apply)

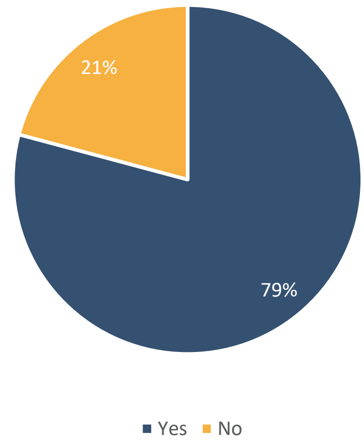


Perceptions on Housing

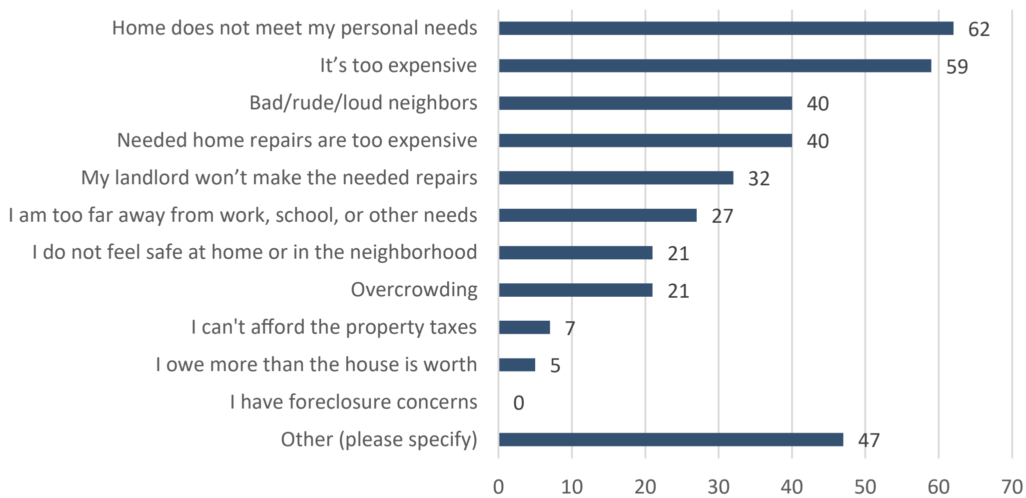
Survey responses on the perception of housing in the region are illustrated on this page and the following page These responses are essential to develop a plan that is effective for the community.

Some respondents indicated other reasons why their current living situation is not satisfactory. Responses to "Other" reasons for not being satisfied with their housing situation are included in the figures below.

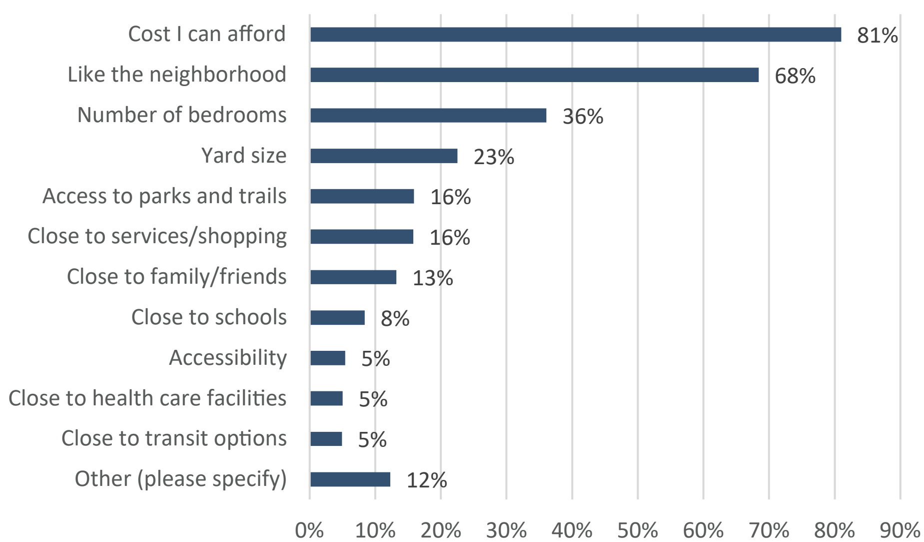
Are you satisfied with your current housing situation?



