

2024

# St. Joseph County Housing Needs Assessment

## Introduction

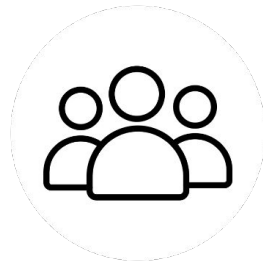
# Overview

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

The study consists of the following sections:



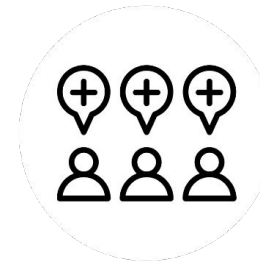
**Overview,** introducing the purpose of this report and key findings from the analysis.



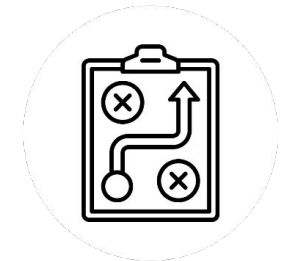
**People,** profiling characteristics such as income, employment, household structure, and cost burden.



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



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



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



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

## Overview

**Key findings.** A summary of the plan's analysis and conclusions, including current housing demand by income level and a recommended housing production target by cost level, tenure (rent/own), and bedroom count. Subsequent sections of this document will unpack these findings in much greater detail.

## Methodology

# How does this report calculate housing need?

Focus in three steps

## Total demand

Demand for housing in the region is a function of household growth and historic underproduction that has led to an unhealthy housing market. The overall housing demand is calculated from 2024 through 2040:

- + Household growth
- + Vacancy adjustment
- + Overcrowding adjustment
- + Replacement housing
- + Cost burdened households
- = **Housing units needed**

## Production target

Housing that is feasible to build, focusing on supply-side factors like developer capacity, and the availability of funding, subsidies, and incentives. The final target breaks down the overall **Housing Units Needed** into several categories:

- ❖ Price point associated to local incomes
- ❖ Ownership or rental
- ❖ Market supported or subsidized
- ❖ Structure type
- ❖ Special needs, like senior housing

## Strategies

Strategies aim to achieve the production target with policy recommendations, includes metrics to track progress.

## Methodology

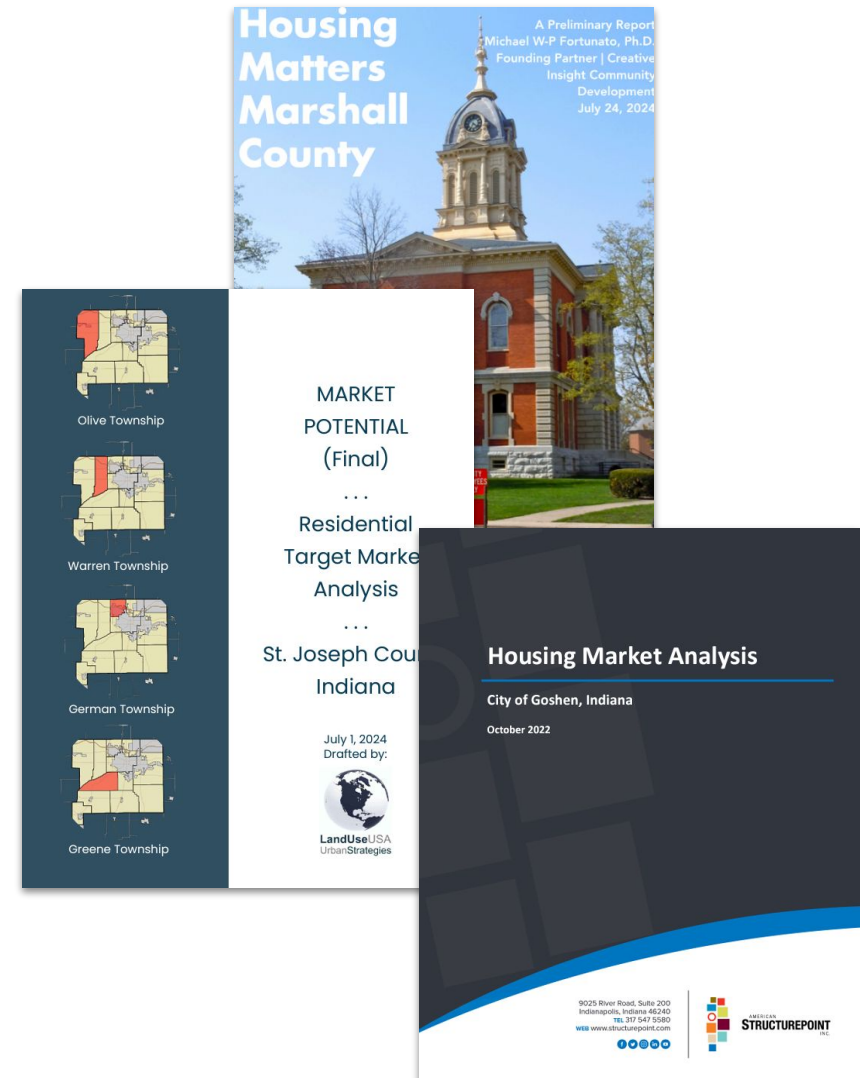
# How does this study fit into the discourse?

This study is complemented by other analyses that look at different aspects of the overall housing system

### Housing study typologies

There are many types of housing studies, each necessary and useful in its own way:

- **Housing needs assessment:** Identifies current and future housing needs in terms of type, cost, and volume. Example: This study
- **Housing market analysis:** Overview of market demand across unit types and price points. [Goshen](#) Housing Market Analysis
- **Target market analysis:** Translates market forces into specific parameters for new development. Example: ZVA downtown studies; [St Joseph study for 4 townships](#)
- **Gap analysis:** Identifies missing links in the housing supply chain. Example: [Housing Matters Marshall County](#)
- **Affordable housing study:** Examines the availability, barriers, and demand for affordable housing.
- **Fair housing study:** Reviews housing practices and policies to ensure compliance with fair housing laws and address issues of discrimination.
- **Comprehensive housing strategy:** A holistic, long-term plan for housing that integrates housing goals with broader community development objectives. Example: This study

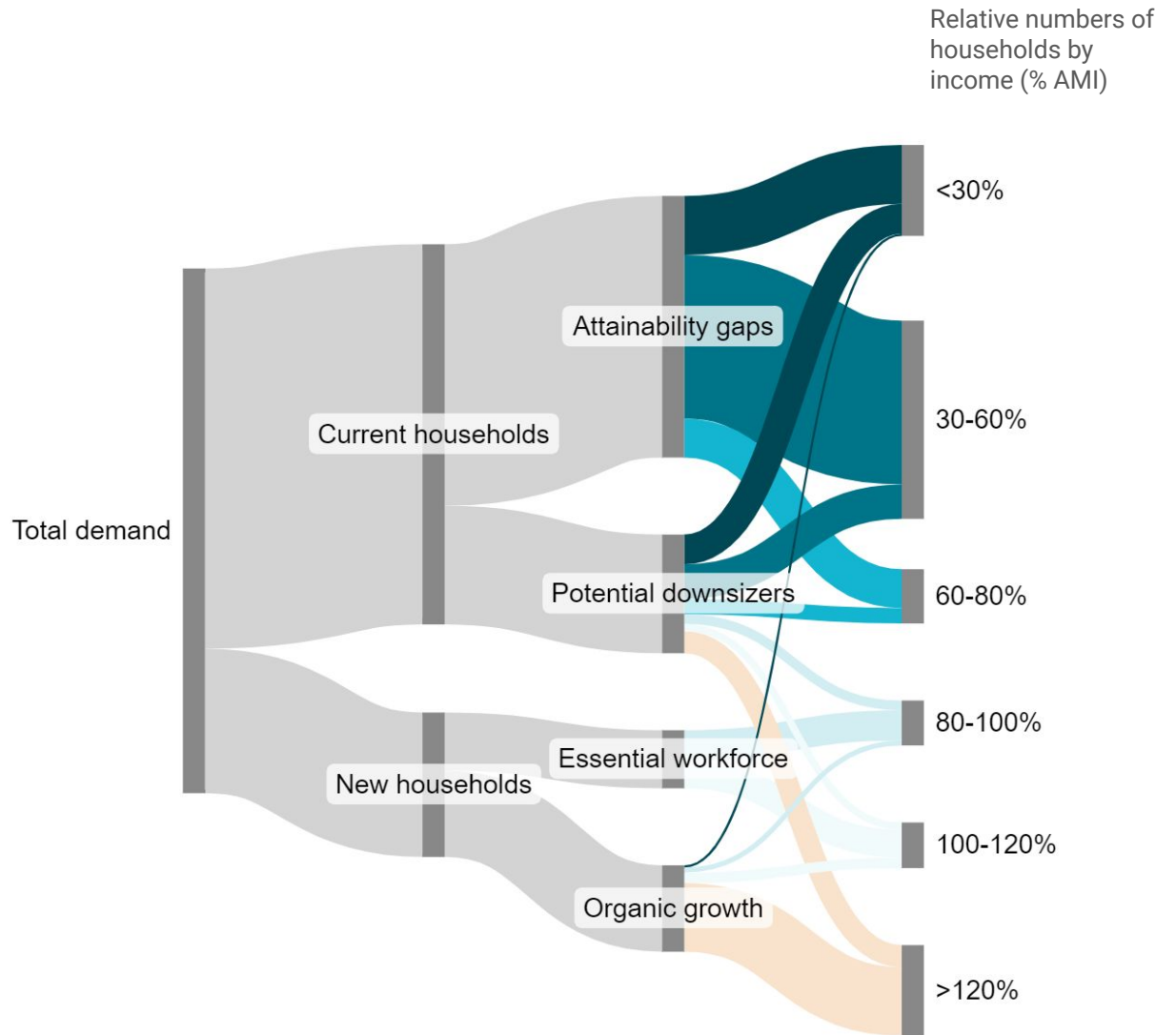


Key findings

# Demand summary

St. Joseph County’s housing need over the next 10 years is driven by 4 primary demand areas:

- **Attainability gaps:** The households that are currently paying more than 30% of their income for housing.
- **Potential downsizers:** Households age 65+ who would prefer a smaller, more accessible unit without leaving town.
- **Organic growth:** The households expected to move to Greenfield based on recent growth trends.
- **Essential workforce:** Middle-income employees who work in the County but can’t find adequate or attainable housing to live there too.



AMI	Total demand (units)
<30%	13,461
30-60%	8,465
60-80%	2,015
80-100%	2,299
100-120%	2,181
>120%	5,786
<b>34,207</b>	

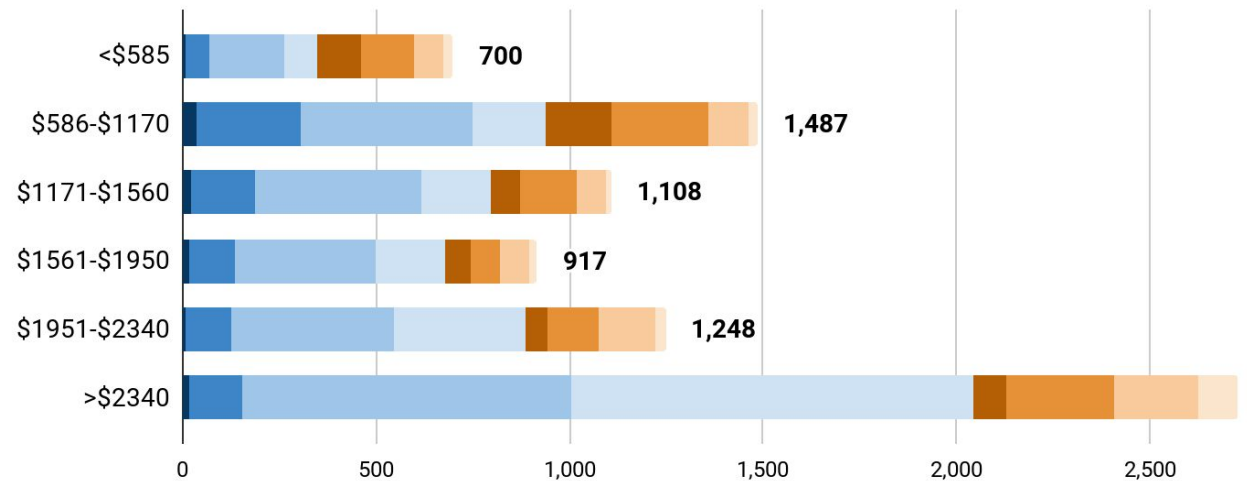
Key findings

# 10-year production target

## Production target by tenure, bedroom count and cost

Monthly cost	Own 0-1	Own 2	Own 3	Own 4	Rent 0-1	Rent 2	Rent 3	Rent 4+	
<\$585	7	60	195	88	110	137	76	28	700
\$586-\$1170	34	269	445	189	174	249	104	23	1,487
\$1171-\$1560	20	169	430	180	74	145	80	12	1,108
\$1561-\$1950	15	121	364	179	67	75	78	19	917
\$1951-\$2340	9	117	422	339	58	132	147	25	1,248
>\$2340	15	139	851	1,040	84	277	220	101	2,727
	101	874	2,706	2,013	566	1,014	704	208	
			Total own	5,695			Total rent	2,492	8,187

The two colored charts translate St. Joseph County’s 10-year production target into a unit mix by cost, bedroom count, and tenure (rent/own). The table below converts monthly cost into approximate purchase price and rent after accounting for other housing costs like utilities and taxes.



Monthly cost	Max price	Max rent
<\$585	\$47,473	\$464
\$586-\$1170	\$113,640	\$1,027
\$1171-\$1560	\$157,752	\$1,402
\$1561-\$1950	\$201,864	\$1,778
\$1951-\$2340	\$245,862	\$2,152



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

# People

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

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

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



## Demographic profile

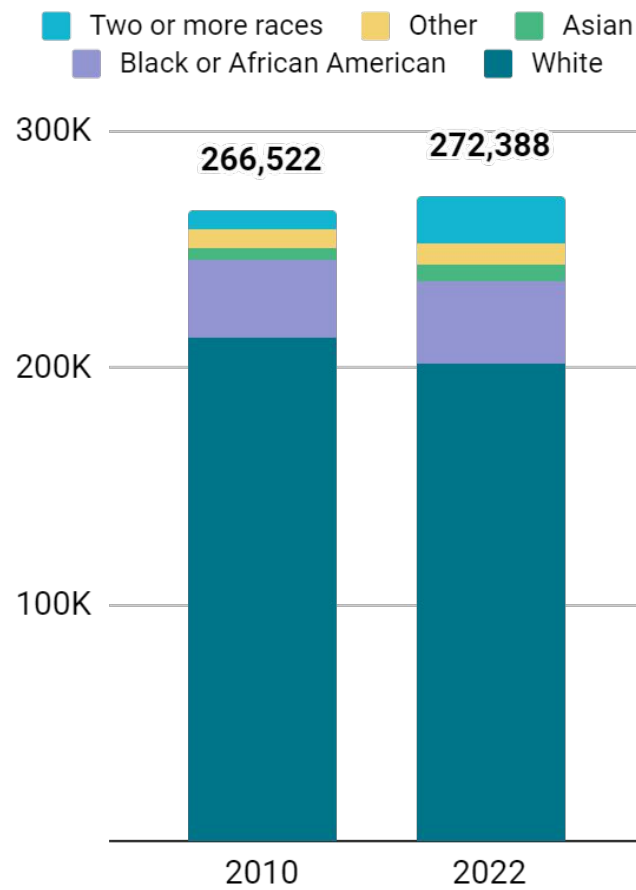
# Race and ethnicity

Source: ACS 5-Year, 2010 and 2022

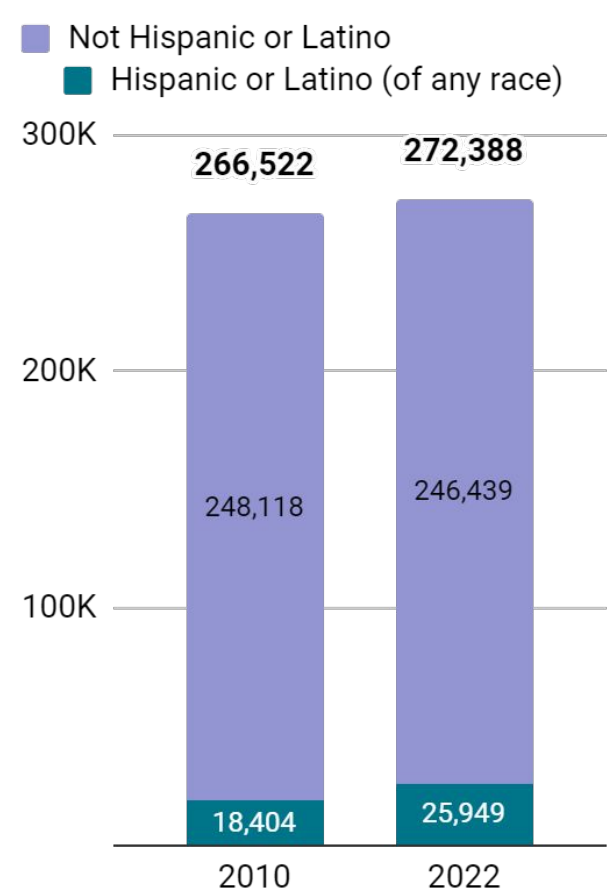
*These demographic trends provide insights into how St. Joseph County is or is not changing over time and what that means for current and future housing demand:*

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

**Population by race**



**Population, Hispanic/Latino**



## Demographic profile

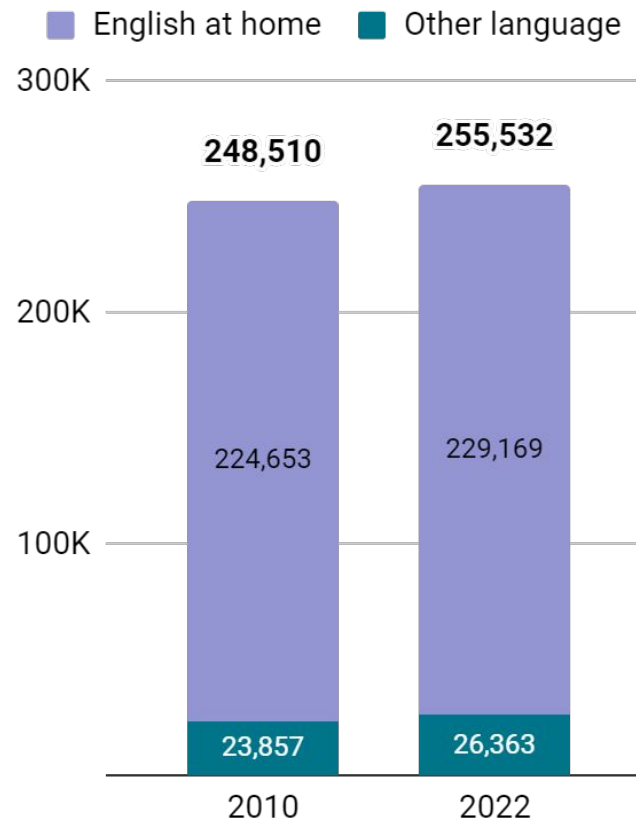
# Language spoken at home

Source: ACS 5-Year, 2010 and 2022

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

One measure of cultural diversity is the proportion of households speaking a language other than English at home. St. Joseph County has seen this population rise since 2010 but the large majority of households remain English speakers. That said, the non-English speaking population is growing at a faster rate than the English speaking population.

