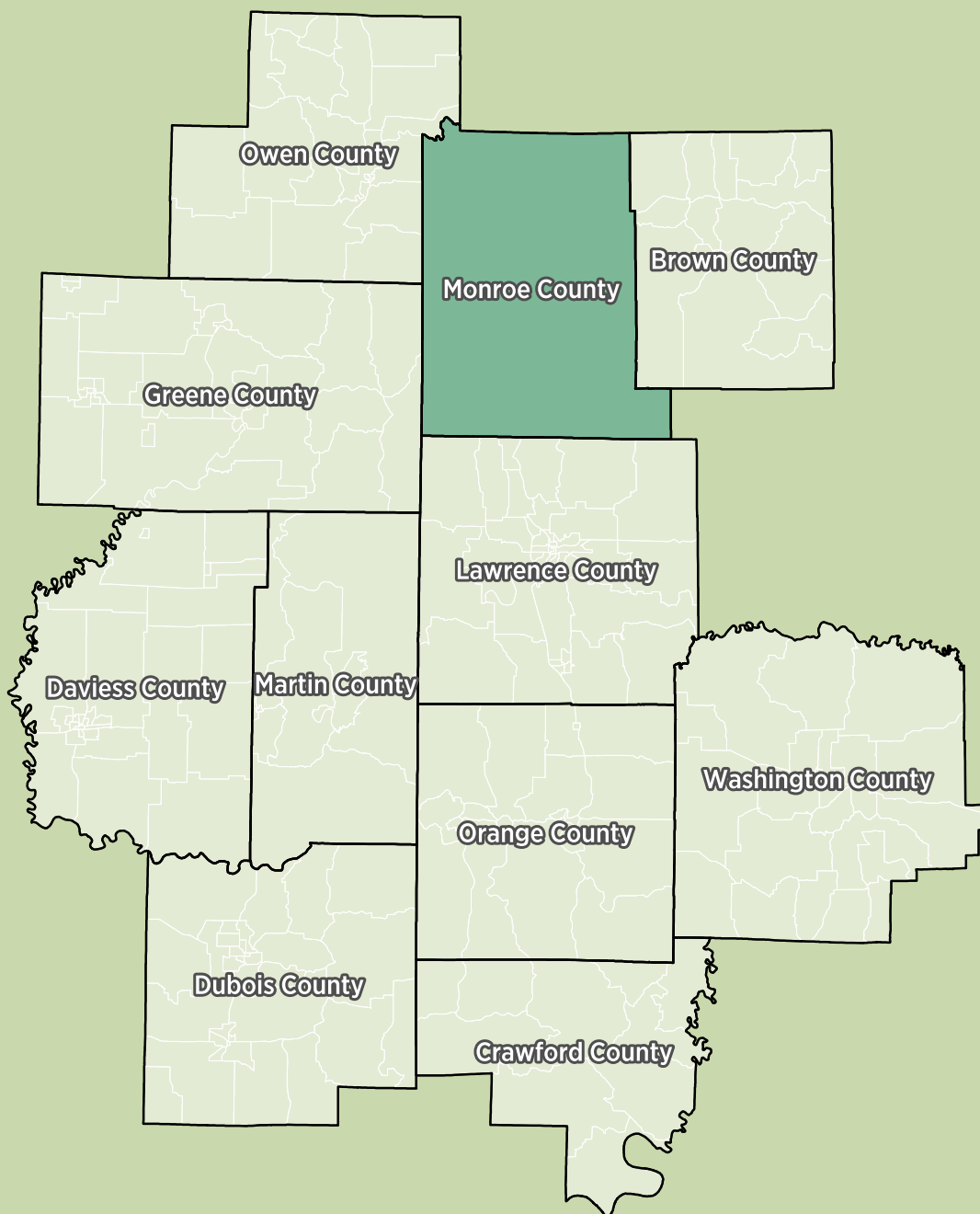


ADDENDUM 2.H

MONROE COUNTY

This section provides an updated overview of the issues and opportunities related to housing within Monroe County as of 2023. It builds upon the findings of the previous study and takes into account changes and developments that have occurred in the housing market since the last study was conducted in 2019.

To access details from the 2019 Regional Profile Section visit regionalsoportunityinc.org/housing.

