Every U.S. County Has an Affordable Housing Crisis

This is a problem that transcends the rural-urban divide.

RURAL HOUSING AND ECONOMIC DEVELOPMENT

Rural America Has Jobs. Now It Just Needs Housing

Housing Crunch A Problem In Rural America, Too
Select US Housing Data from ACS

<table>
<thead>
<tr>
<th>Selected Characteristics</th>
<th>2006-2010</th>
<th>2012-2016</th>
<th>%Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total housing units</td>
<td>130,038,080</td>
<td>134,054,899</td>
<td>3.09%</td>
</tr>
<tr>
<td>Occupied housing units (87.8%)</td>
<td>114,235,996</td>
<td>117,716,237</td>
<td>3.05%</td>
</tr>
<tr>
<td>Owner-occupied</td>
<td>66.6%</td>
<td>63.6%</td>
<td>-1.59%</td>
</tr>
<tr>
<td>Owner Occupied Housing units with a mortgage</td>
<td>67.9%</td>
<td>64.1%</td>
<td>-7.1%</td>
</tr>
<tr>
<td>Owner Occupied Housing units without a mortgage</td>
<td>32.1%</td>
<td>35.9%</td>
<td>10.1%</td>
</tr>
<tr>
<td>Renter-occupied</td>
<td>33.4%</td>
<td>36.4%</td>
<td>12.29%</td>
</tr>
</tbody>
</table>
## SELECTED MONTHLY OWNER COSTS AS A PERCENTAGE OF HOUSEHOLD INCOME

<table>
<thead>
<tr>
<th>Selected Characteristics</th>
<th>2006-2010</th>
<th>2012-2016</th>
<th>%Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Housing units with a mortgage</td>
<td>51,483,018</td>
<td>47,766,759</td>
<td>-7.2%</td>
</tr>
<tr>
<td>Less than 20.0 percent</td>
<td>33.9%</td>
<td>42.1%</td>
<td>15.4%</td>
</tr>
<tr>
<td>20.0 to 24.9 percent</td>
<td>16.0%</td>
<td>16.0%</td>
<td>-7.7%</td>
</tr>
<tr>
<td>25.0 to 29.9 percent</td>
<td>12.5%</td>
<td>11.1%</td>
<td>-17.4%</td>
</tr>
<tr>
<td>30.0 to 34.9 percent</td>
<td>9.0%</td>
<td>7.5%</td>
<td>-22.9%</td>
</tr>
<tr>
<td>35.0 percent or more</td>
<td>28.6%</td>
<td>23.3%</td>
<td>-24.3%</td>
</tr>
</tbody>
</table>
## GROSS RENT AS A PERCENTAGE OF HOUSEHOLD INCOME

<table>
<thead>
<tr>
<th>Selected Characteristics</th>
<th>2006-2010</th>
<th>2012-2016</th>
<th>%Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Occupied units paying rent</td>
<td>35,274,249</td>
<td>39,628,951</td>
<td>12.3%</td>
</tr>
<tr>
<td>Less than 15.0 percent</td>
<td>12.3%</td>
<td>12.3%</td>
<td>13.1%</td>
</tr>
<tr>
<td>15.0 to 19.9 percent</td>
<td>12.4%</td>
<td>12.4%</td>
<td>12.4%</td>
</tr>
<tr>
<td>20.0 to 24.9 percent</td>
<td>12.8%</td>
<td>12.7%</td>
<td>11.2%</td>
</tr>
<tr>
<td>25.0 to 29.9 percent</td>
<td>11.7%</td>
<td>11.5%</td>
<td>10.5%</td>
</tr>
<tr>
<td>30.0 to 34.9 percent</td>
<td>9.1%</td>
<td>9.1%</td>
<td>12.1%</td>
</tr>
<tr>
<td>35.0 percent or more</td>
<td>41.7%</td>
<td>42.0%</td>
<td>13.0%</td>
</tr>
</tbody>
</table>
GET READY TO ANALYZE KEY INDIANA RURAL DATA

Use the menu to navigate or simply choose from the data sections listed below.

- Housing Data
- Fiscal Data
- Socio-Economic Data

Geographic Classifications

There are a variety of ways to gain a better understanding of the unique strengths and challenges that exist among Indiana's 92 counties. One of the best ways to do so is to explore data on the basis of the "geographic classification" of counties. Terms such as metropolitan/nonmetropolitan status or urban/rural designation are two commonly used approaches for distinguishing counties on the basis of their geographic characteristics.