### Population older than 5, by primary language spoken at home



Demographic profile

# Family and non-family households

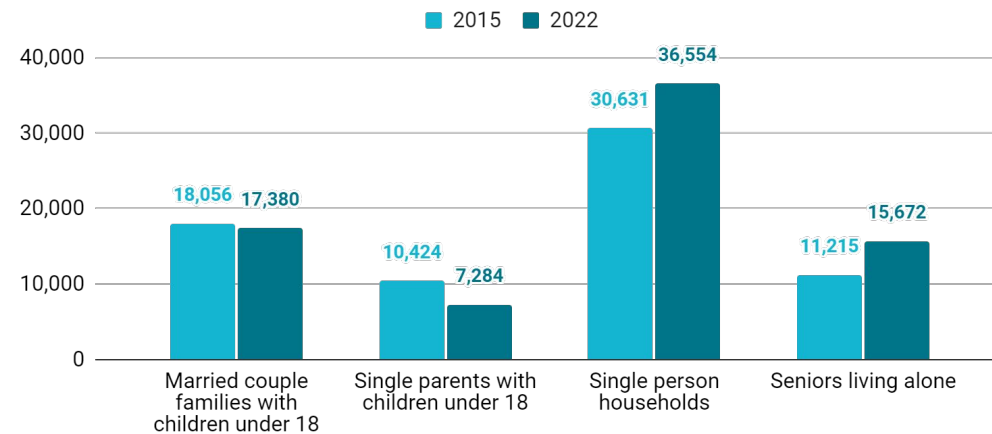
Source: ACS 5-Year, 2015 and 2022

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

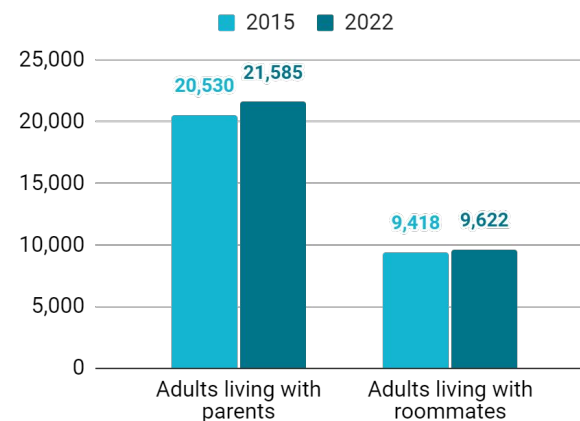
Different family types have different housing needs, such as married couples with children needing extra bedrooms, single parents needing lower costs, and single people needing less space or an option to downsize into.

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

Households by selected family type



Population by selected non-family type



Demographic profile

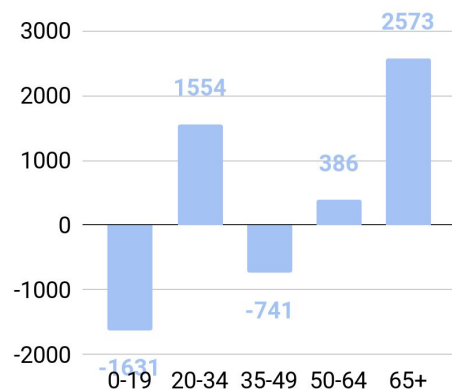
# Population age trend and projection

Source: ACS 5-Year, CommunityScale

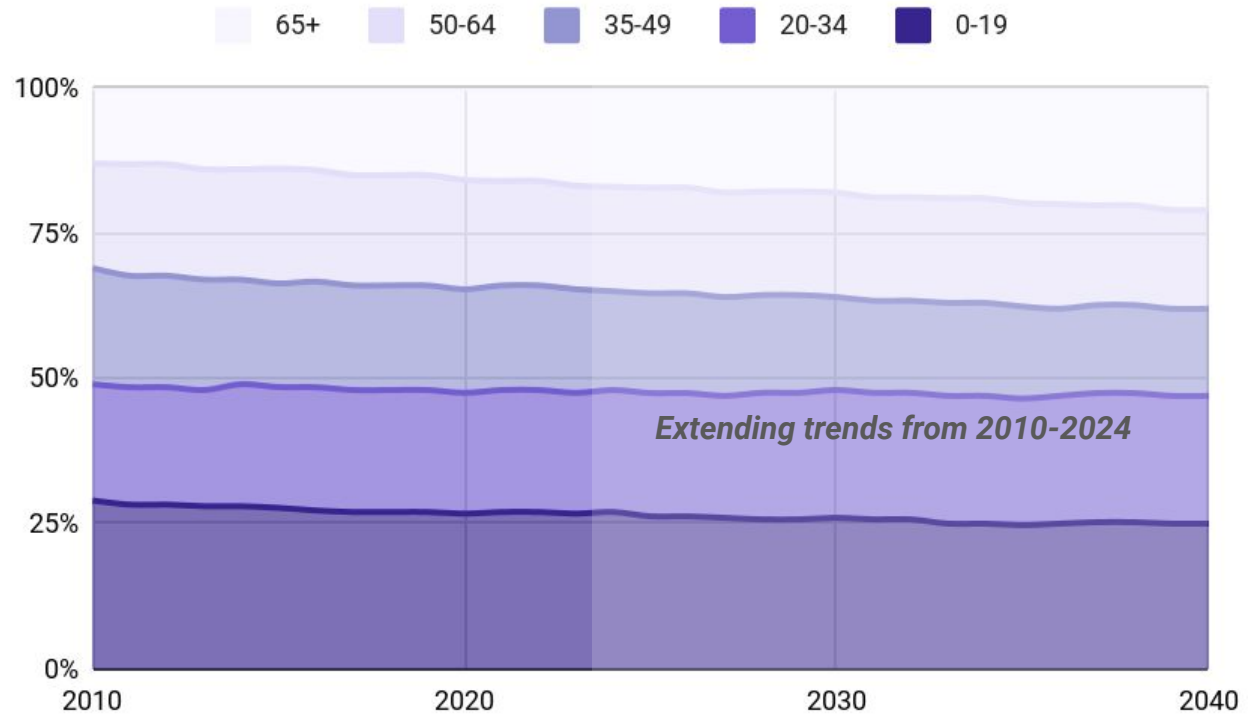
St. Joseph County’s population has been aging over the past decade, with the 65+ age group growing faster than other groups and projected to outpace others into the future.

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

## Net household change, 2024-34



## Population by age cohort



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

St. Joseph County’s median age:  
**2022:** 36.6 years old  
**2010:** 36.2 years old

**Demographic profile****Household profiles by income group**

Source: ACS 5-Year, CommunityScale

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

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

**Household financial characteristics by income**

<b>AMI level</b>	<b>Total households</b>	<b>Household income range</b>	<b>Monthly affordable housing costs</b>
<30%	19,010	<\$26,700	<\$650
30-60%	23,319	\$26,700-\$53,400	\$650-\$1,350
60-80%	13,474	\$53,400-\$71,200	\$1,350-\$1,800
80-100%	10,568	\$71,200-\$89,000	\$1,800-\$2,250
100-120%	9,057	\$89,000-\$106,800	\$2,250-\$2,650
>120%	32,466	>\$106,800	>\$2,650

Demographic profile

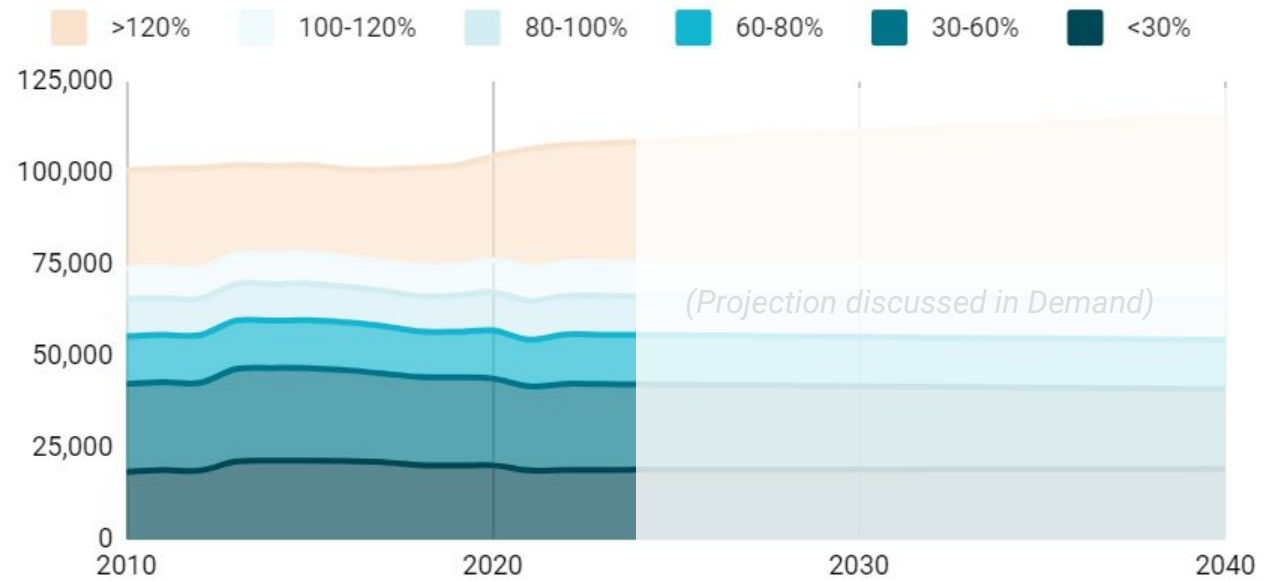
# Households by AMI group

Source: ACS 5-Year, CommunityScale

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

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

Household change by AMI group



AMI group	2010	2022	2034
<30%	18,449	18,996	19,156
30-60%	23,942	23,409	22,325
60-80%	12,966	13,481	13,408
80-100%	10,163	10,538	10,905
100-120%	8,390	8,993	9,758
>120%	26,631	32,049	37,057

St. Joseph County’s median income:  
**2022: \$60,627**  
**2010: \$42,089** (\$54,609 in 2022 dollars)