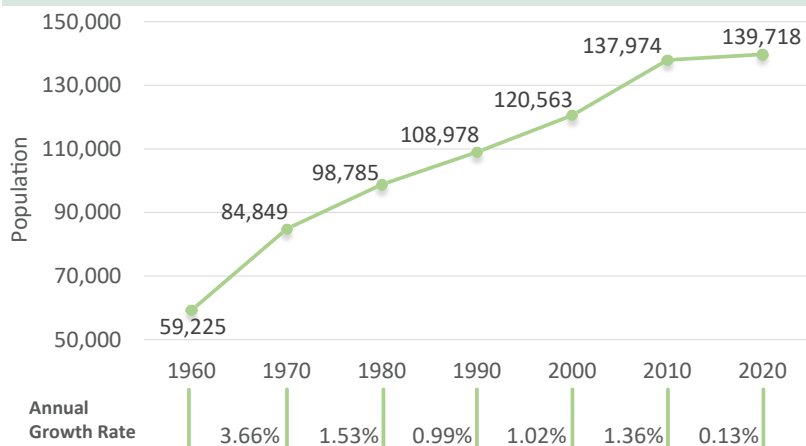


Population Characteristics

Growth Anomalies. Monroe County's population in 2019 was estimated at 144,436 but the final Census count in 2020 was 139,718, indicating minimal growth. For several reasons the 2020 number is concerning:

- Building activity in the 2010s and the occupancy of those units in 2019 would indicate more than 1,800 new residents.
 - » Between 2010 and 2019, there were 3,809 units added to the market (see Figure H.7). At 2.18 people per household (Bloomington estimated rate) that would result in approximately 8,300 residents. Over this same time period some units are lost, therefore it may not be a net gain of 8,300 but likely greater than 1,800.
- If an undercount occurred, it was likely among the students due to the count happening just as many students headed home due to the pandemic.
 - » At the start of the Spring semester of 2020, IU reported 36,754 students with an on-campus presence. By the Fall semester, that number dropped to 24,405 (Source: [Institutional Analytics Indiana University](#)), a difference of over 12,000. By the Fall of 2021, the number had returned to over 39,000 on campus.
 - Some students should have been counted in Bloomington, therefore, it should not be assumed that over 12,000 students were missing from the population.

FIGURE H.1: Historic Population Change

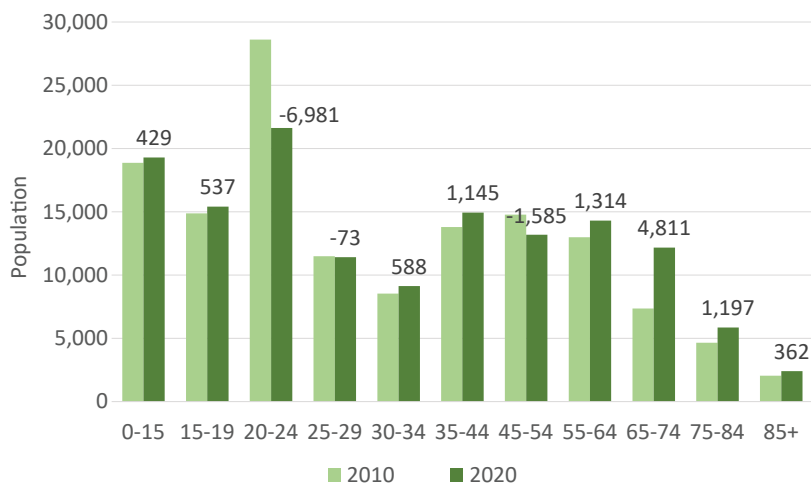


Source: 2020 US Census Bureau; RDG Planning & Design

Age Group Change. Figure H.2 in the 2019 study compared predicted versus actual population but due to the potential anomalies in the Census count, Figure H.2 compares the actual count in 2010 to the actual 2020 count. The data further illustrates the potential undercount in the student population:

- Between 2010 and 2020, the University had nearly 1,000 more students on the Bloomington campus.
- As illustrated in Figure H.2, the Census count had nearly 7,000 fewer residents between the ages of 20 and 24, a group primarily made up of college students in Bloomington.
- Based on enrollment and age breakdown of the Census count, it would appear that a large number of college students were missed in the 2020 Census count.

FIGURE H.2: 2010 Actual vs. 2020 Actual Population



Source: 2020 US Census Bureau

Continued Growth. When projecting out the future population for Monroe County and Bloomington, the student population must be taken into consideration. Students do not remain in the community but are replaced by new students. Because they do not remain, they also do not add to the future population through the birth of their children.

When projecting the future population, the students should be removed, first to determine what the growth rate was for the county’s permanent population and to then estimate future growth. Some students will remain in the community, for that reason Figure H.3A illustrates scenarios where only 75% to 80% of students are removed.

- With the removal of the students, Bloomington had between 1.16% and 1.62% annual growth rate.