While there are several classifications that have been developed by researchers and federal agencies over the years, three represent important components of the Rural Indiana Stats site. Those three are The Metropolitan/Nonmetropolitan Area Designation, The Indiana County Classification System and The Rural-Urban Continuum Codes.

https://pcrd.purdue.edu/ruralindianastats/
Median Year Structure Built

- 1945 - 1955
- 1956 - 1965
- 1966 - 1975
- 1976 - 1985
- 1986 and newer

Metro, Micro, Noncore

Indiana, 2015

- Noncore
- Micro
- Metro
Financial Characteristics

Mortgage Status

With a mortgage
- Below 55%
- 55.0% - 59.9%
- 60.0% - 64.9%
- 65.0% - 69.9%
- Above 70%
**Occupancy Characteristics**

**Tenure**

- **Renter Occupied**
  - Below 20%
  - 20.0% - 24.9%
  - 25.0% - 29.9%
  - 30.0% - 34.9%
  - Above 35%

---

**Metro, Micro, Noncore**

**Indiana, 2015**

- Noncore
- Micro
- Metro
Statewide Meetings

• Focus Group meetings (7)
• Invited participants (119)
• Structured meeting (90 mins)
Rural Housing Issues

Seven overarching housing challenges found at the study sites:

1. Planning and Zoning
2. Housing Standards
3. Housing Stock
4. Aging Population
5. Risk Aversion by Developers
6. Capital Resources
7. Rental Housing
Rural Housing Opportunities

Eight possible strategies for tackling the housing problem in rural Indiana:

1. Assess the Need for Zoning
2. Establish Public/Private Partnerships
3. Examine Opportunities to Pursue In-Fill Activities
4. Invest in the Upgrading of Older Housing Stock
5. Recognize Older Residents’ Expanding Housing Needs
6. Assess the Need for Higher to Moderately-Priced Rental Housing
7. Learn More about Existing Housing Programs
8. Develop a Checklist of Steps to Tackle Local Housing Challenges
The ‘Continuum’ Approach

- Secondary Data
- Public Forum
- Focus Groups
- Technical Report
- Survey
ALBION, INDIANA
County Housing Snapshot

Noble County

Housing Data Snapshot Series
April 2018
### Housing Units by Tenure

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total Occupied Housing Units</strong></td>
<td>16,696</td>
<td>92%</td>
</tr>
<tr>
<td><em>Owner-Occupied</em></td>
<td>13,022</td>
<td>71%</td>
</tr>
<tr>
<td><em>Renter-Occupied</em></td>
<td>3,674</td>
<td>20%</td>
</tr>
<tr>
<td><strong>Total Vacant Housing Units</strong></td>
<td>1,537</td>
<td>8%</td>
</tr>
</tbody>
</table>

- The number of housing units that are occupied increased by 1,317 units, yet the share decreased by nearly 3 percentage points.
- Both owner occupied and renter occupied housing units increased in number, with the share of owner occupied units decreasing by 5 percentage points.
- Vacant housing increased by 656 units.
- Housing vacancy rate in Noble County stood at 11% in 2016 or more than 1 in 10 units was vacant in 2016.

The number of occupied housing units in Noble County increased by 1,317 (8%) units between 2000 and 2016.
Noble County has witnessed an increasing number of vacant homes in the county, along with a comparable decrease in the share of owner-occupied homes.
### Financial Characteristics

<table>
<thead>
<tr>
<th>Percent of Income</th>
<th>2000</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 15%</td>
<td>25.7%</td>
<td>18.8%</td>
</tr>
<tr>
<td>15% to 29%</td>
<td>42.2%</td>
<td>34.3%</td>
</tr>
<tr>
<td>30% to 49%</td>
<td>15.1%</td>
<td>21.2%</td>
</tr>
<tr>
<td>50% or more</td>
<td>9.0%</td>
<td>16.5%</td>
</tr>
<tr>
<td>Not computed</td>
<td>8.0%</td>
<td>9.2%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

---

**Gross Rent as Percent of Income, 2000 & 2016**

Gross rent took a bigger slice of household incomes in 2016 when contrasted to 2000. For example, the percentage of renters that pays more than 50% increased by approximately 8 percentage points between 2000 and 2016.

Renters are cost-burdened when they pay 30% or more of their income for housing. Based upon this information, the share of cost-burdened renters increased from 24% in 2000 to nearly 38% in 2016, indicating a lack of affordable rental housing units in Noble County.