Demographic profile

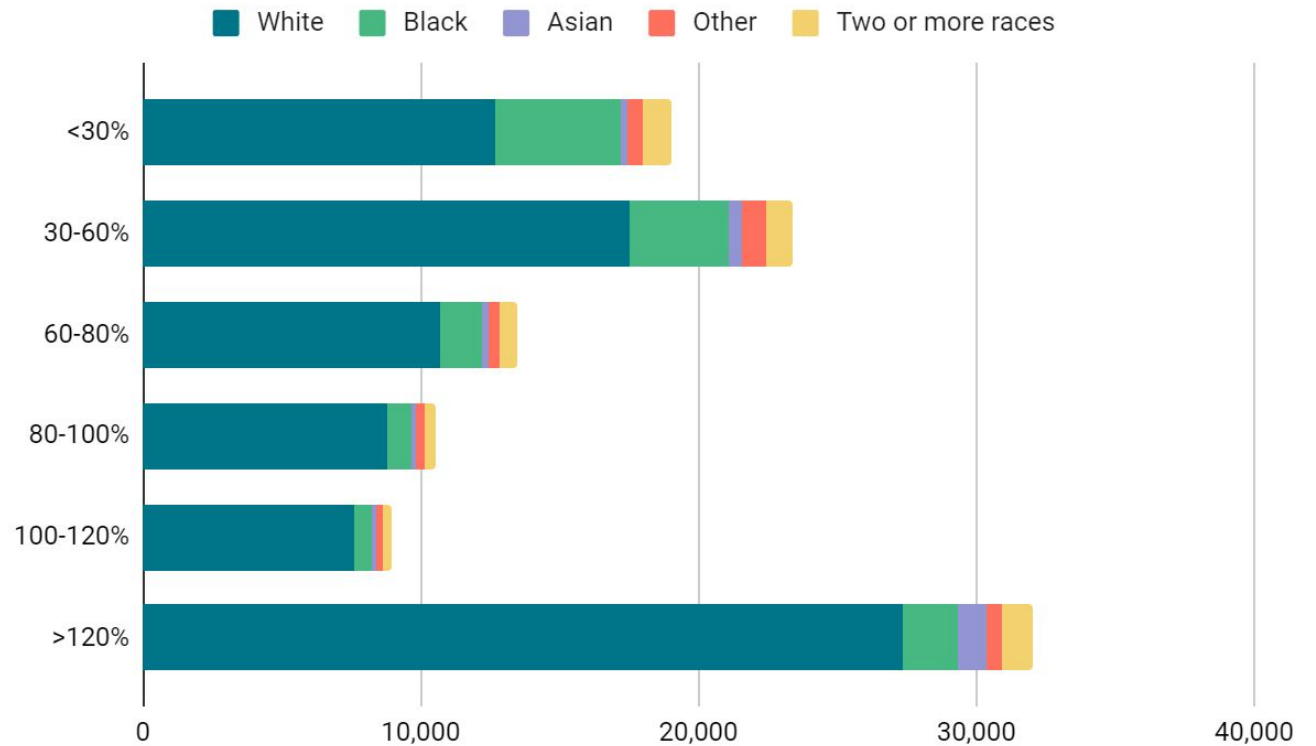
# AMI groups, by race of householder

Source: ACS 5-Year, HUD, CPI

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

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

Number of households in each AMI group, by race



Demographic profile

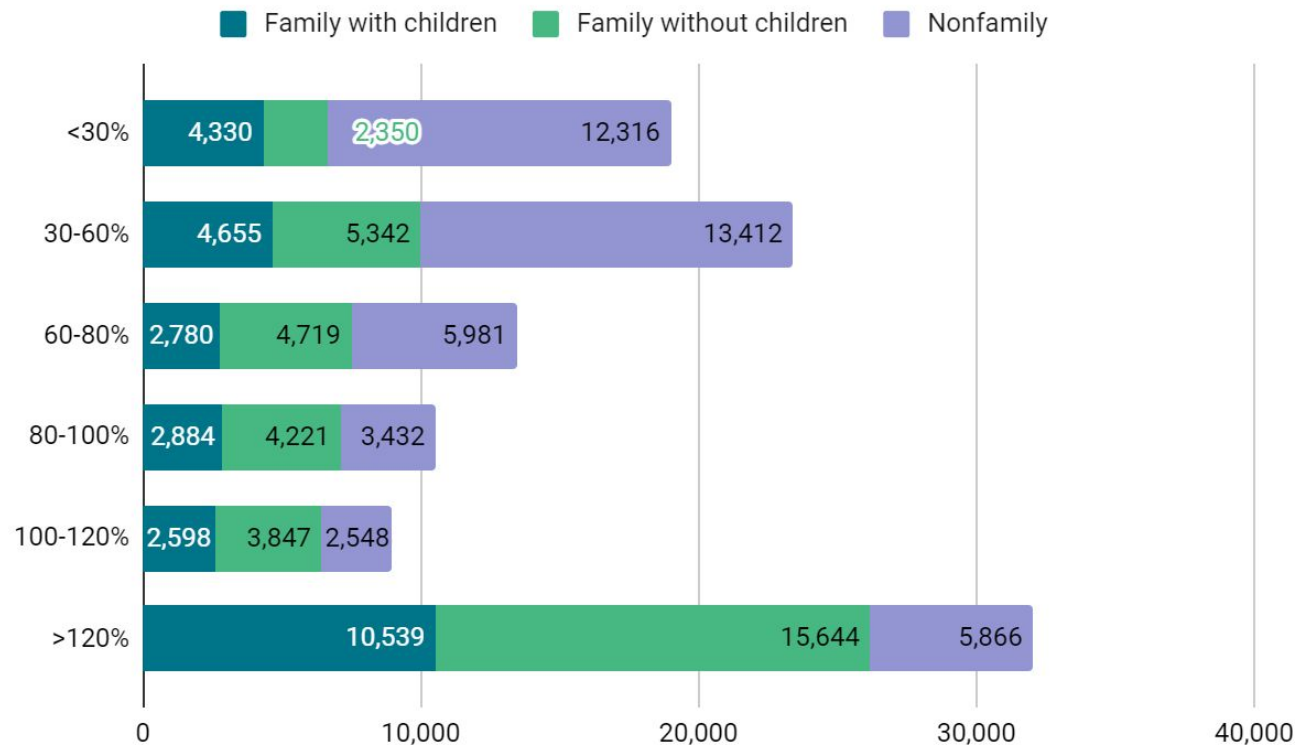
# AMI groups, by household type

Source: ACS 5-Year, HUD, CPI

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

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

Number of households in each AMI group, by household type





Socioeconomic profile

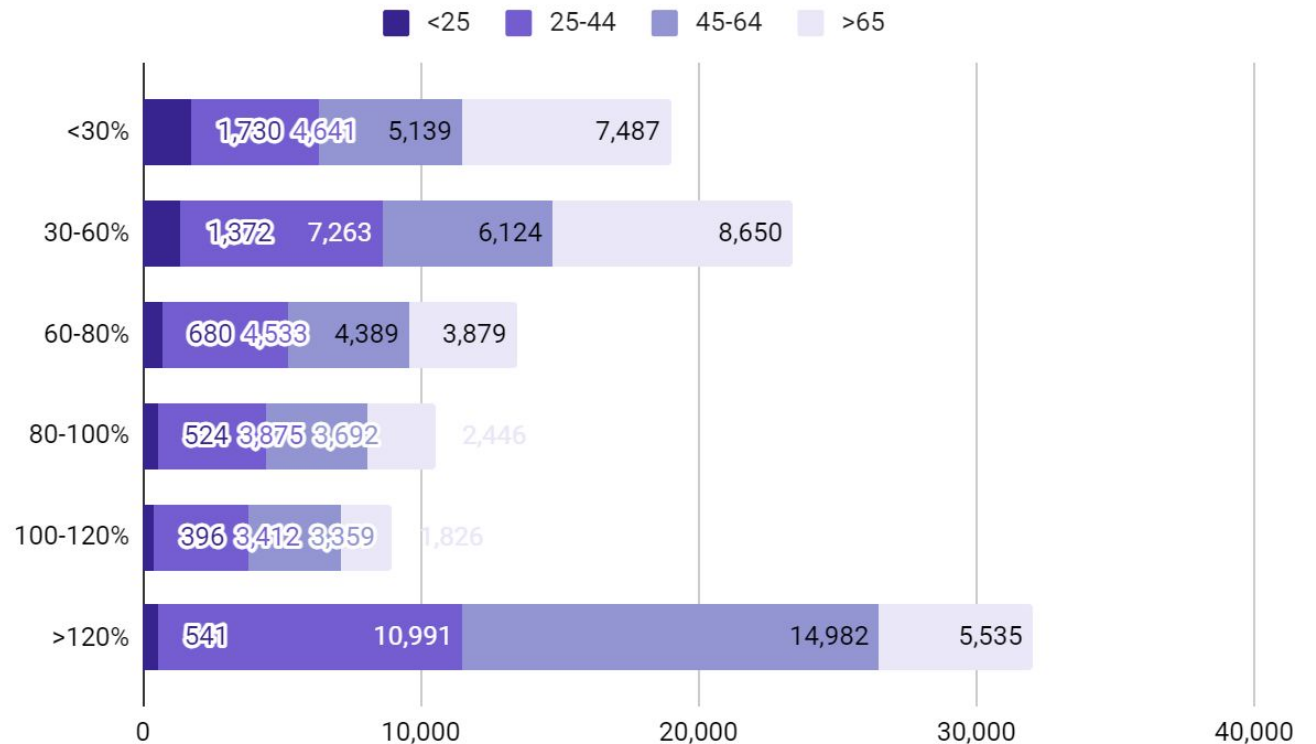
# AMI groups, by age of householder

Source: ACS 5-Year, HUD, CPI

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

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

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



Socioeconomic profile

# AMI groups, by cost burden

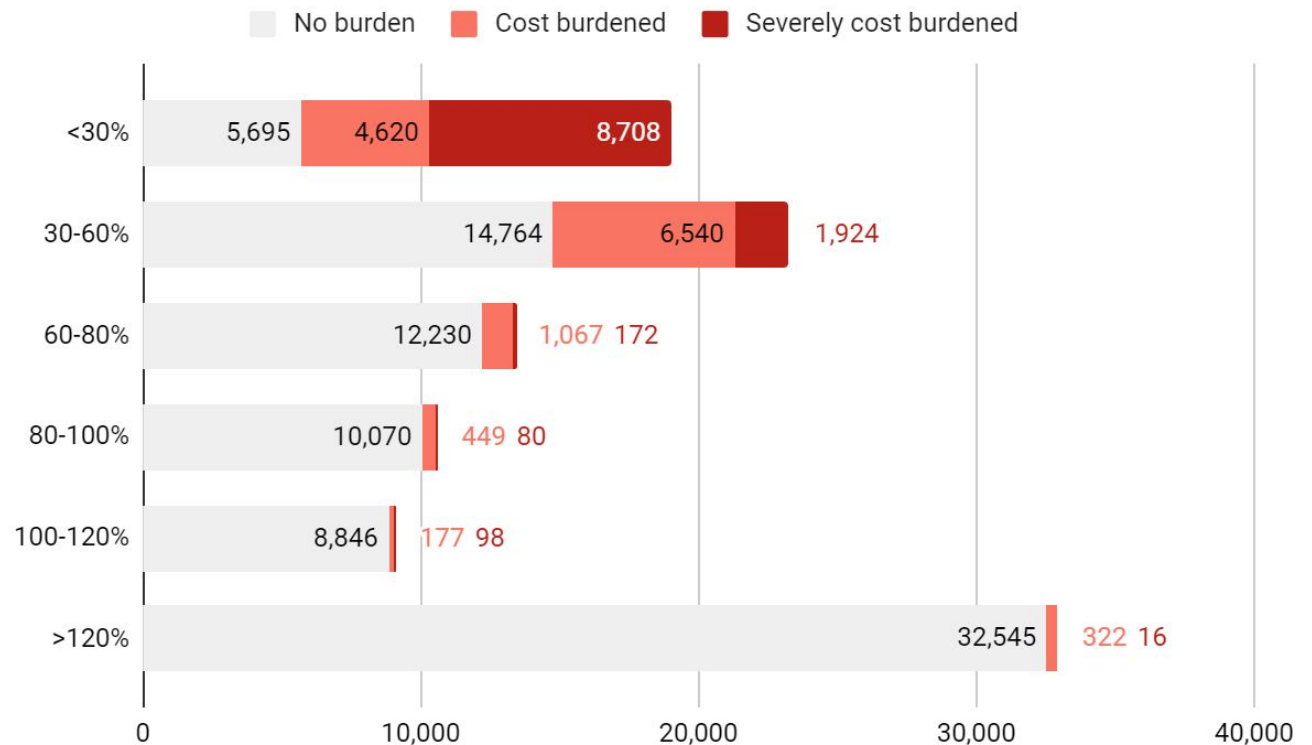
Source: ACS 5-Year, HUD, CPI

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

In St. Joseph County, most households earning <30% AMI are cost burdened. Most households earning >30% AMI are not cost burdened, especially among higher income groups.

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

Number of households in each AMI group, by cost burden



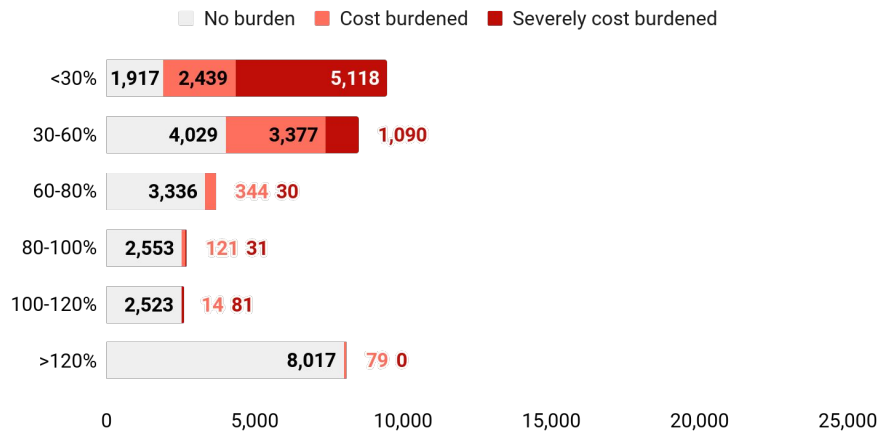
Socioeconomic profile

# Cost burdened households by tenure and AMI group

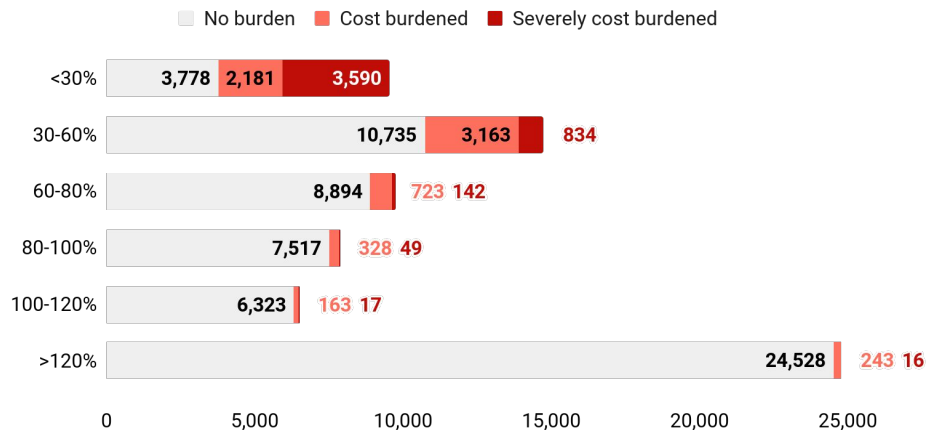
Source: ACS 5-Year, tables B25074, B25095, 2022

Many of St. Joseph County’s residents are experiencing cost burden, especially lower-income households. More than half of renters earning up to 60% AMI and homeowners earning up to 30% AMI spend more than 30% of their income on housing costs.

## Cost-burdened renters, by AMI group



## Cost-burdened homeowners, by AMI group



Tenure	Share of housing stock
Renter-occupied	59.7%
Owner-occupied	40.3%

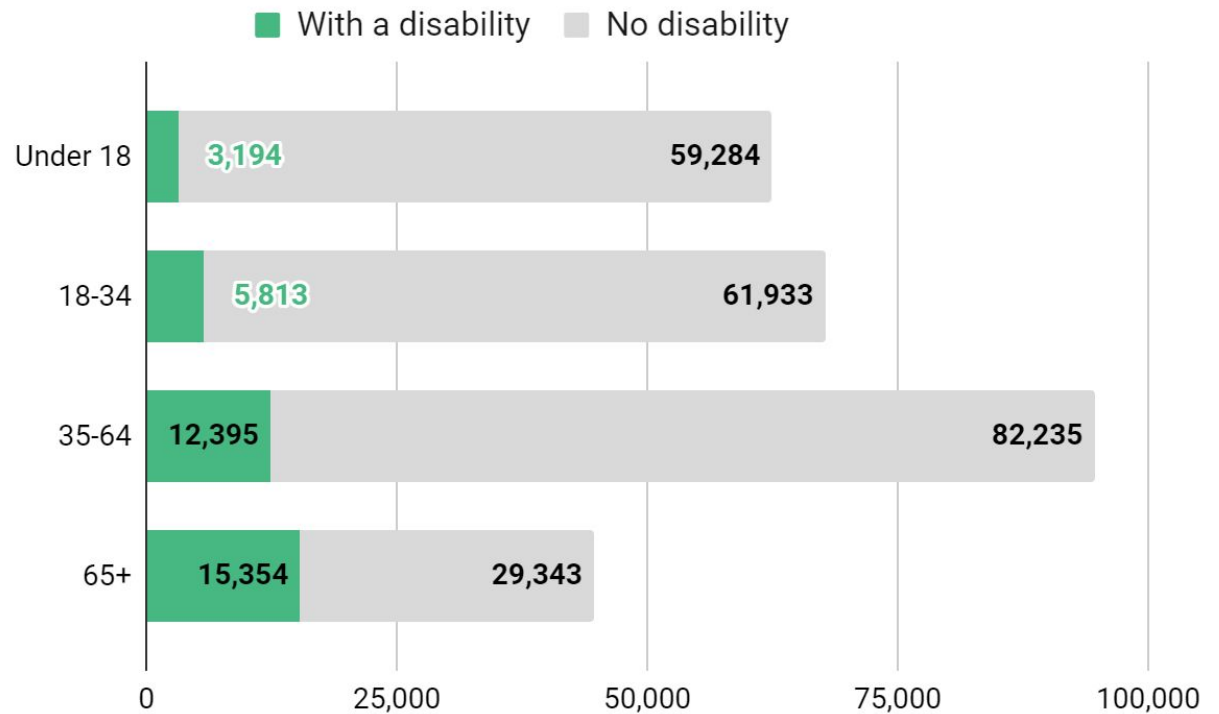
## Demographic profile

# People with disabilities

Source: Census ACS 5-Year 2022

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

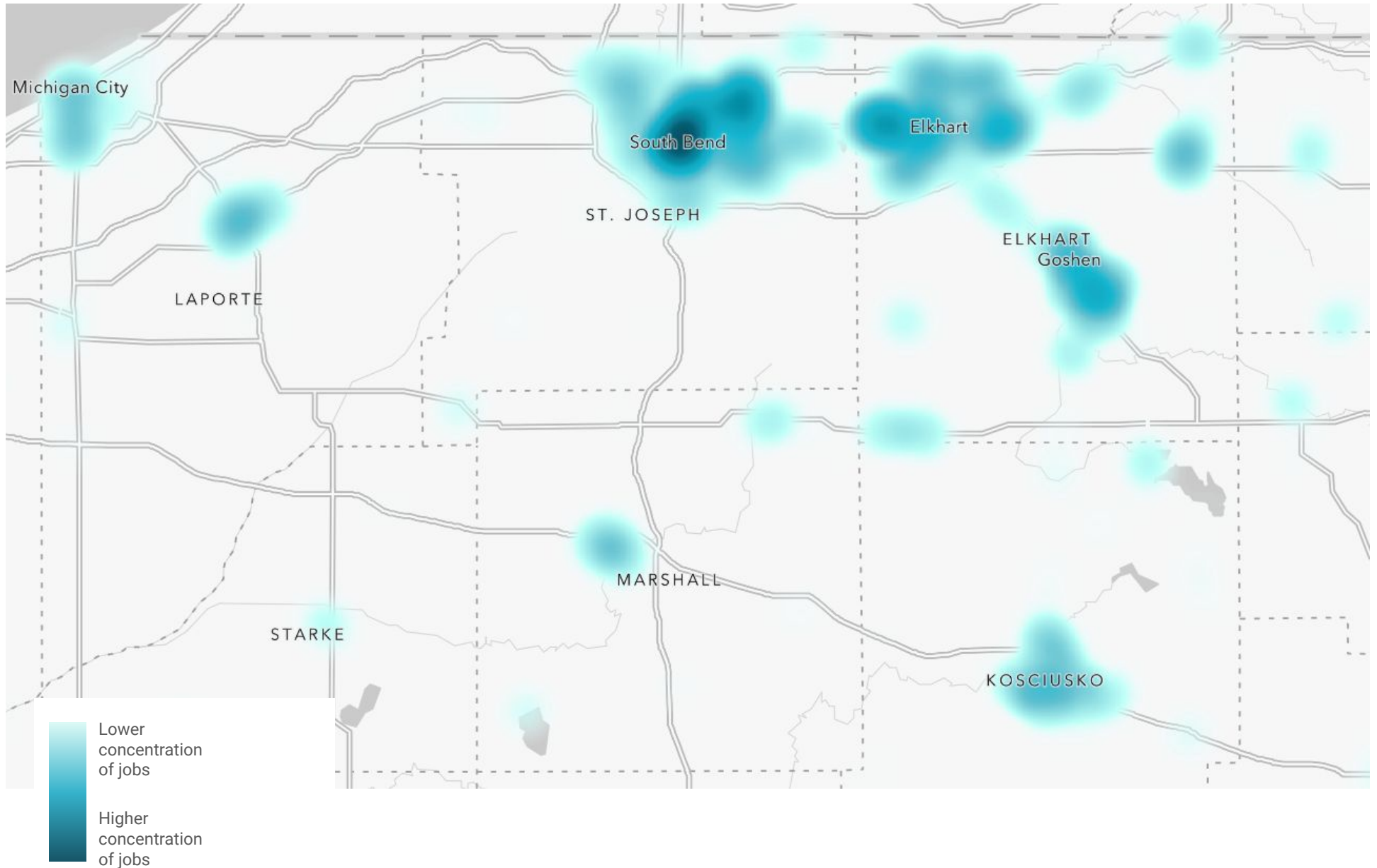
### Population with disabilities, by age group