Figure H.3 illustrates three scenarios for future growth:

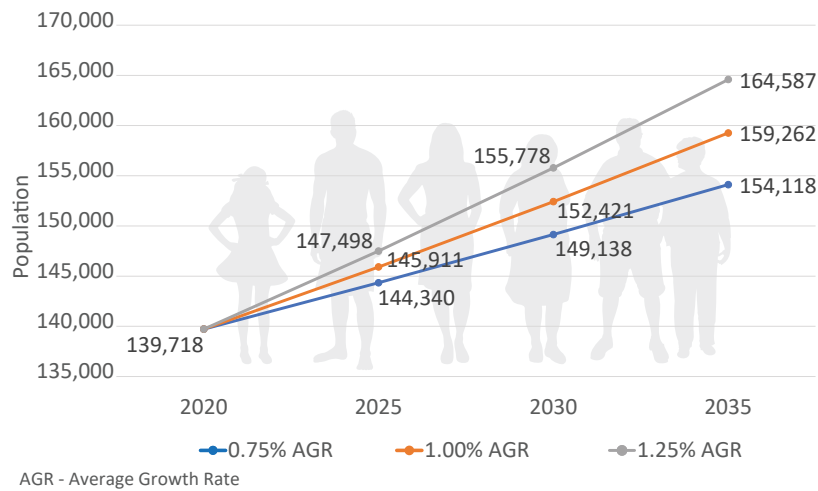
- Each scenario removes 75% of the on-campus presence headcount.
 - » The student population is projected to remain flat as nationally the number of individuals in the traditional college ages is a smaller generation.
- 0.75% annual growth rate is similar to that experienced between 2000 and 2020 for the county’s total population.
- Based on historic construction activity, the 1.0% appears to reflect the likely growth rate that occurred in the 2010s and should be used to project future need.

FIGURE H.3A: Student Population Scenarios

	100% On-Campus Scenario	75% of On-Campus Scenario	80% of On-Campus Scenario
2013 On-campus*	39,767	29,825	31,814
2010 Non-Student Population	98,207	108,149	106,160
2020 On-campus	24,405	18,304	19,524
2020 Non-Student Population	115,313	121,414	120,194
Annual Growth Rate, Non-Student Population	1.62%	1.16%	1.25%

* In 2010, the on-campus vs. off-campus presence was not tracked.
Source: U.S. Census; Institutional Analytics Indiana University

FIGURE H.3: Future Growth Rate Scenarios



Source: 2020 US Census Bureau; RDG Planning & Design

Economic Characteristics

Industry Breakdown. Figure H.4 illustrates the percent of residents employed in each industry in Monroe County:

- The top five industries for employment have not changed since 2019.
- The top five industries have a variety of incomes and would indicate the need for a variety of housing products.

Commuting Patterns. Monroe County continues to draw more workers to the county for work than it exports to other counties:

- 17% of the county’s workforce travels into Monroe County, a fairly consistent rate over the last decade.
- Only 8% of residents leave the county for work, a rate that has also remained consistent.

Household Income. Figure H.6 is an overview of the county’s estimated household incomes.

- Ellettsville’s household income would appear to have experienced the strongest growth since 2019.
- The county’s overall income level is low compared to the state but is impacted by the student population.
 - » The median household income for households between the ages of 25 and 44 jumps to \$61,551 compared to \$18,548 for households under 25.

FIGURE H.4: Employment By Industry

Educational Services, Health Care, Social Assistance 24,630 35.50%	Entertainment, Recreation, Arts, Accommodation, Food Services 8,310 12.00%	Manufacturing 7,460 10.70%	Retail Trade 6,253 9.00%	Professional, Scientific, Management, Administration 5,250 7.60%
Public Administration 3,258 4.70%	Finance, Insurance, Real Estate, Rental & Leasing 3,168 4.60%	Construction 2,970 4.30%	Other Services, Except Public Administration 2,990 4.30%	Transportation & Warehousing, Utilities 2,528 3.60%
Information 1,507 2.20%	Wholesale Trade 877 1.30%	Agriculture, Forestry, Fishing, Hunting, Mining 268 0.40%	Civilian employed population 16 years and over 69,469	

Source: 2021 American Community Survey (5-Year Estimates)

*Number represents the number of people employed within the industry, percentage represents share of all workers within the industry

FIGURE H.5: 2021 Commuting Patterns



Source: 2021 STATS Indiana

FIGURE H.6: Household Income

	2020 Population	2021 Median Household Income	80% of Median
Monroe County	139,718	\$54,096	\$43,277
Bloomington	79,168	\$41,995	\$33,596
Ellettsville	6,655	\$68,188	\$54,550
State of Indiana	6,785,528	\$61,944	\$49,555

Source: 2021 American Community Survey (5-Year Estimates)