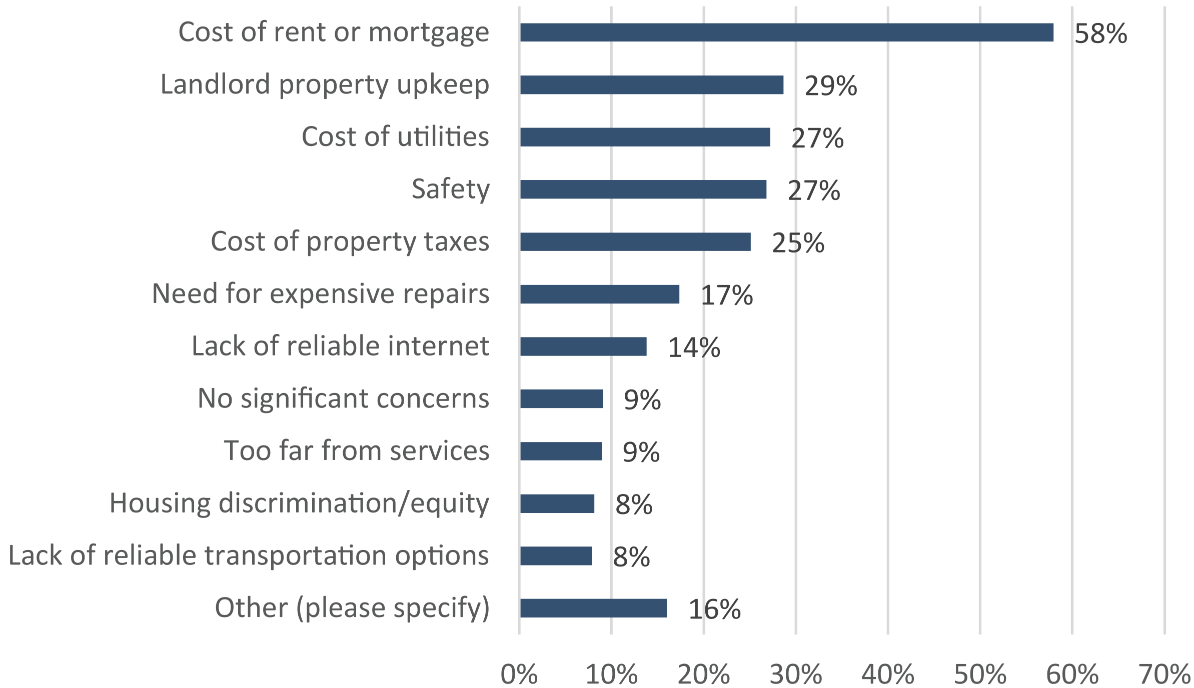
If no, please tell us why not: (select all that apply)



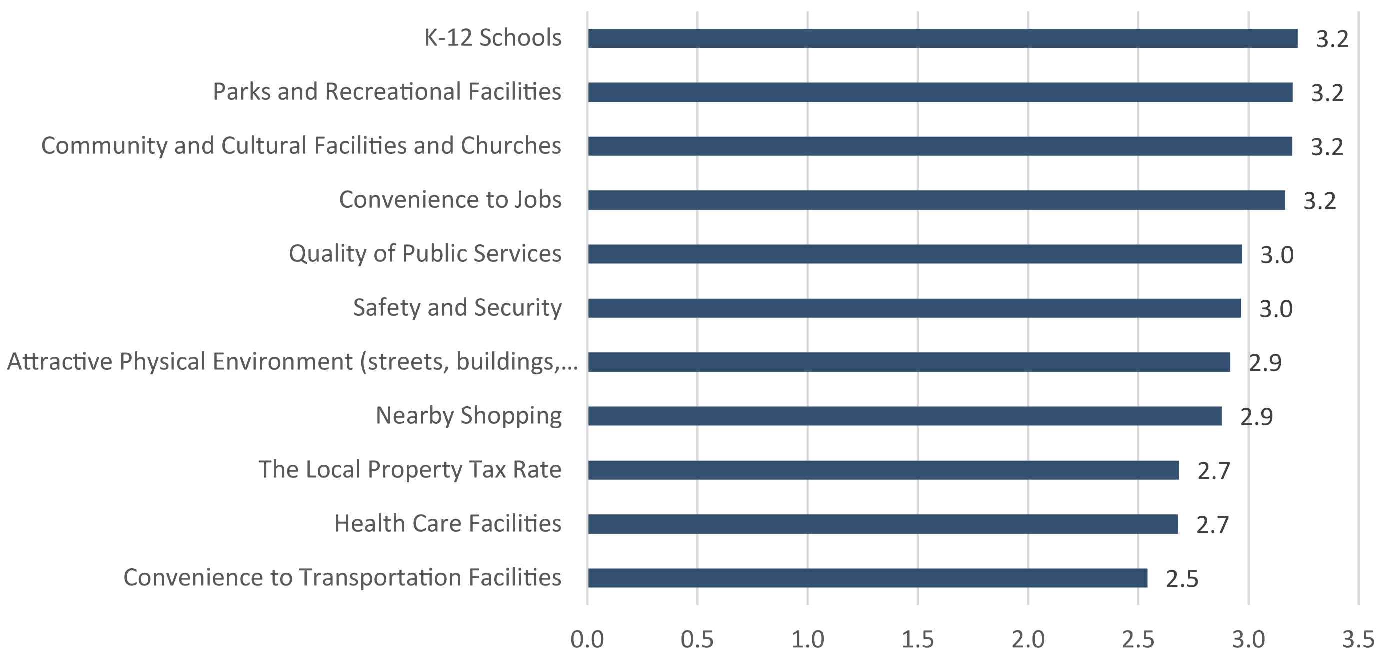
What factors are most important to you when choosing your housing? (choose top three)