Employment patterns

# Job clusters in and around St. Joseph County

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



## Employment patterns

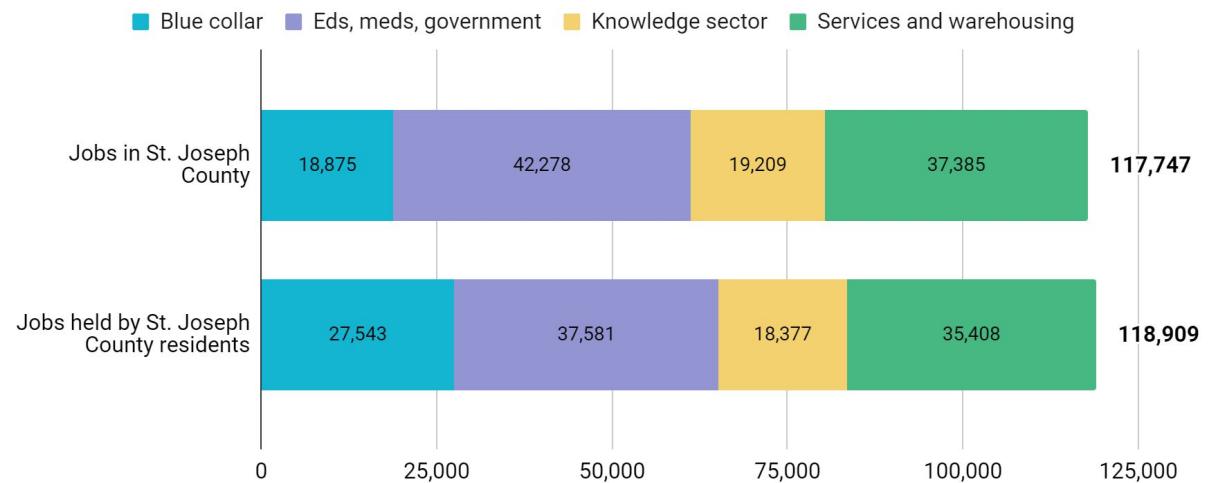
# Jobs located in the county compared to jobs held by residents, by sector

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

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

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

## Jobs in St. Joseph County and jobs held by St. Joseph County residents, 2021



Examples of jobs by sector:

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



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

## Place

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

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

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

Current housing mix

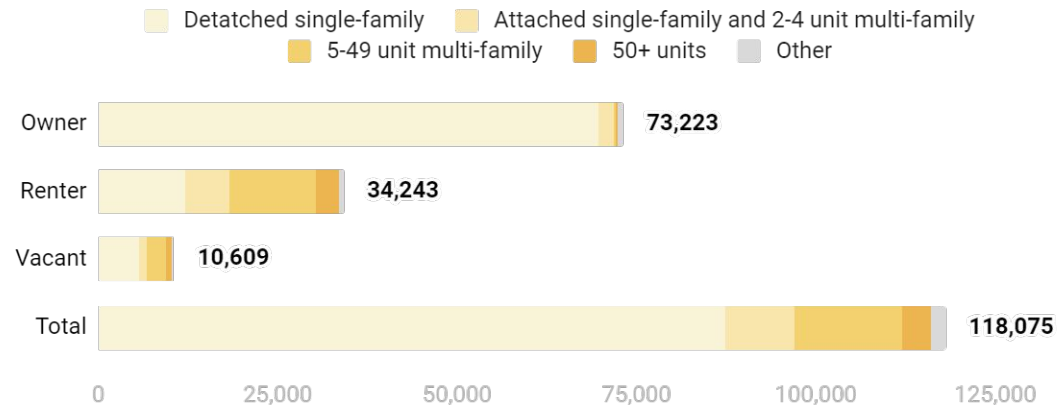
# Existing units by structure type

Source: ACS 5-Year, 2022

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

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

Existing units by structure type



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





Current housing mix

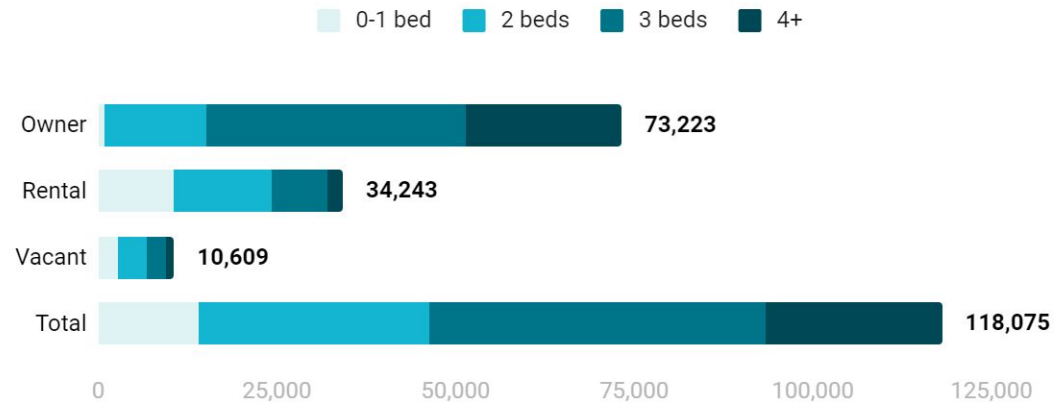
# Existing units by bedroom count

Source: ACS 5-Year, 2022

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

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

Existing units by number of bedrooms



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

Current housing mix

# Age of existing housing

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

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

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

## Age of existing units

Year built	Units	Share	Cumulative share
2020 or later	1,900	1.6%	1.6%
2010 to 2019	5,672	5%	6%
2000 to 2009	10,144	8%	15%
1990 to 1999	13,570	11%	26%
1980 to 1989	11,804	10%	36%
1970 to 1979	14,635	12%	48%
1960 to 1969	12,776	11%	59%
1950 to 1959	18,147	15%	74%
1940 to 1949	10,388	9%	83%
1939 or earlier	20,516	17%	100%

Current housing mix

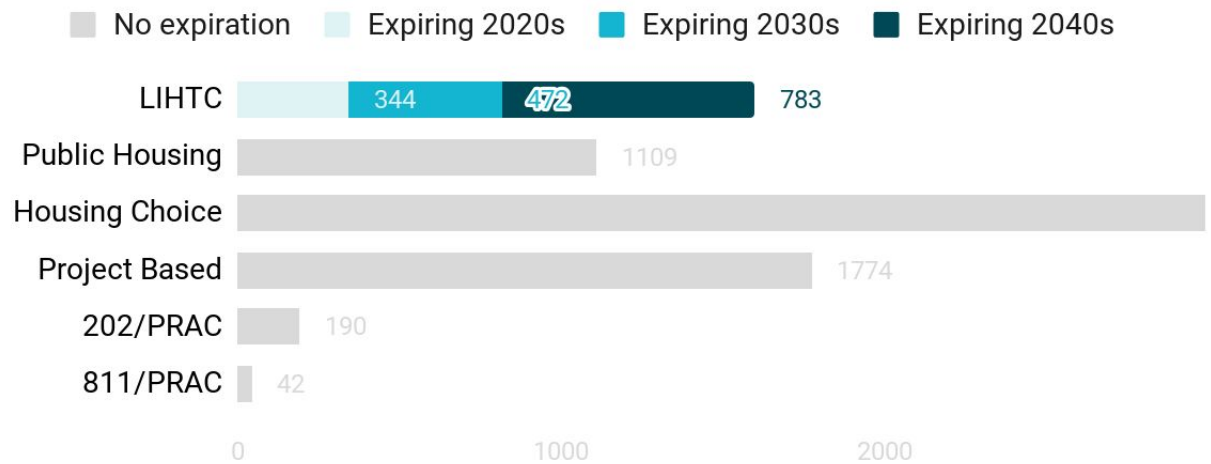
# Committed affordable housing units

Source: HUD, St. Joseph County Housing Authority

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

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

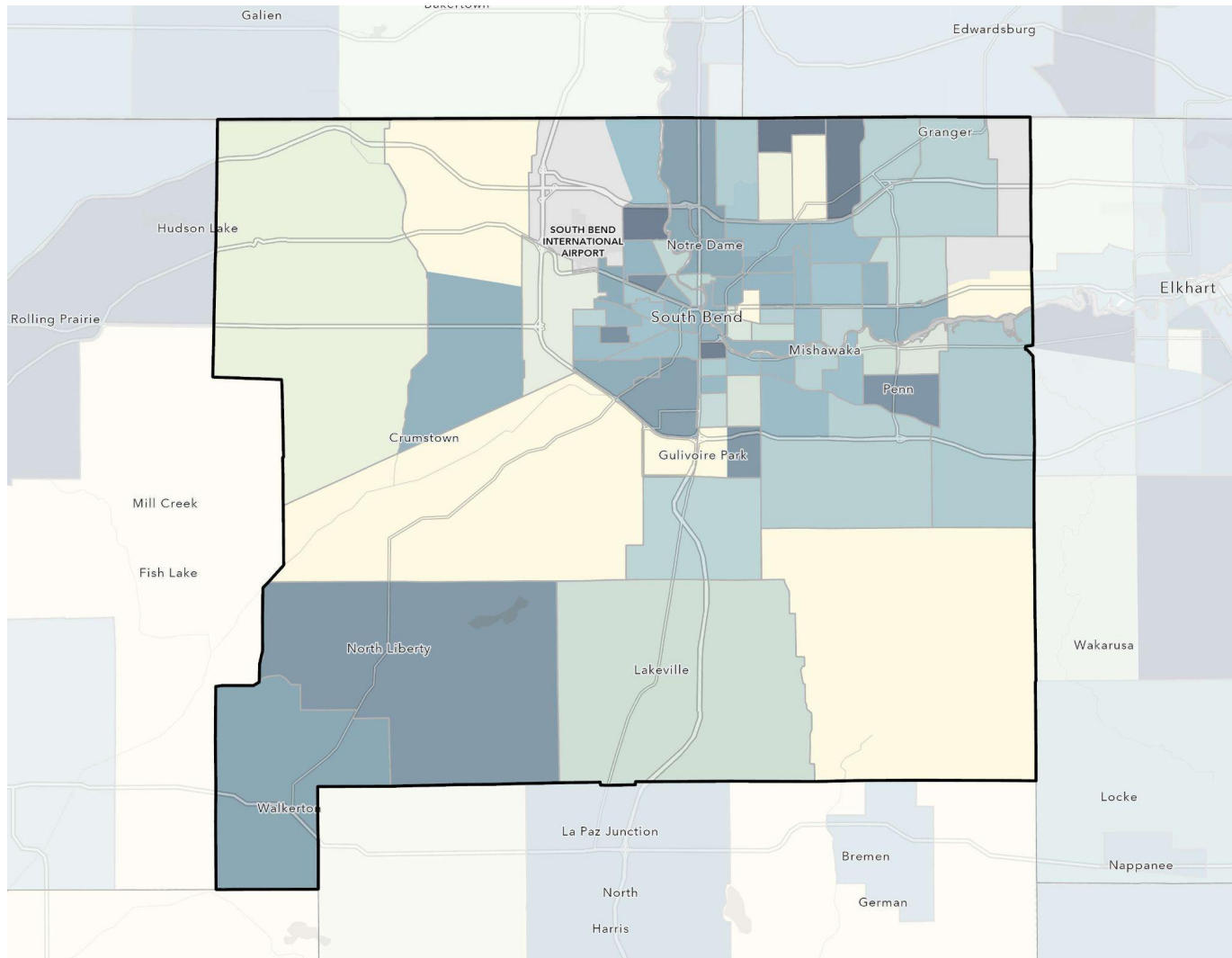
## HUD-subsidized affordable units by program and expiration date



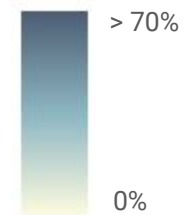
People in place

# Cost-burdened renters, by Census tract

Source: ACS 5-Year, 2022



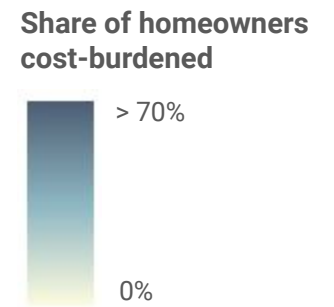
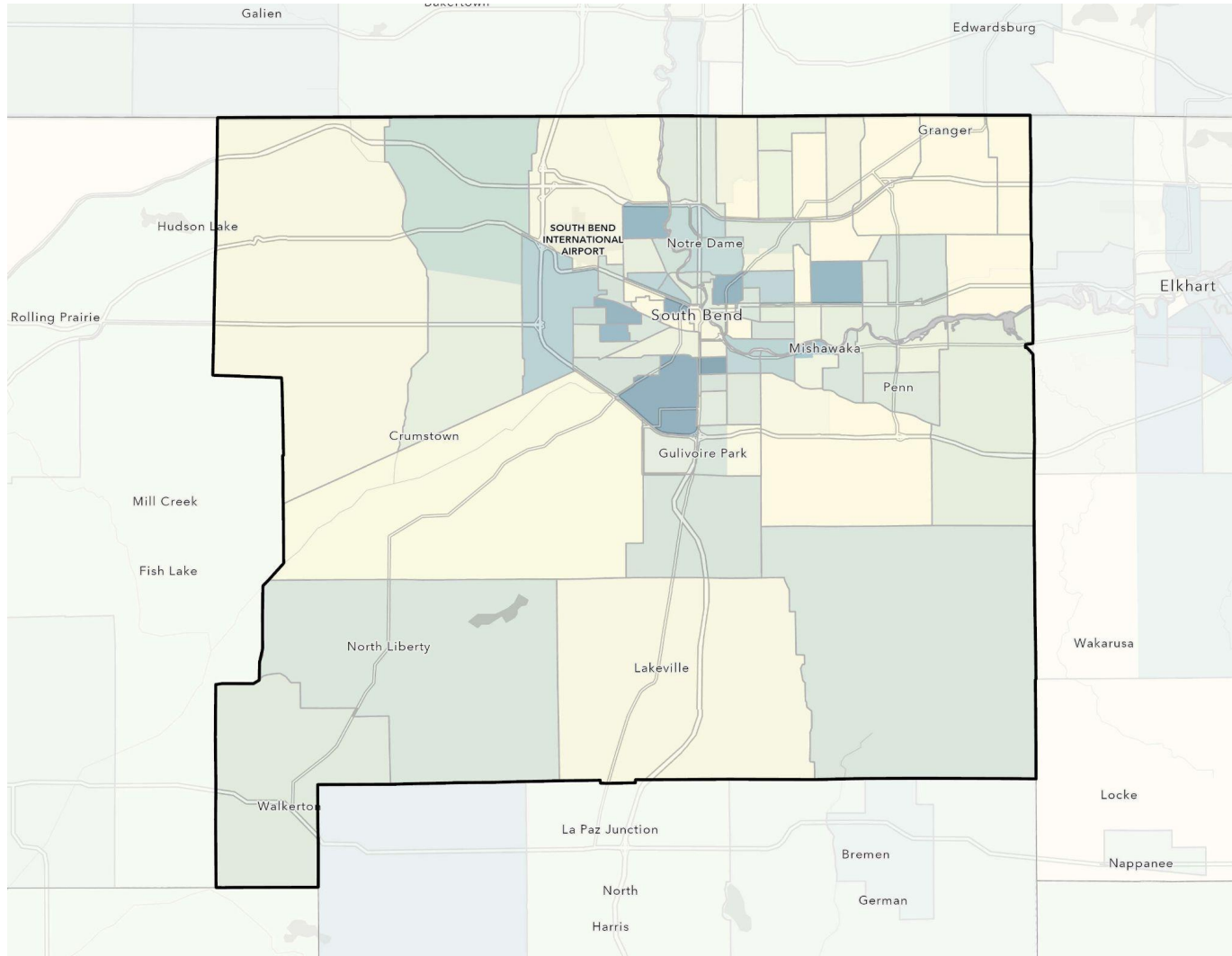
Share of renters cost-burdened