Housing Characteristics

Housing Age and Building

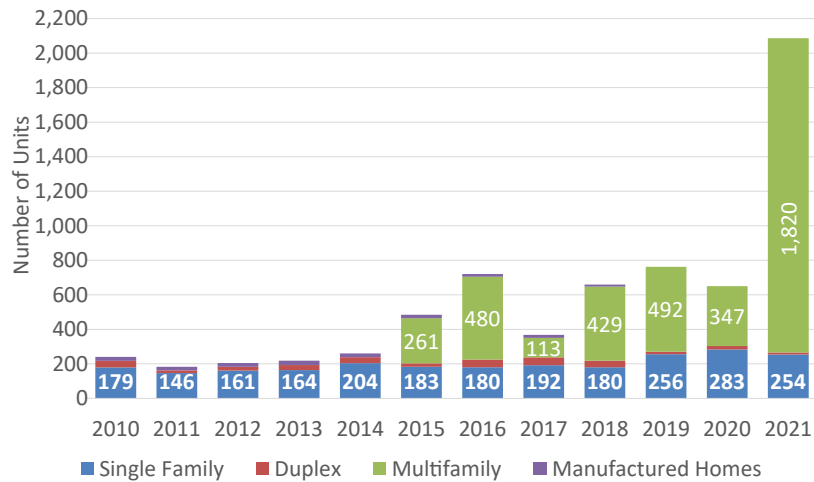
History. Figure H.7 shows the construction activity in Monroe County since 2010.

- From 2010 to 2019, the county averaged 410 new units annually.
- Of the units constructed since 2010, 58% were in multi-family structures and predominately in the Bloomington market.
- Before 2015, 77% of the units were single-family.
 - » Much of the multifamily construction in the last 5 years has likely addressed pent-up demand.
 - » It would appear that more variety of product types in the next decade will be important to creating a healthy housing market.

Housing Occupancy. Map H.3 illustrates average household size while Figure H.8 breaks down the occupancy status.

- Rental households tend to have smaller household sizes.
 - » Bloomington has a higher percentage of rental households and therefore smaller average household size.
- Based on 2020 counts, it would appear that the county’s vacancy rate has increased.
 - » The majority of the units identified as vacant are classified as “other vacant” meaning they are not available due to condition, estate or legal issues, or are for other uses such as storage.
 - » For this reason, the number of available vacant units in the county is much less than 8% of all units.

FIGURE H.7: Residential Building Permit History



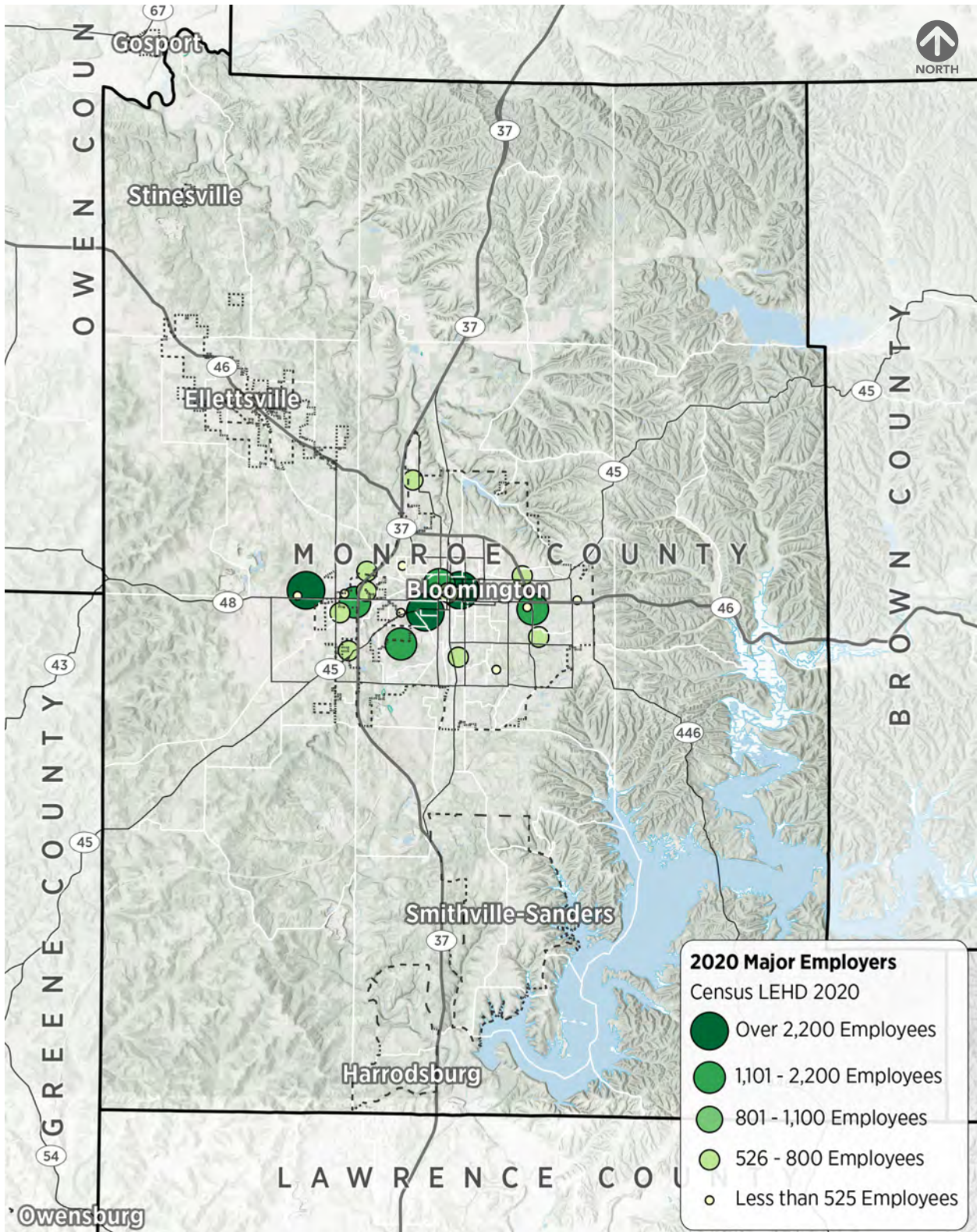
Source: Monroe County Building Department