My biggest concern regarding housing in my community is (choose top three):



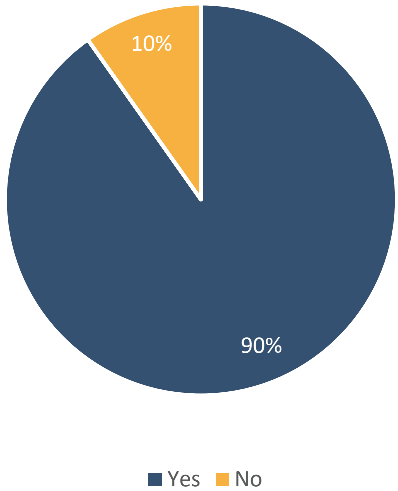
Thinking about the amenities that are currently in or near your community, how would you rate the impact of each one on the attractiveness of your community (0-5 with 5 being highly positive)?



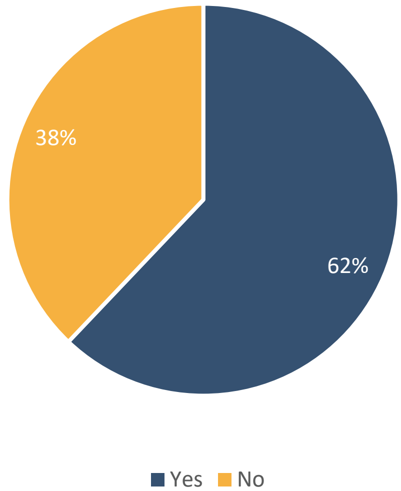
Preferred Housing Products

The general survey asked respondents to indicate whether the following housing products described below would be successful in their community. "Successful" means if available, people would want to live in this product.

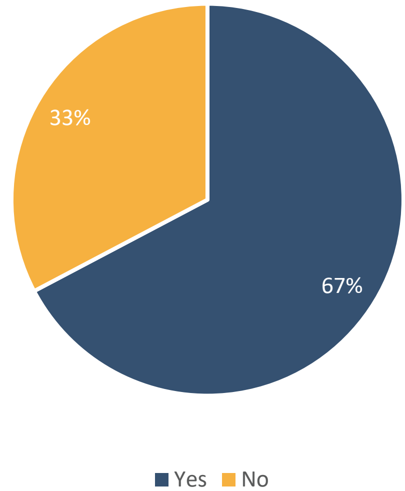
Affordable, small two- or three-bedroom house



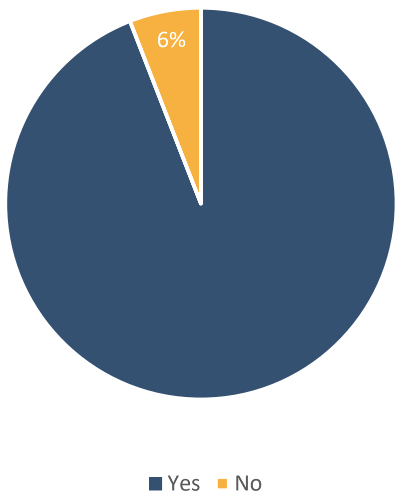
Larger home with four or more bedrooms



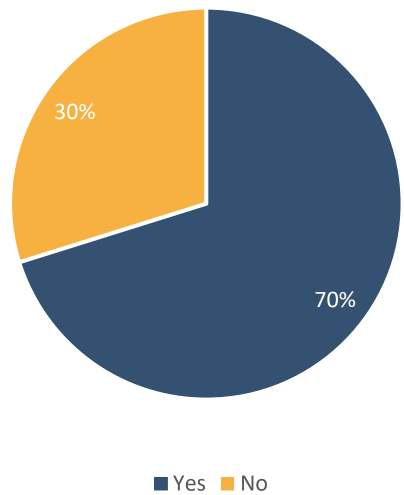
Townhouse or duplex



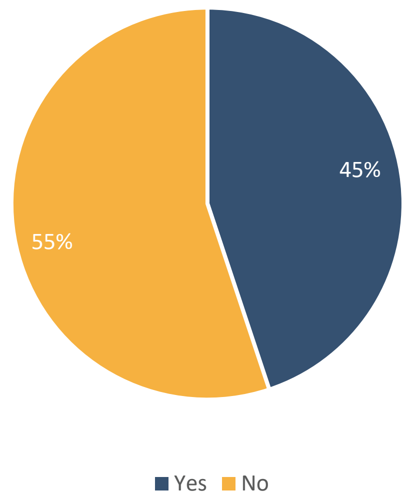
Mid-size, three-bedroom house



Large lot residential housing in rural areas (over 1 acre)