People in place

# Cost-burdened homeowners, by Census tract

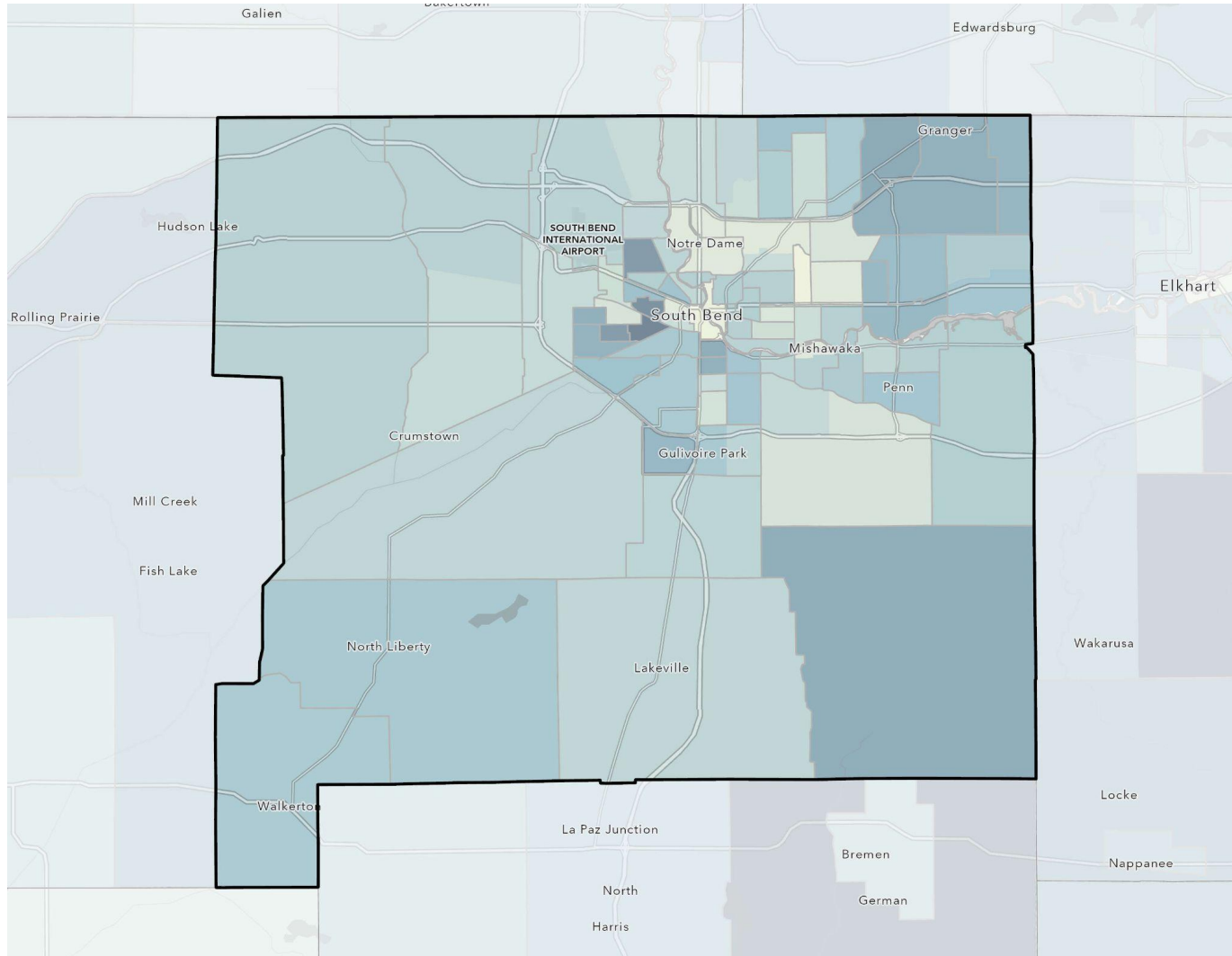
Source: ACS 5-Year, 2022



People in place

# Household size, by Census tract

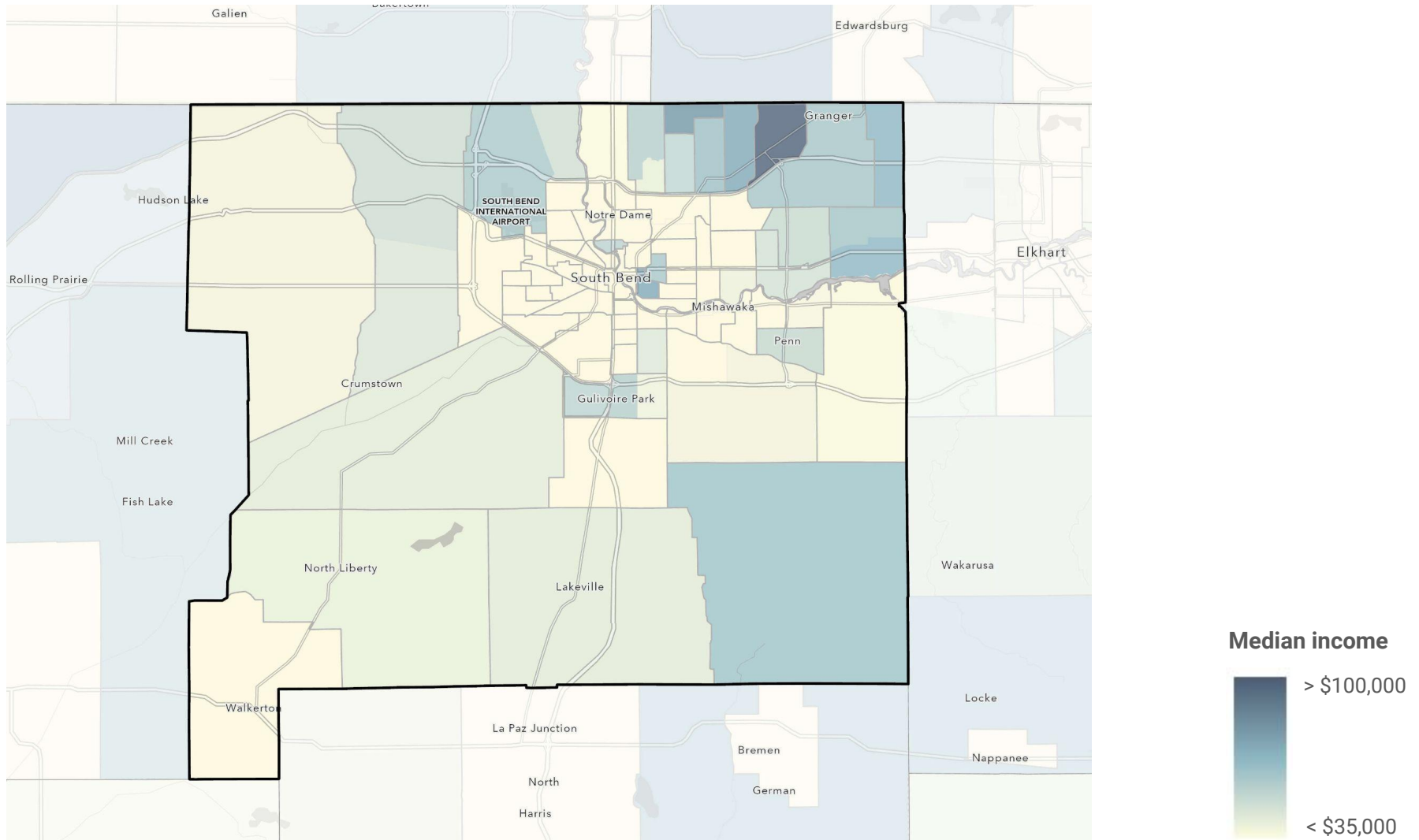
Source: ACS 5-Year, 2022



People in place

# Median household income, by Census tract

Source: ACS 5-Year, 2022



Socioeconomic profile

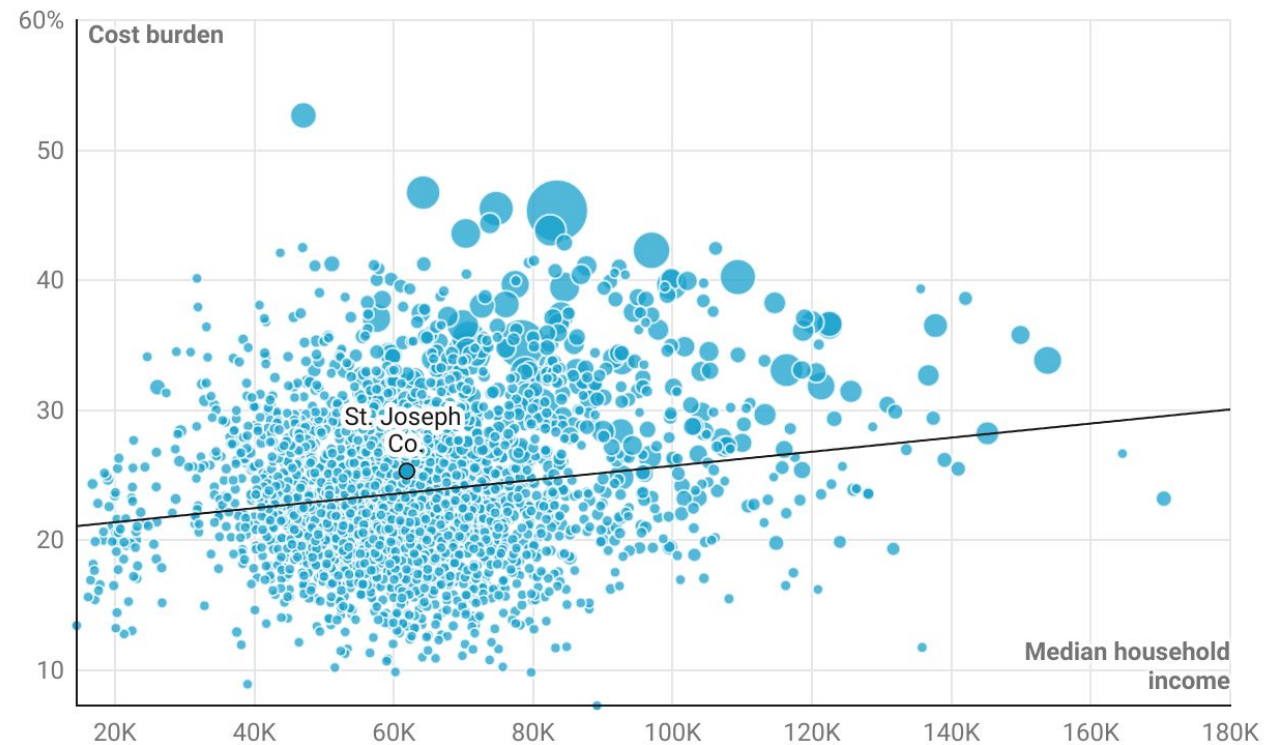
# Cost burden in national context

Source: ACS 5-Year, 2022; CommunityScale

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

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

Relationship between median income and cost burden nationally, by county





## Housing costs and affordability (Ownership)

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

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

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

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

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

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

**Property tax:** Property tax obligations reduce the amount of household income available for mortgage payments. The property tax rate in St. Joseph County is .94%.

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

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

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

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

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

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

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

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

Cost of housing

# Home sales prices

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

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

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

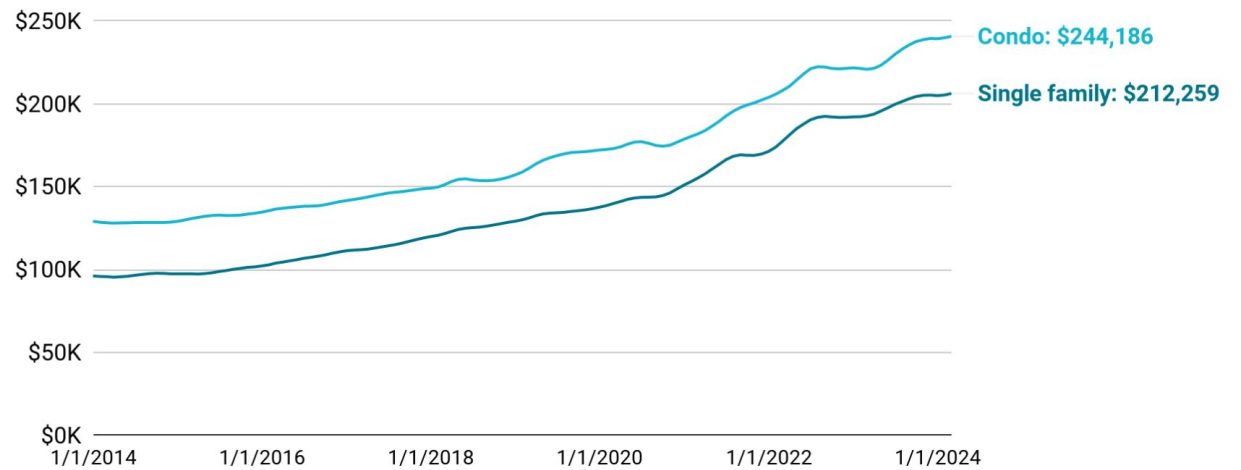
The bottom chart summarizes the distribution of costs across all ownership units in the area, most of which last transacted years ago.

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

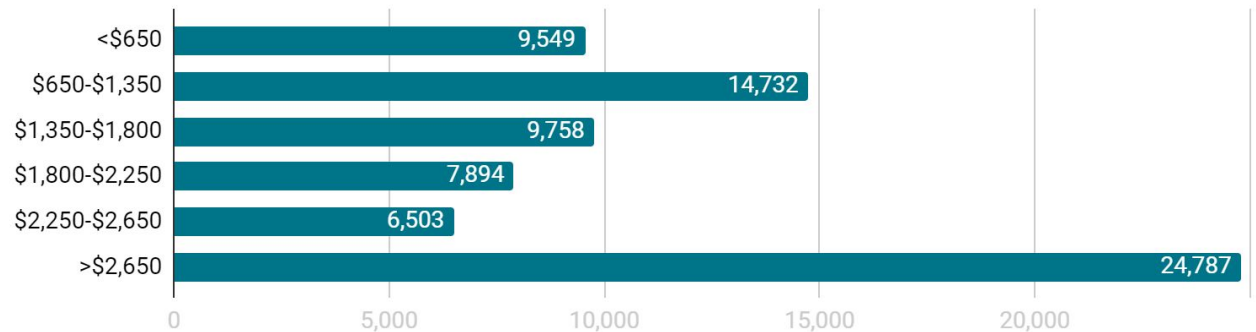
About 46% of St. Joseph County homeowners pay below \$1,800/mo compared to the \$1,958 and \$1,718 required to afford a condo and single family on today's market.

Home type	Home price	Monthly cost
Single family	\$212,259	\$1,718
Condo	\$244,186	\$1,958

## Home sales prices



## Owner households by current monthly housing costs



Cost of housing

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

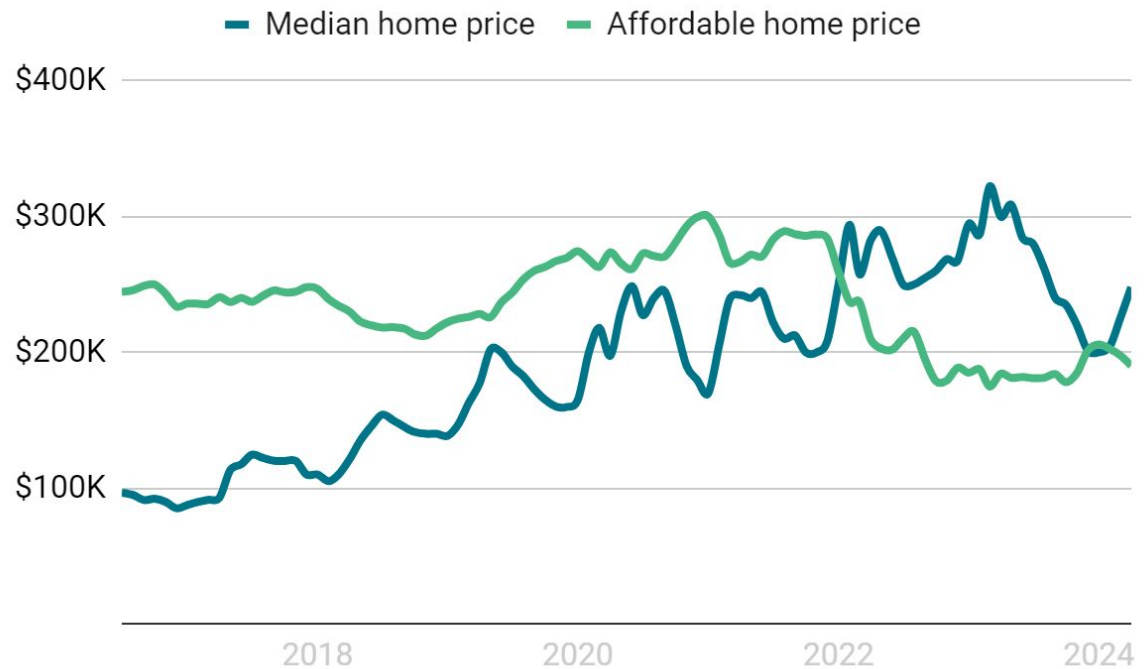
Sources: FRED Federal Bank of St. Louis; City of St. Joseph County; CommunityScale

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

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

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

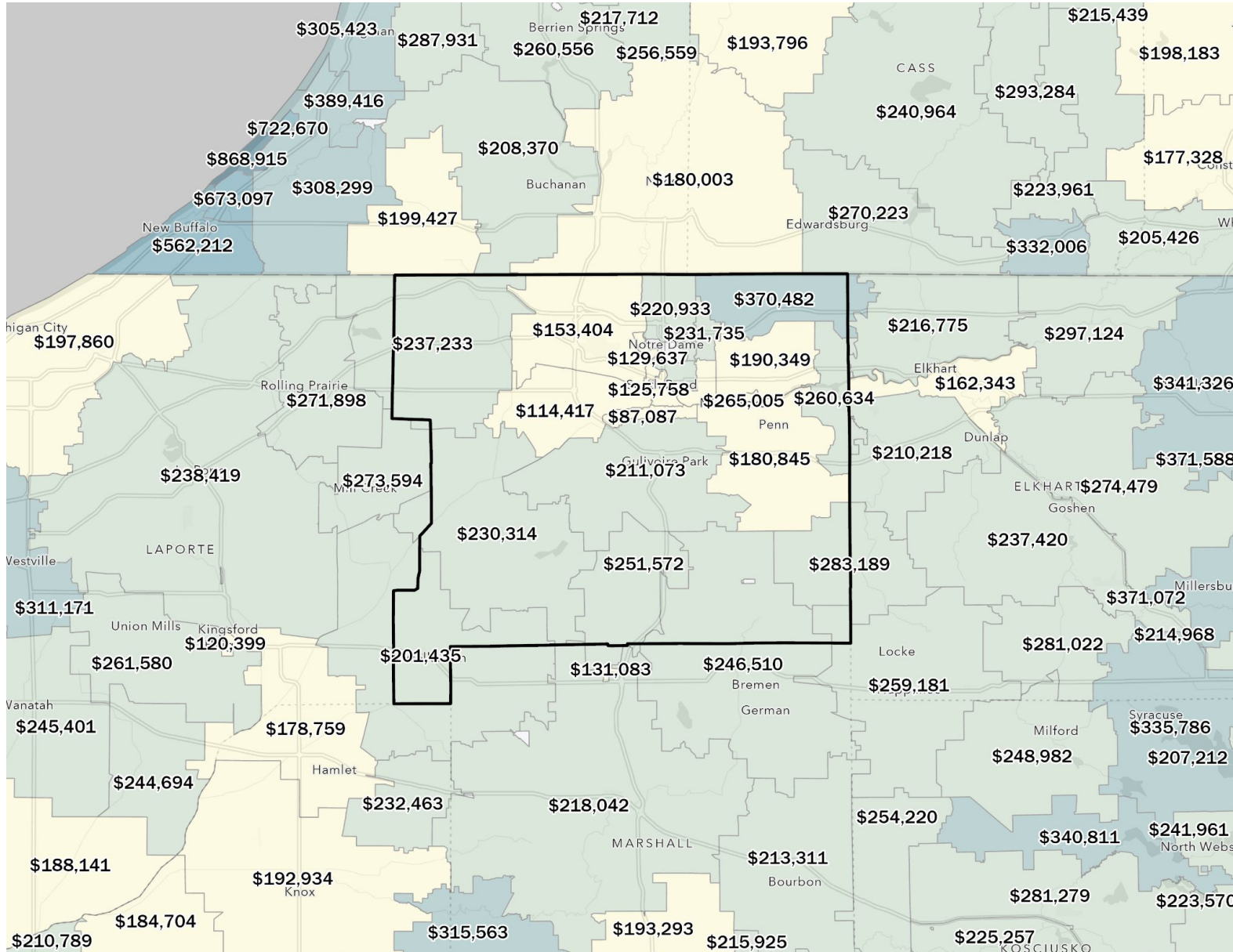
Affordability is based on the county’s estimated median income. Actual affordability levels for specific properties vary based on variation in the above variables as well as possible additional costs for some units such as condominium fees.