FIGURE H.8: Occupancy Status

Occupancy	2000		2020		Change 2000-2020
	Number	% of Occupied Units	Number	% of Occupied Units	
Owner-Occupied	25,316	54.00%	30,260	51.90%	1,406
Renter-Occupied	21,582	46.00%	28,008	48.10%	1,998
Total Vacant	3,948		5,338		1,095
Vacancy rate	7.80%		8.40%		
Total Units	50,846		4,576		

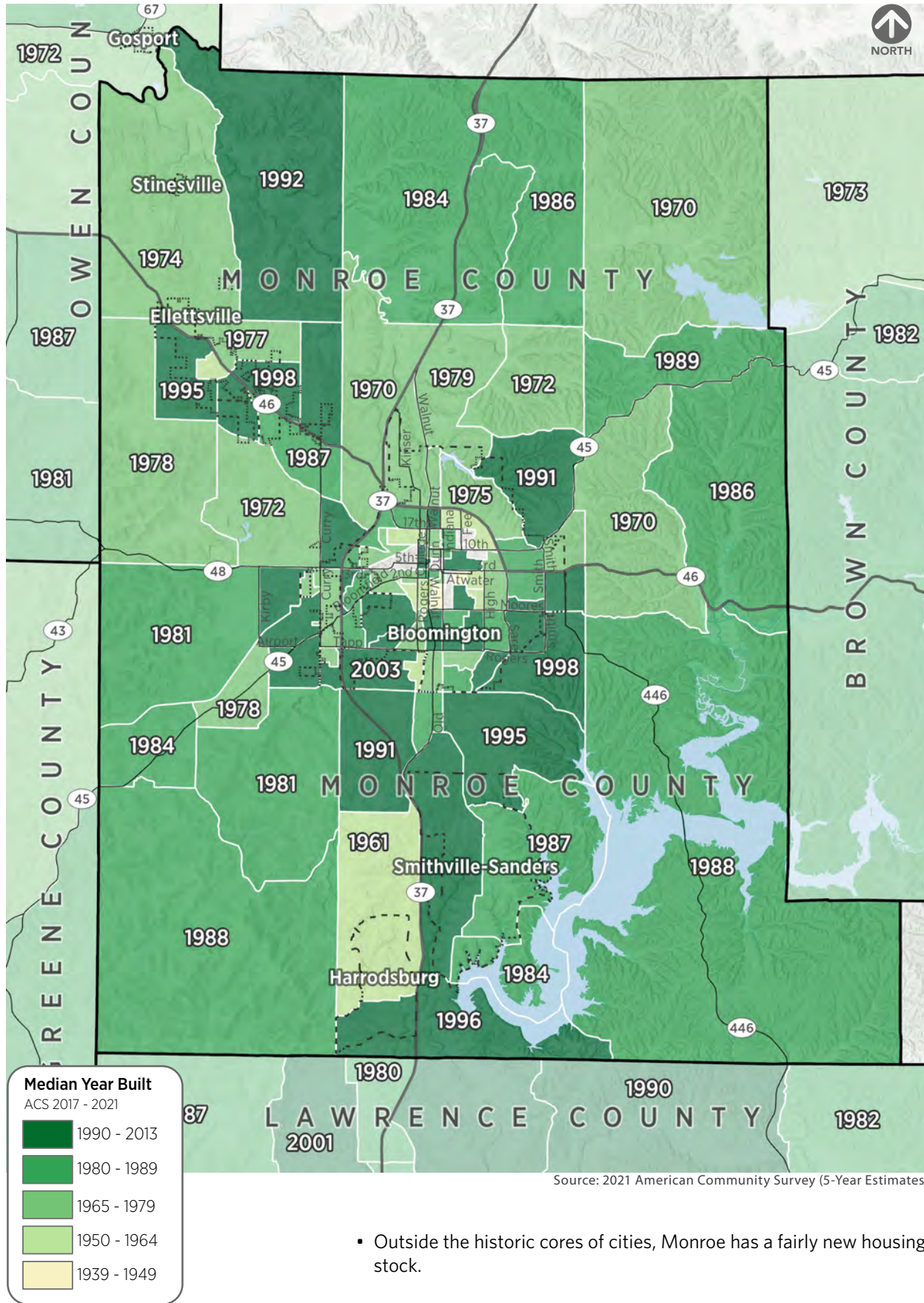
Source: US Census Bureau

Map H.1: Employers by Size

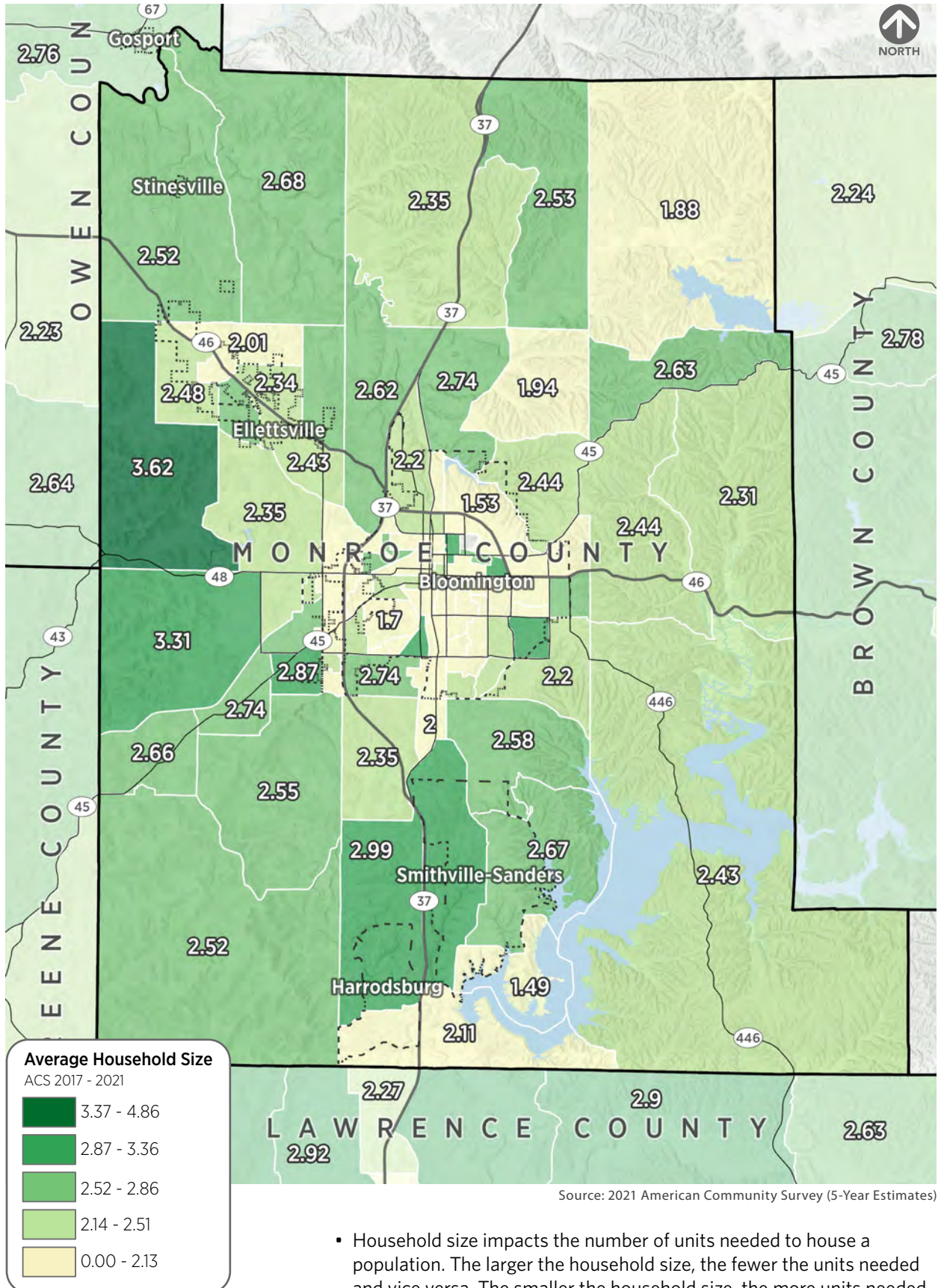


Source: 2020 Census Longitudinal Employer-Household Dynamics (LEHD)