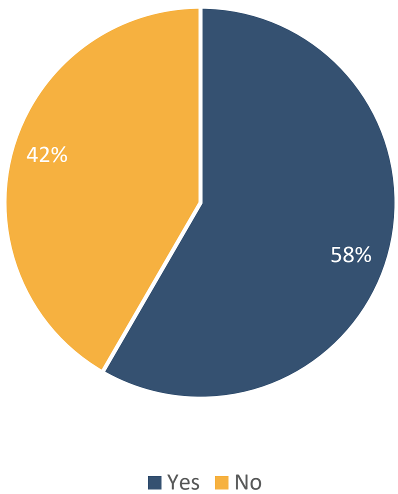


Smaller multifamily (quadplex or triplex)

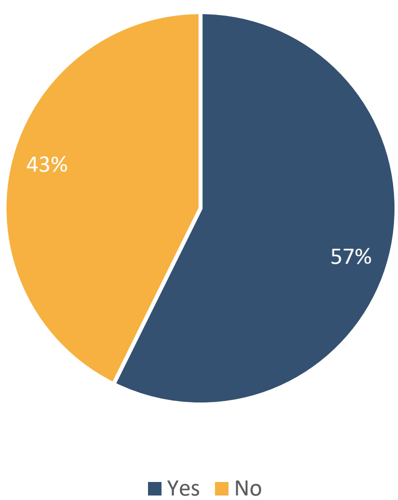


Preferred Housing Products (continued)

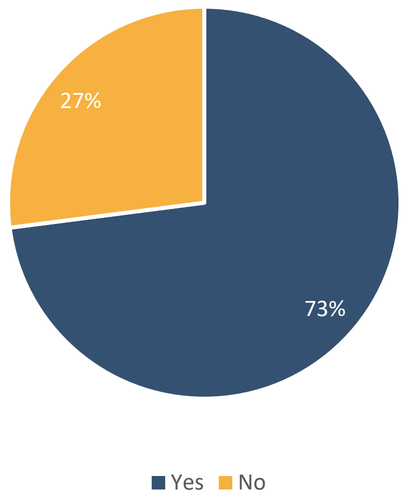
Row housing



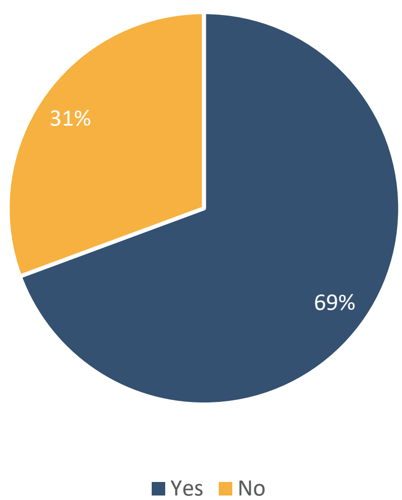
Apartment



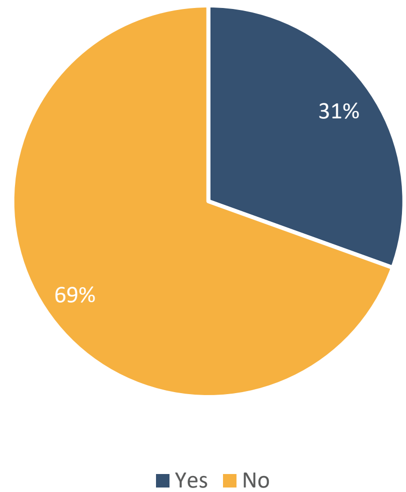
Downtown upper-story residential



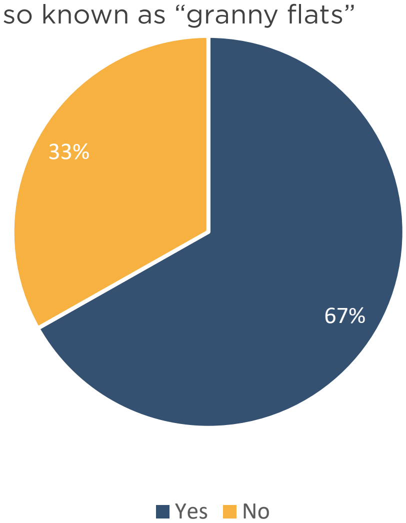
Commercial/residential mixed-use



Manufactured housing



Accessory Dwelling Unit (ADU, also known as “granny flats”



Independent - senior living conditions