Cost of housing

# Typical home prices by zip code

Source: Zillow ZHVI 2024

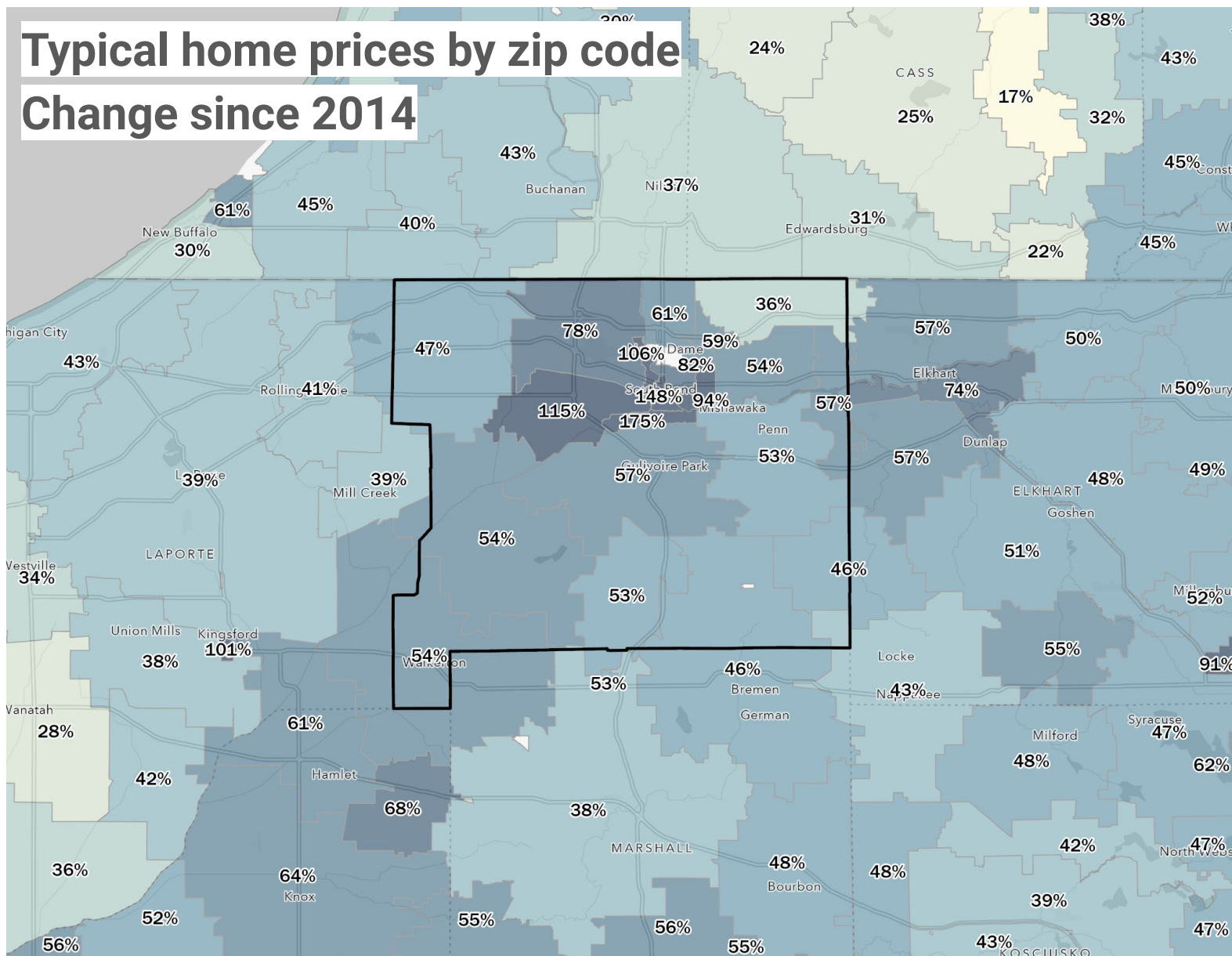


This map illustrates typical home prices in April 2024 by zip code across St. Joseph County and surrounding areas. "Typical home price" is defined by Zillow as "the typical value for homes in the 35th to 65th percentile range."

Cost of housing

# Typical home prices by zip code - Change since 2014

Source: Zillow ZHVI 2024



Cost of housing

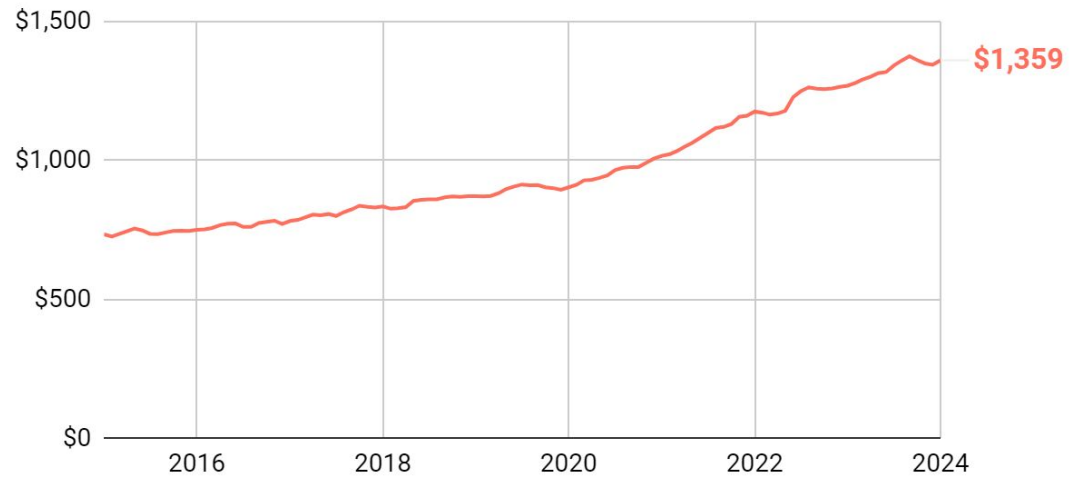
# Renter costs

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

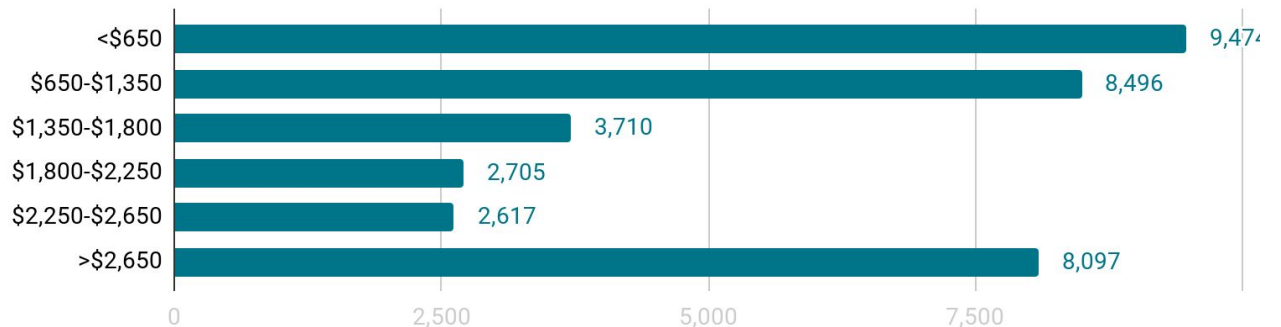
The average asking rent should be understood as the typical cost to a household signing a new lease under current conditions. In reality, because this is a single average value, actual asking rents may vary depending on characteristics such as size, location, and property features but they will collectively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

The “Current renter costs” total includes newly occupied units along with units that have been occupied for longer (and where rent may have been set at a much lower rate than today’s asking price).

## Asking rents



## Renter households by current monthly housing costs



Cost of housing

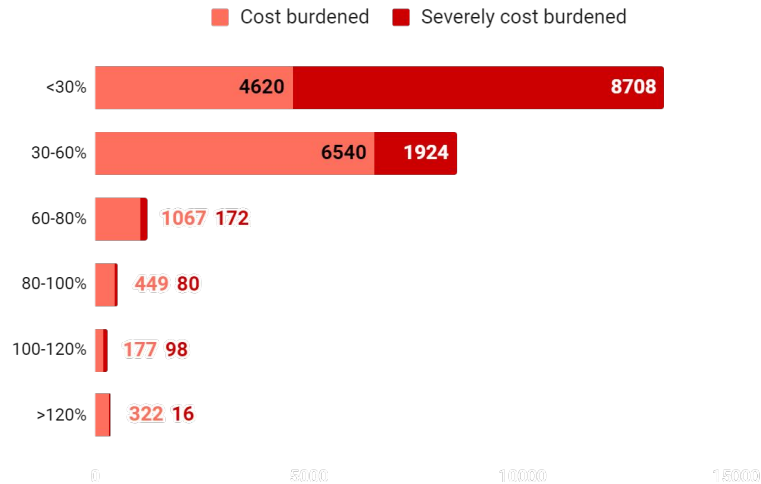
# Gap analysis

Source: US Census ACS 5-year 2022, CommunityScale

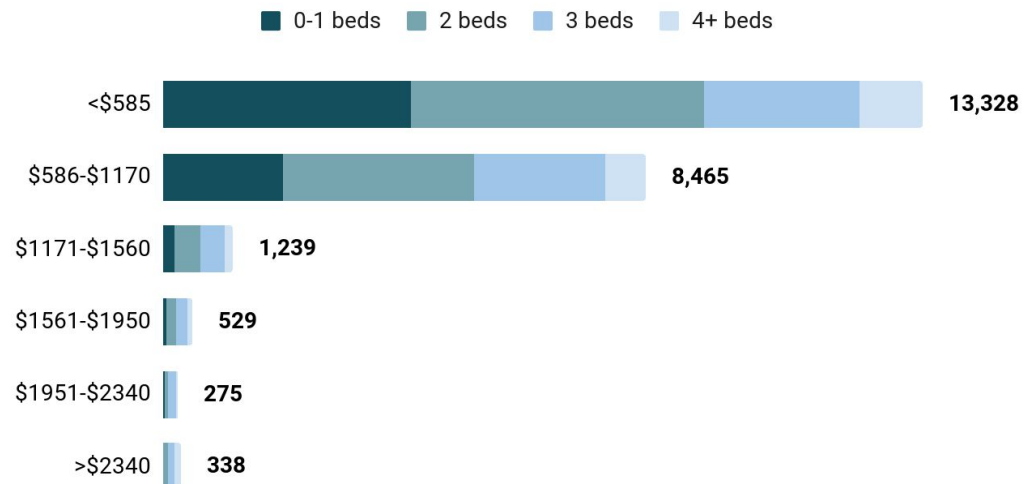
By definition, the housing needs of cost burdened households are not being met affordably by the current supply because they must pay more than 30% of their income to afford to live where they do. This can be referred to as the local housing “gap” or “shortage:” the units needed to counteract cost burden by providing a mix of units that matches the households ability to pay.

The top chart at right recalls St. Joseph County’s total cost burdened households by income level in terms of AMI. The bottom chart indicates the mix of units that would meet this group’s bedroom count preferences and ability to pay. These units would, in other words, be “attainable” housing options for these presently cost burdened households.

## Current cost burdened residents by income



## Housing mix needed to counteract current levels of cost burden



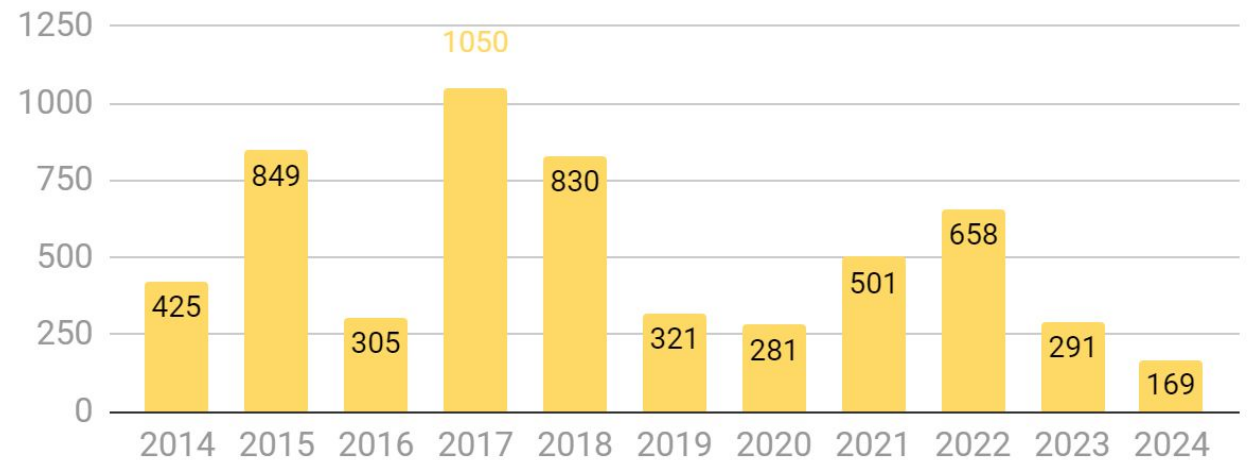
## Cost of housing

# Development trajectory

Source: Census Building Permit Survey

Building permitting history is a proxy for construction activity over time. St. Joseph County has seen uneven permit activity over the past decade with some years approaching or exceeding 1,000 units and other years showing much fewer.

### New construction housing building permits issued by year







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

# Demand

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

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

How many units are needed?

# Projected household growth

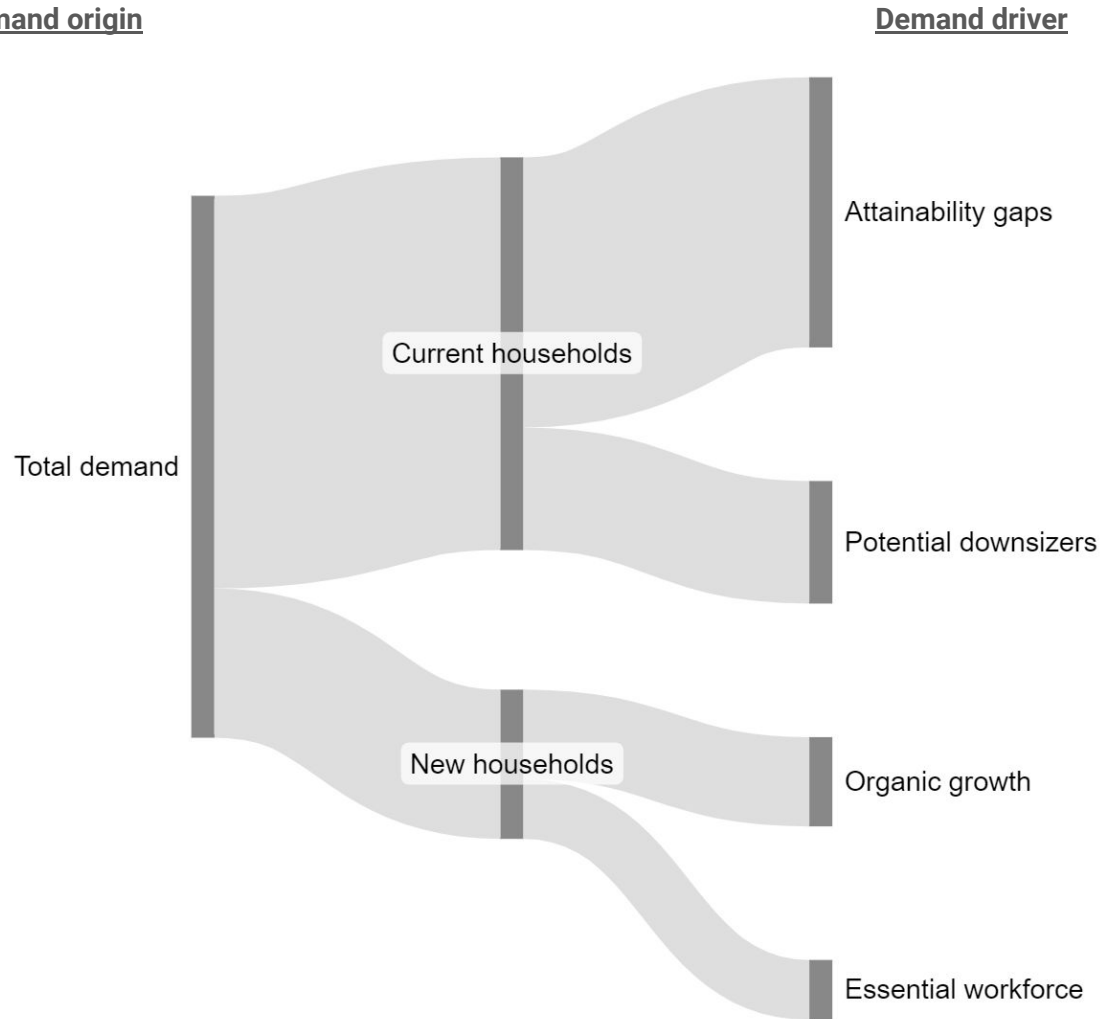
Source: Census ACS, CommunityScale

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

The following slides describe each demand driver in more detail.