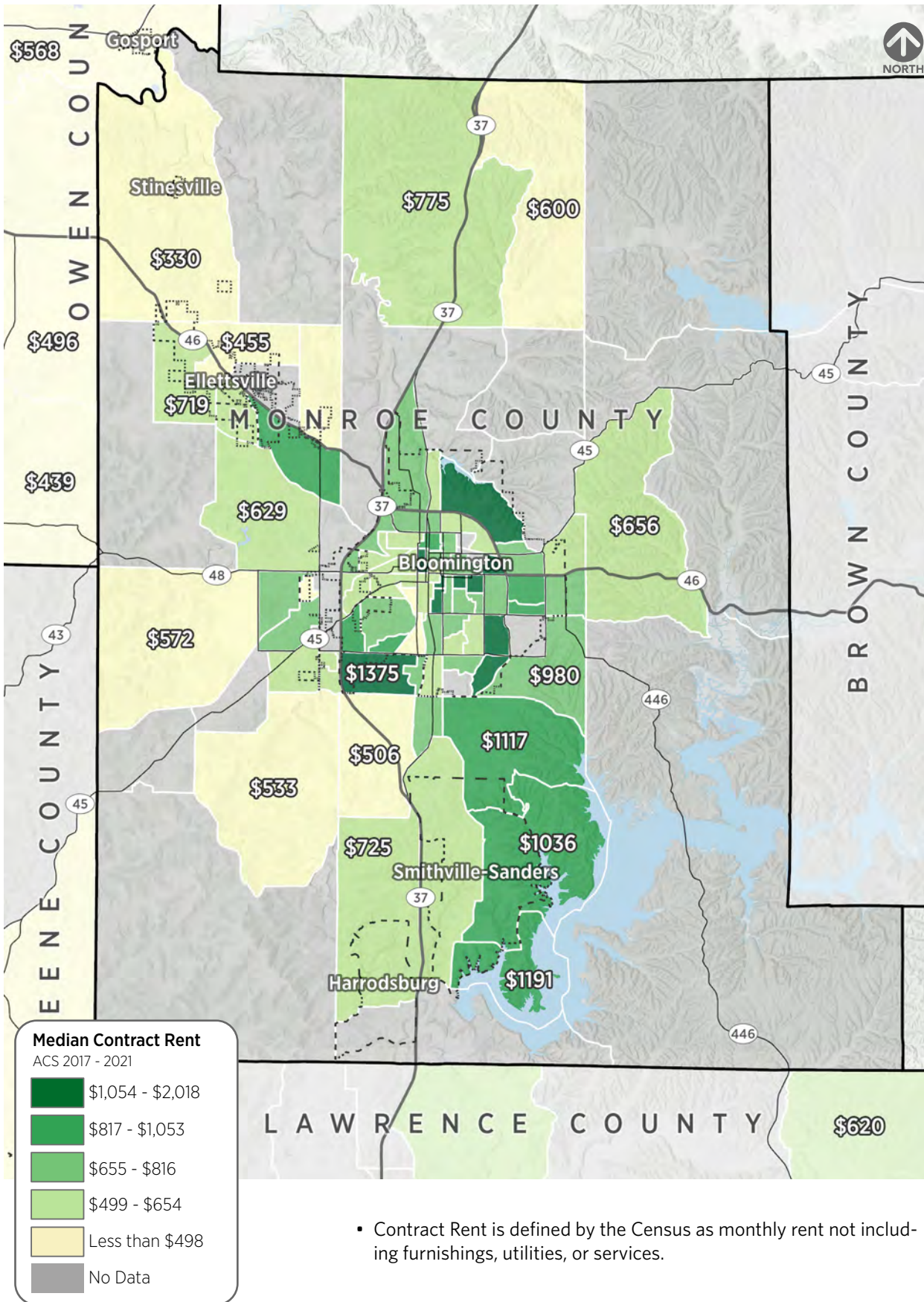
Map H.2: Median Year Residential Structure Built