Source: 2000 Census Bureau, SF3 and 2012-2016 ACS 5-year Estimates
### Participant Overview

Five participants: One has worked in Ligonier for between 5-10 years and four have been a resident of Ligonier for more than 20 years (most of their lives). Participants in the forum represented the following sectors: Business and Industry (1), Elected Official (1), Government (2) and Utilities (1).

### Community Assets

Focus group participants identified the following key assets of Ligonier:

1. **Economics**: Industry mix/base; Expanding businesses; new stores coming; Flour mill (150 years old); total employment far exceeds number of residents
2. **Place-based Amenities**: Murals and statues; trails (existing, as well as new extension); parks
3. **Cultural Capital**: History of acceptance, tolerance and diversity; increasing diversity as evidenced at the school level (Hispanics) and anecdotaly (Arabsh)
4. **Leadership**: City government with strong leadership and evidence of collaboration
5. **Institutional strength**: West Noble schools; Community Foundation; public safety (safest city in Indiana); high quality maintenance and service
6. **Infrastructure**: Housing (two new apartment complexes coming); broadband good in Ligonier (fiber throughout the town); streets, water and sewer are in compliance and extended wideley to potential growth areas
7. **Land Availability**: Additional land being added through annexation

### Community Concerns

Focus group participants expressed concerns regarding these aspects of Ligonier:

1. **Amenities**: lack of amenities to attract and sustain interest in Ligonier – esp. in terms of recreation and retail
2. **Cultural Capital**: International Immigrants facing language barrier and questioning of legal status – impacts availability of housing
3. **Economics**: lack of job diversity; lack of retail (only one grocery store, one drug store, two Hispanic groceries, etc.); shoppers drawn to other communities; no hotel; Main Street needs more businesses
4. **Built capital and Land use**: under-use of downtown buildings; use options of farm ground
5. **Lack of Collaboration**: Intra-county East/West rivalry (but getting better); within county division as Ligonier is tied to Coohen and South Bend while Kendallville is tied to Auburn and Fort Wayne

### Satisfaction/Disatisfaction of Current Housing Options

Housing Focus group participants shared these thoughts when prompted to describe the availability, quality, price, and equity of current housing options:

1. **Affordability**: Rents are perceived to be high – especially when utilities are included; financial literacy is an issue leading people to improperly budget their expenses or leads to poor decision making in terms of choosing to rent or buy; relative affordability in the region (including high rent and limited supply driving up prices)
2. **Land Availability**: While some land has successfully been annexed and growth potential is being planned for (north, south and west) through infrastructural improvements, there is a market tension between agricultural and residential use in additional succession planning issues
3. **Shortage of Housing**: Lack of available housing to meet the needs of a range of consumers (low income, starter homes, new builds, etc.); lack of amenities to attract and sustain interest in Ligonier

### Suggested Strategies

Housing Focus group participants were asked to individually write a list of potential housing strategies to share with local and regional leaders and elected officials. Strategies included:

1. **Incentives**: Encourage developers to develop more housing (esp. starter homes) and retail; work with banks to lower cost of home buying
2. **Amenities**: Create a reason to stay in Ligonier
3. **Community Involvement**: Market the community; Consumer education regarding utilities and how they work; finish the comprehensive plan the city is currently working on
4. **Main Street**: Try to fill downtown (it’s too empty); storefronts with new specialty stores
5. **Employee Survey**: Find out specifically why 83% of people are not living in Ligonier

### Survey Results

Based on your perception, what percentage of housing in your community is allocated to these specific types?

**Single-family housing**: 51.4%  **Multi-family housing**: 29.7%  **Rental properties**: 22.9%

Based on your perception, what percentage of housing in your community should be allocated to these specific types?

**Single-family housing**: 55.7%  **Multi-family housing**: 22.1%  **Rental properties**: 22.1%

From a community standpoint, what factors affect the price of housing? Participants said: Land values, business expansion, vibrancy of retail sector, proximity to lakes, quality of schools, prevailing wages, housing supply, proximity to amenities, property status (upkeep vs. neglect), utilities and taxes.

How would you rate the quality of homes and rental properties within your county?

This question was not answered consistently so no descriptive statistics were calculated. Where some inferences could be made, the overall tendency was to rate Ligonier housing as “adequate.” One respondent deemed single-family housing and apartments to be “above average” and rental homes to be “adequate.” One respondent listed liganier as being one par (“adequate”) with Albin, Kendallville and Rome City, while Avilla was “Above Average” and Cromwell “Poor.”
The Purdue University Center for Regional Development is conducting a brief survey to examine housing needs and challenges in Noble County. Noble County may be the county where you live and/or work. We are trying to assess whether additional housing, either rental or owner occupied, may be needed to make Noble County a great place to live.