Demand origin

Demand driver



How many units are needed?

# Attainability gaps

Source: Census ACS, CommunityScale

The gap analysis considers the housing mix needed to counteract St. Joseph County’s current levels of cost burden.

Adding units at these price points and bedroom counts would help take pressure off existing 24,174 households currently experiencing cost burden.

## Housing mix needed to counteract current levels of cost burden

	0-1 beds	2 beds	3 beds	4+ beds	Total
<\$585	4,358	5,130	2,714	1,126	13,328
\$586-\$1170	2,112	3,334	2,318	701	8,465
\$1171-\$1560	219	440	442	137	1,239
\$1561-\$1950	75	159	217	78	529
\$1951-\$2340	31	77	117	49	275
>\$2340	21	67	136	114	338
<b>Total</b>	6,817	9,207	5,944	2,205	<b>24,174</b>

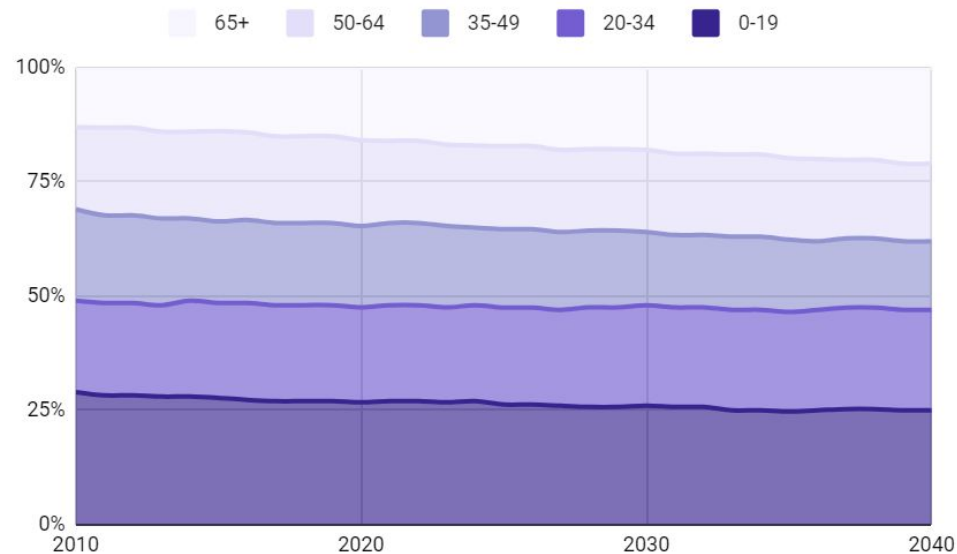
How many units are needed?

# Downsizing seniors

Source: Census ACS, CommunityScale

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

Given changing housing preferences and needs as people age, it is likely a portion of these senior households will explore downsizing options such as a smaller, accessible unit with fewer bedrooms located in a walkable location. If 3% of these households sought new units to downsize into each year, the county would need to add 7,208 units appropriate for seniors over the next 10 years.



65+ households of 1-2 people in 3+ bedroom units	24,026
Potential annual downsizing rate	3%
<b>10 year downsizers (and units needed to accommodate them)</b>	<b>7,208</b>

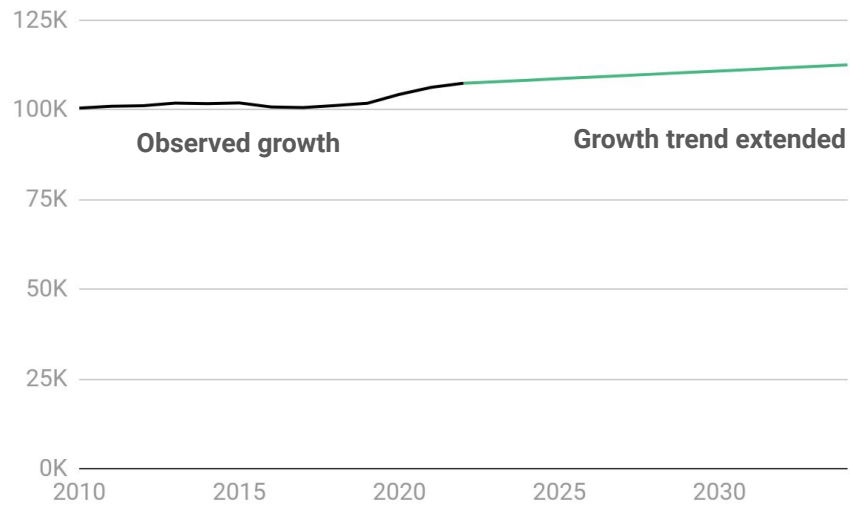
How many units are needed?

# Projected household growth

Source: Census ACS, CommunityScale

Recent trends suggests St. Joseph County should expect to grow by 4,286 new households over the next 10 years. This trajectory provides the baseline driver for the housing production target on the following pages.

**Household growth projection to 2034**



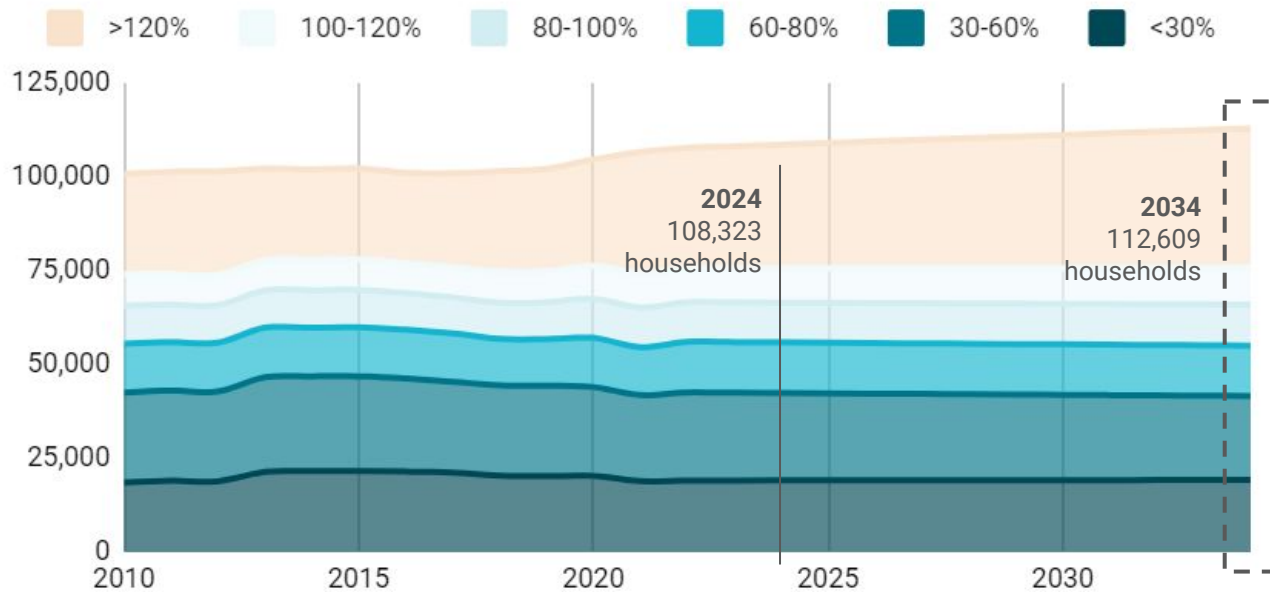
Year	Households	Net new since 2024
2010	100,541	-
2015	102,005	-
2020	104,380	-
2024	108,323	-
2029	110,465	2,142
2034	112,609	4,286

How many units are needed?

# Projected household income distribution

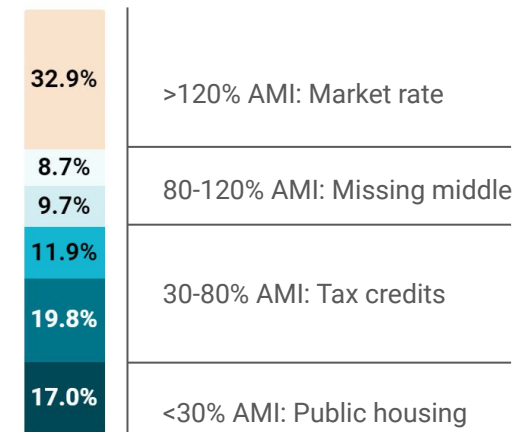
Source: Census ACS 5-Year 2022, CPI, CommunityScale

## Projected growth by household income



## Projected household growth income mix

### 2034



Income (AMI)	2024 households		2034 households	
<30%	19,023	17.6%	19,156	17.0%
30-60%	23,228	21.4%	22,325	19.8%
60-80%	13,468	12.4%	13,408	11.9%
80-100%	10,599	9.8%	10,905	9.7%
100-120%	9,121	8.4%	9,758	8.7%
>120%	32,884	30.4%	37,057	32.9%
<b>Total</b>	<b>108,323</b>		<b>112,609</b>	

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

How many units are needed?

# Target projection into unit count: Housing projected growth

Source: ACS 5-Year, 2022; CommunityScale

To meet the trends extended growth projection, St. Joseph County would need to add 4,875 housing units over the next decade. This production target combines demand driven by net household growth as well as other factors detailed at right which also contribute to maintaining a suitable housing supply over time.

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

Household growth: 4,285	Forecasted from 2024 to 2034
Overcrowding adjustment: 0	Local rate of 1.7% is below than the national average of 3.4%
Replacement housing: 590	0.05% of the housing stock is replaced annually
Vacancy adjustment: 0	Local rate of 9.9% is above the healthy market minimum of 5%
Substandard adjustment: 0	Local rate of 0.3% is below the national average of 0.4%
<b>Total units needed: 4,875</b>	<b>To keep up with growth and maintain a healthy housing stock</b>

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

**Organic household growth:** Overall forecast over future planning horizon.

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

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

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

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

How many units are needed?

# Workforce housing

Sources: StatsIndiana 2022

St. Joseph County contains about as many jobs as workers. About 86.9% of the people working in St. Joseph County live in the County as well. While many of the workers who commute into the city simply choose to live somewhere else, a portion of these workers may prefer to live in the County if the right housing options were available. Increasing the rate of local workforce living in St. Joseph by 2.5 percentage points by 2034 would require providing 3,527 additional households.

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

## Workforce housing target

Jobs in St. Joseph County	171,667
Jobs held by St. Joseph County residents	168,415
Work in St. Joseph County, live elsewhere	22,505
Live in St. Joseph County, work elsewhere	19,253
Live and work in St. Joseph County	149,162
Portion of local workforce that also lives locally	86.9%
Desired portion by 2034 (2.5% points increase)	89.4%
<b>Additional workforce households by 2034</b>	<b>4,292</b>



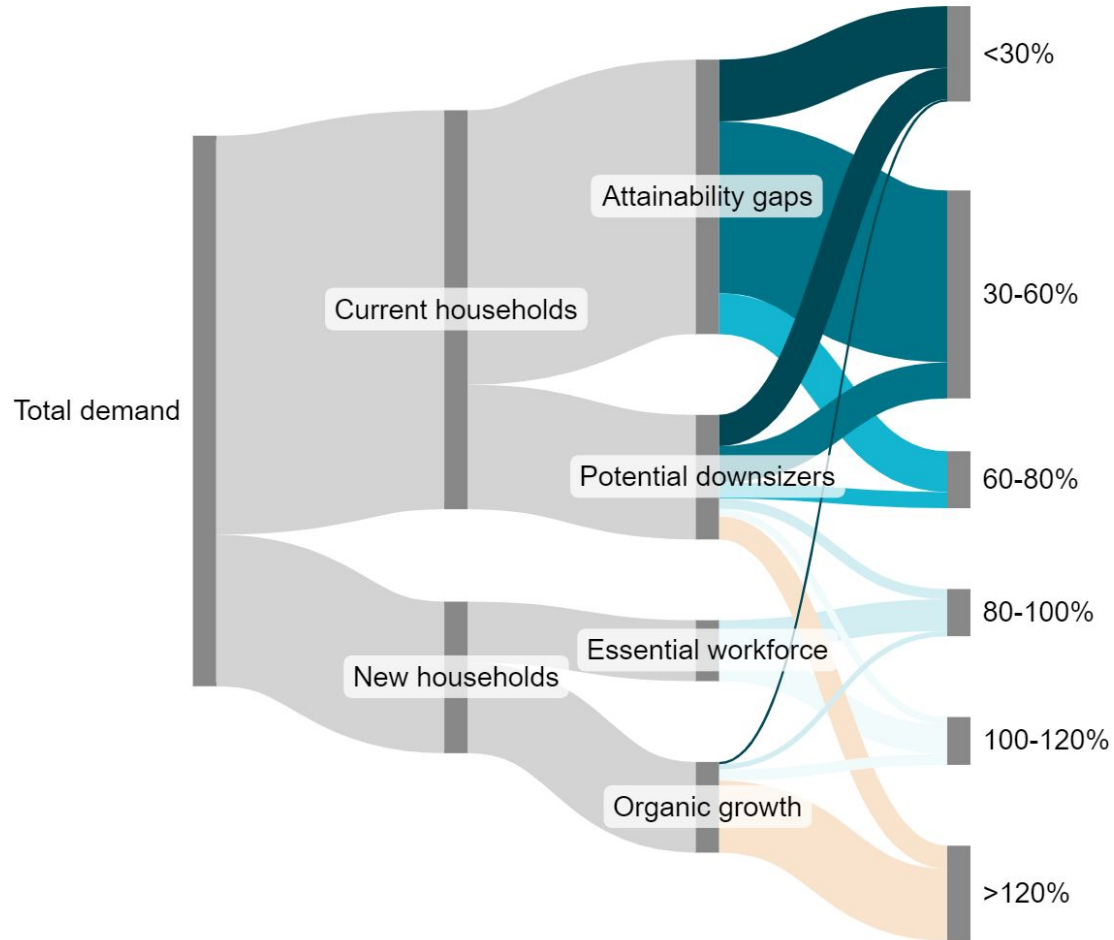
How many units are needed?

# Total demand by income

Sources: Census ACS 2022 5-Year; CommunityScale

The table below and chart at right illustrates how St. Joseph County’s 10-year housing demand translates into household income levels.

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



AMI	Total demand (units)
<30%	13,461
30-60%	8,465
60-80%	2,015
80-100%	2,299
100-120%	2,181
>120%	5,786
	<b>34,207</b>

## What types of units are needed?

# Meeting demand: Today's general housing preferences

Sources: CommunityScale

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

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

**Smaller units:** Fewer bedrooms for smaller households.

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

**Roommate-ready:** Accommodating non-family households.

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

**Multigenerational:** Space for adult children or elderly parents.

## What types of units are needed?

# Meeting demand: Workforce housing

Sources: CommunityScale

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

**Moderate cost for families:** Workforce families can afford units that cost \$1,800 - 2,250 per month.

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

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

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

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

What types of units are needed?

## Meeting demand: Senior housing

Sources: CommunityScale

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

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

**Universal design:** Accommodating to people with limited mobility.

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

**Energy efficiency:** Lower utility costs affordable on fixed income.

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

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

## What types of units are needed?

# Meeting demand: Downtown living

Sources: CommunityScale

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

**Walkability:** More daily needs and wants accessible on foot.

**Transit:** Close to bus lines and train connections.

**Amenities:** Near restaurants, shops, and cultural destinations.

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

**Activity:** Located in a lively and vibrant neighborhood.

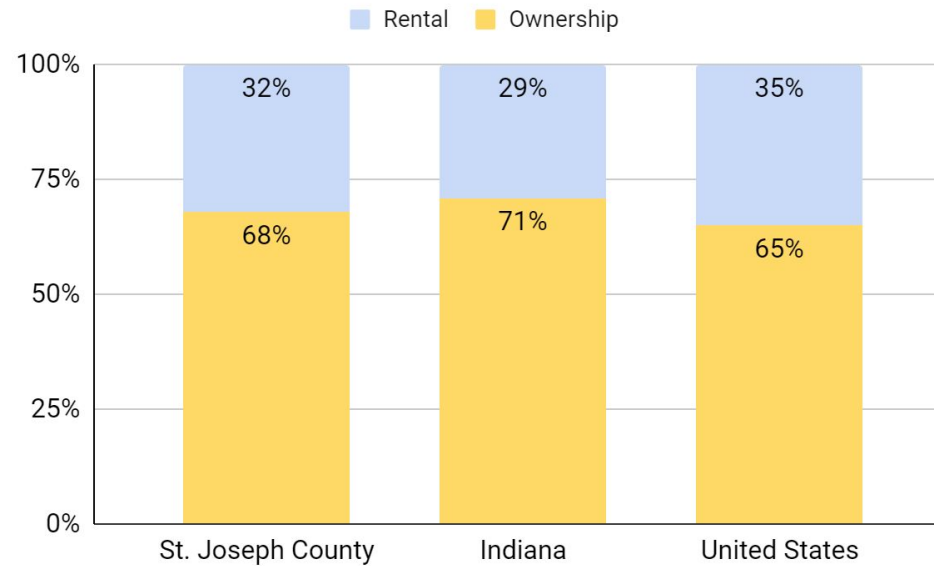
## What types of units are needed?

# Meeting demand: Homeownership

Sources: Census ACS 2022 5-Year; CommunityScale

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

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



What types of units are needed?

# Meeting demand: Structure type

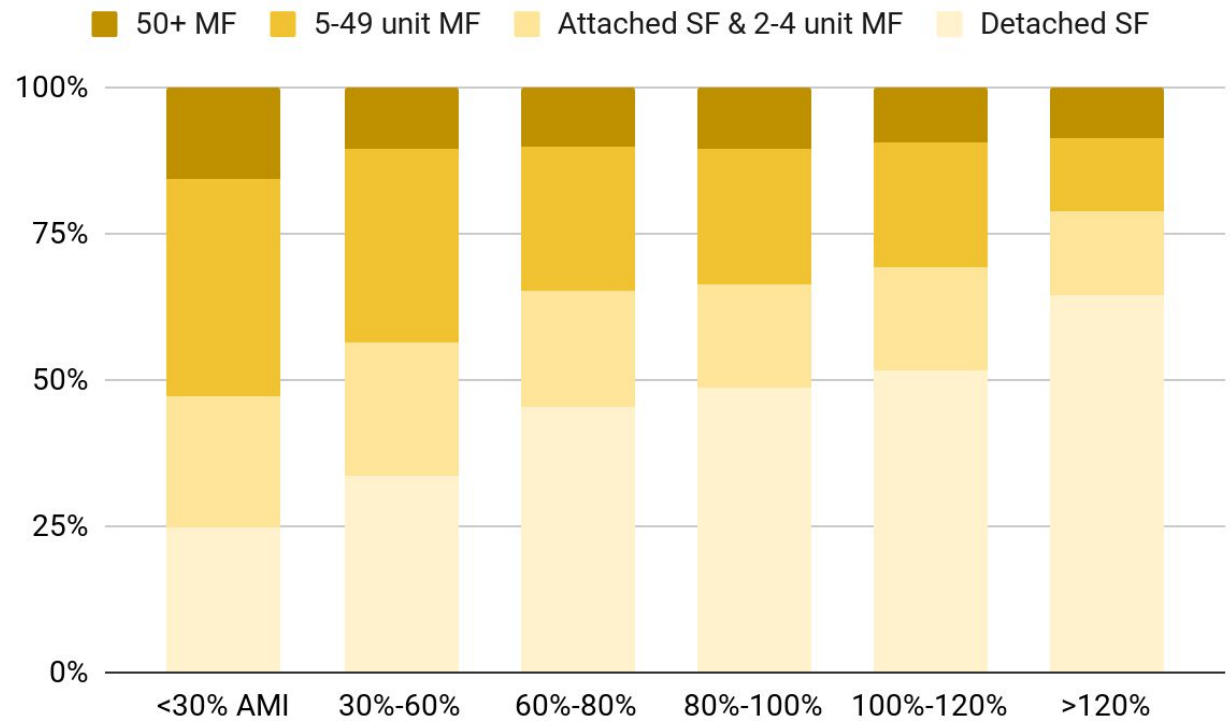
Sources: Census ACS 2022 5-Year; CommunityScale

Given the variety of housing structure types available, it is important to consider how demand is distributed across the primary categories. The chart at right provides this breakdown by income to illustrate the variation in structure type demand from low-income to high-income households.

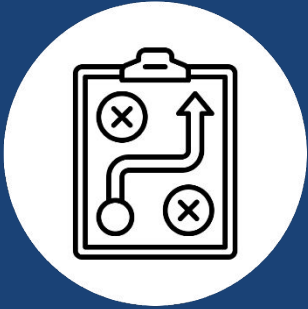
In general, lower-income households are more likely looking for multifamily and attached single family options whereas higher-income households are more likely looking for detached single family.

Importantly, however, there is significant demand for all structure types at all income levels, suggesting a full range of options are needed across price points.

Housing demand by structure type and income level



Denser housing types such as large multifamily developments are most suitable in and near downtowns and near employment centers. Smaller multifamily and attached single-family are suitable in most locations, such as in and around downtowns and as infill development within neighborhoods.



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

## Results

**Housing production target.** Based on the housing needs assessment analysis and the community's stated housing policy goals and priorities, the housing production target summarizes the new housing units the community should plan for, organized by cost, bedroom count, and tenure (rent/own).



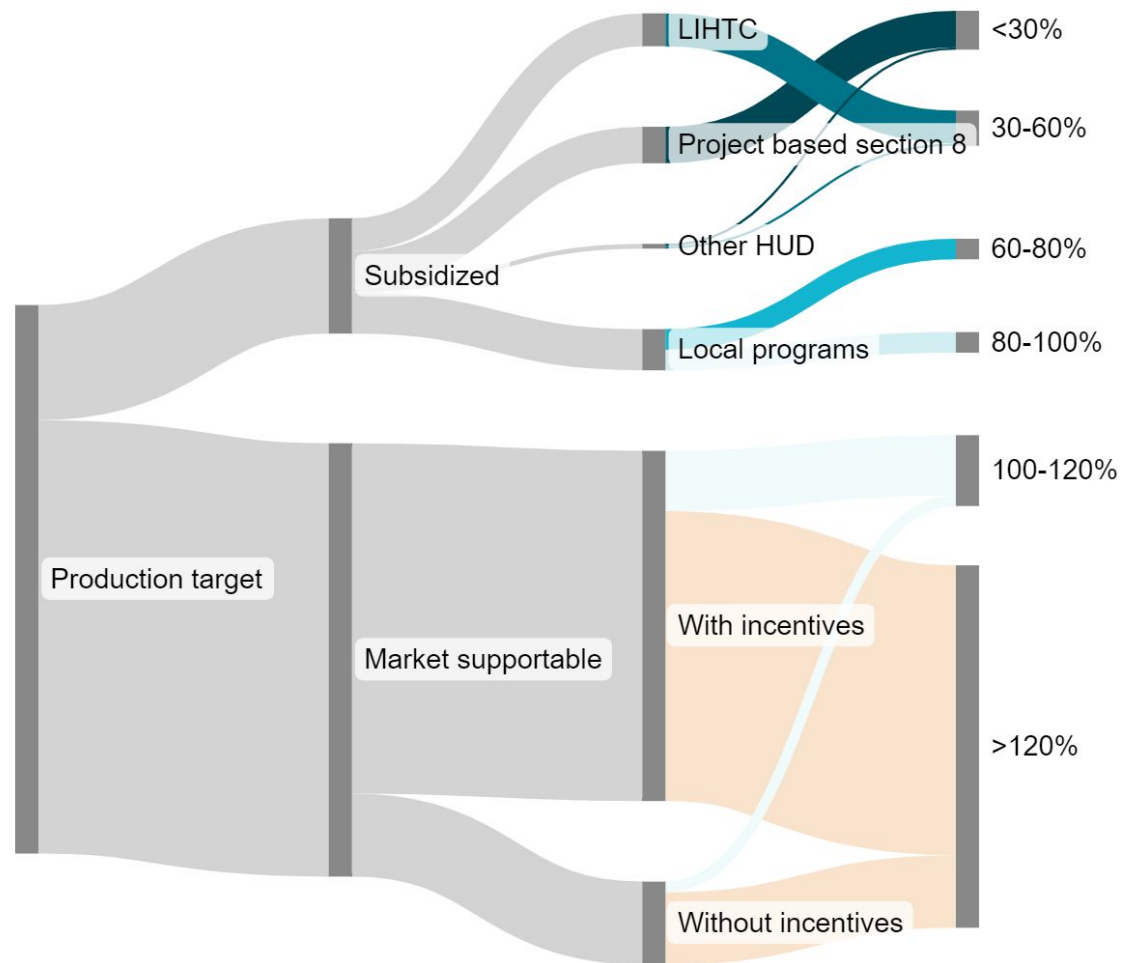
Housing production target

# Development capacity and funding availability

Sources: CommunityScale

Though informed by the demand analysis, St. Joseph County’s housing production target calculation is constrained by factors of development feasibility. For example, regardless of need or demand, the production rate of subsidized units is limited by annual federal, state, and local funding availability. And the market-supportable housing production rate is limited by the realistic annual capacity of local and regional developers. Mixed-income housing represents a blend of these factors and so is similarly governed in its production rate.

The chart at right illustrates how St. Joseph County’s production target subdivides by subsidy and market pathways based on these constraints which tend to limit low income housing much more than market-rate.



Housing production target

# 10-year housing production target by income and financing model

Sources: CommunityScale

Regardless of overall need or demand, only a limited number of units can realistically be built each year. The housing production target detailed at right combines the demand analysis with estimates of the practical limits of applicable subsidy programs (i.e. how many units each program typically supports each year) and development industry capacity (i.e. how many units developers have collectively proven able to produce each year) for quantities that are ambitious but also achievable.

In spite of these practical constraints, accelerated housing production is possible with strong leadership, political will, increased resources, and community support. This production target should be considered a goal that is meant to be exceeded.

AMI	LIHTC	Subsidized			Market-supported		Total
		Project based section 8	Other HUD	Local programs	With incentives	Without incentives	
<30%	0	444	29	0	0	0	473
30-60%	560	0	29	0	0	0	589
60-80%	0	0	0	375	0	0	375
80-100%	0	0	0	375	0	0	375
100-120%	0	0	0	0	1,483	262	1,745
>120%	0	0	0	0	3,703	926	4,629
	<b>560</b>	<b>444</b>	<b>58</b>	<b>750</b>	<b>5,186</b>	<b>1,188</b>	<b>8,185</b>

The table above references several programs and development models, including:

- **LIHTC:** Low-Income Housing Tax Credit, a major source of funding for affordable housing, typically targeting the 60% AMI level and often a component of mixed-income developments.
- **Project-based Section 8:** A HUD program issuing vouchers to developers that underwrite part of the cost of units provided to low income households.
- **Other HUD:** A group of other HUD programs serving specific groups such as seniors and people with disabilities.
- **Local programs:** A representation of the local and regional programs either in place or proposed, such as land banks which fill the often under-resourced middle-income tiers.
- **Market-supported:** Development that does not rely on subsidy, though often public-sector support is still needed to achieve meaningful scale, such as through incentives like public-private partnerships (ex. publicly granted land or infrastructure) and inclusionary zoning (i.e. granting extra density, fee waivers, and other allowances in exchange for a portion of affordable units).

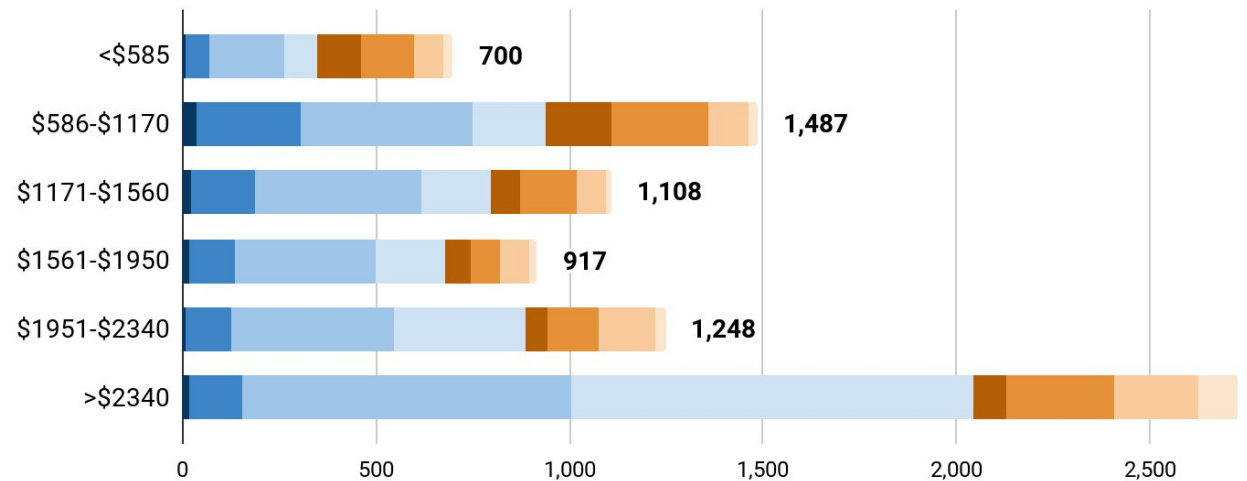
Housing production target

# 10-year housing production target by cost, bedroom count, and tenure

Sources: CommunityScale

Monthly cost	Own 0-1	Own 2	Own 3	Own 4	Rent 0-1	Rent 2	Rent 3	Rent 4+	
<\$585	7	60	195	88	110	137	76	28	700
\$586-\$1170	34	269	445	189	174	249	104	23	1,487
\$1171-\$1560	20	169	430	180	74	145	80	12	1,108
\$1561-\$1950	15	121	364	179	67	75	78	19	917
\$1951-\$2340	9	117	422	339	58	132	147	25	1,248
>\$2340	15	139	851	1,040	84	277	220	101	2,727
	101	874	2,706	2,013	566	1,014	704	208	
			Total own	5,695			Total rent	2,492	8,187

The two colored charts translate St. Joseph County’s 10-year production target into a unit mix by cost, bedroom count, and tenure (rent/own). The table below converts monthly cost into approximate purchase price and rent after accounting for other housing costs like utilities and taxes.



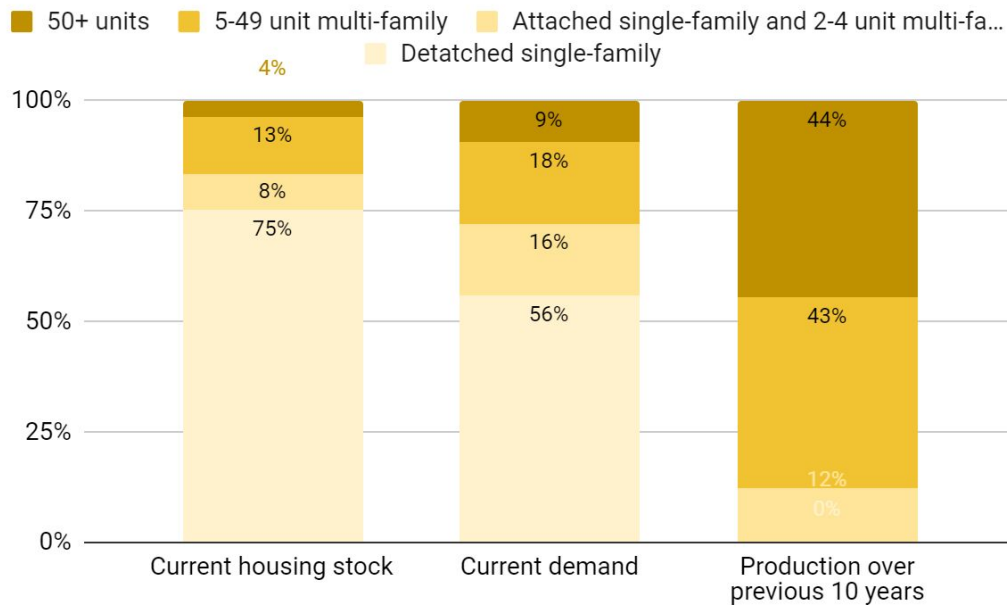
Monthly cost	Max price	Max rent
<\$585	\$47,473	\$464
\$586-\$1170	\$113,640	\$1,027
\$1171-\$1560	\$157,752	\$1,402
\$1561-\$1950	\$201,864	\$1,778
\$1951-\$2340	\$245,862	\$2,152

Housing production target

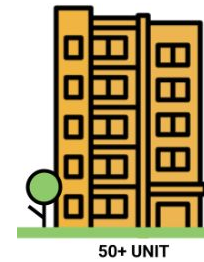
# Calibrating housing production by structure type

Sources: Census ACS 2022 5-Year; CommunityScale

## Comparing supply, demand, and recent development by type



The chart above illustrates the difference between the current housing stock and current household demand in terms of housing structure types. Differences between the two indicate misalignments between supply and demand that new production should be calibrated to address. Production over the previous 10 years is included in the current housing stock count but also reveals the degree to which recent development patterns might or might not be trending toward closing gaps between supply and demand.



**50+ units:** Needs to remain an outsized share of production to help supply catch up with demand.



**5-49 units:** Needs to remain an outsized share of production to help supply catch up with demand.



**2-4 units:** Needs to remain an outsized share of production to help supply catch up with demand.



**Detached single family:** Significantly more supply than demand, does not need to be the primary component of future production.