We want to assure you that your responses are anonymous and confidential, meaning no one will know who you are or how you responded to any of the survey questions. In addition, your involvement in completing the survey is voluntary. Thank you.
If high quality housing was available at a price you can afford, which ONE of the following Counties would prefer to live in the future?

- Noble County
- Elkhart County
- LaGrange County
- Steuben County
- DeKalb County
- Allen County
- Whitley County
- Kosciusko County
- Other? Please write in your response.
What quality of life amenities are important to you when it comes to selecting a community in which to live?

<table>
<thead>
<tr>
<th>Amenity</th>
<th>Not Important</th>
<th>Slightly Important</th>
<th>Somewhat Important</th>
<th>Very Important</th>
<th>Total</th>
<th>Score</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cellphone service</td>
<td>0.6%</td>
<td>1.9%</td>
<td>17.1%</td>
<td>80.4%</td>
<td>852</td>
<td>3.77</td>
</tr>
<tr>
<td>Local Schools</td>
<td>3.5%</td>
<td>4.5%</td>
<td>15.1%</td>
<td>76.9%</td>
<td>850</td>
<td>3.65</td>
</tr>
<tr>
<td>Availability of Broadband</td>
<td>1.8%</td>
<td>5.0%</td>
<td>24.4%</td>
<td>68.9%</td>
<td>849</td>
<td>3.60</td>
</tr>
<tr>
<td>Public Parks and Trails</td>
<td>1.1%</td>
<td>4.6%</td>
<td>32.4%</td>
<td>61.9%</td>
<td>851</td>
<td>3.55</td>
</tr>
<tr>
<td>Easy Access to Medical Facilities and Health Professionals</td>
<td>1.4%</td>
<td>4.1%</td>
<td>34.0%</td>
<td>60.5%</td>
<td>853</td>
<td>3.54</td>
</tr>
<tr>
<td>Activities for Families and/or Youth</td>
<td>1.6%</td>
<td>6.3%</td>
<td>32.0%</td>
<td>60.0%</td>
<td>852</td>
<td>3.50</td>
</tr>
<tr>
<td>Walkable &amp; Bikeable Community</td>
<td>2.6%</td>
<td>9.2%</td>
<td>34.0%</td>
<td>54.2%</td>
<td>850</td>
<td>3.40</td>
</tr>
<tr>
<td>Cultural Opportunities (such as theaters or museums)</td>
<td>6.5%</td>
<td>25.7%</td>
<td>41.6%</td>
<td>26.3%</td>
<td>853</td>
<td>2.88</td>
</tr>
<tr>
<td>Daycare</td>
<td>23.0%</td>
<td>16.6%</td>
<td>29.5%</td>
<td>31.0%</td>
<td>845</td>
<td>2.69</td>
</tr>
<tr>
<td>Historic District</td>
<td>19.2%</td>
<td>33.7%</td>
<td>34.2%</td>
<td>12.9%</td>
<td>847</td>
<td>2.41</td>
</tr>
<tr>
<td>Public Transportation</td>
<td>38.1%</td>
<td>30.2%</td>
<td>22.7%</td>
<td>8.9%</td>
<td>850</td>
<td>2.02</td>
</tr>
</tbody>
</table>
Next Steps

• Technical Report is being developed now
  • Weaving together the data snapshot, focus group and survey results at the
    sub-county and county-level
  • Offer some insights to businesses and sectors where applicable

• Scheduling the public forum to discuss results and way forward
  • Prepare stakeholders to weigh alternatives and consequences

• Continue to refine Rural Indiana Stats and state-level products with a
  local focus to assist decision-makers
Lessons Learned

• Continuous Dialogue with Community
  • Develop realistic expectations
  • Emphasize the overarching implications of decisions
  • Demand inclusivity and assist with making connections with diverse and relevant stakeholders

• Recognize the limitations of the data
  • American Community Survey data and small communities
  • Listframe is difficult to develop at price point

• Ensure that determinants of supply and demand are being given equal treatment
Michael D. Wilcox, Jr., PhD

Assistant Program Leader / Community Development / Purdue Extension
Senior Associate / Purdue Center for Regional Development
Community & Regional Economics Specialist / Dept of Agricultural Economics

c: 865-696-2267
e: wilcox16@purdue.edu