Map H.3: People Per Household

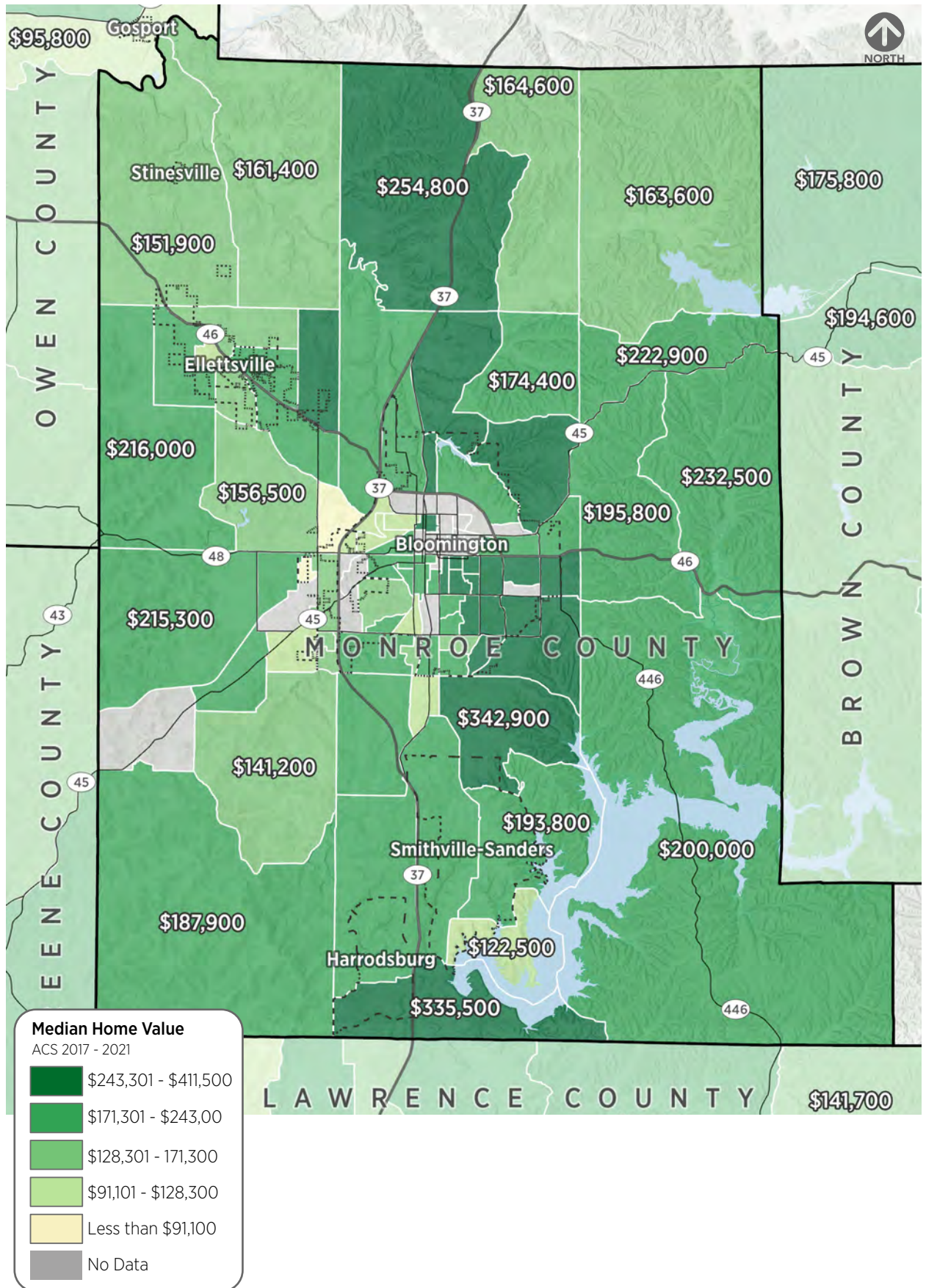


Map H.4: Median Contract Rent by Census Tract



Source: 2021 American Community Survey (5-Year Estimates)

Map H.5: Median Home Value by Census Tract



Source: 2021 American Community Survey (5-Year Estimates)

Costs and Incomes. Households that spend more than 30% of their income on housing are considered cost burdened.

- The percentage of cost burdened renters has remained fairly constant and the number of cost burdened homeowners has declined.
 - » Compared to other counties with a high percentage of students, Monroe County’s renters are more likely to be cost burdened.
- Median home value in Monroe County is also the highest among the comparable counties, a trend that continues from 2019.
 - » When the median income of 25 to 44 year old households (\$61,551) is used, the value to income ratio drops to 3.28.
- Monroe, Tippecanoe, and Champaign counties probably built the most new rentals in the last decade, and therefore are more likely to have higher rents.

FIGURE H.9: Monroe County Housing Affordability

Monroe County

Median Household Income	Median Contract Rent	% paying more than 30% in Gross Rent*	% paying more than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$54,096	\$865	60.12%	14.44%	\$202,400	3.74

Delaware County (Muncie)

Median Household Income	Median Contract Rent	% paying more than 30% in Gross Rent*	% paying more than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$49,321	\$603	50.51%	15.01%	\$103,300	2.09

Tippecanoe County (West Lafayette)

Median Household Income	Median Contract Rent	% paying more than 30% in Gross Rent*	% paying more than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$53,468	\$771	55.43%	15.32%	\$169,500	3.17

Vigo County (Terre Haute)

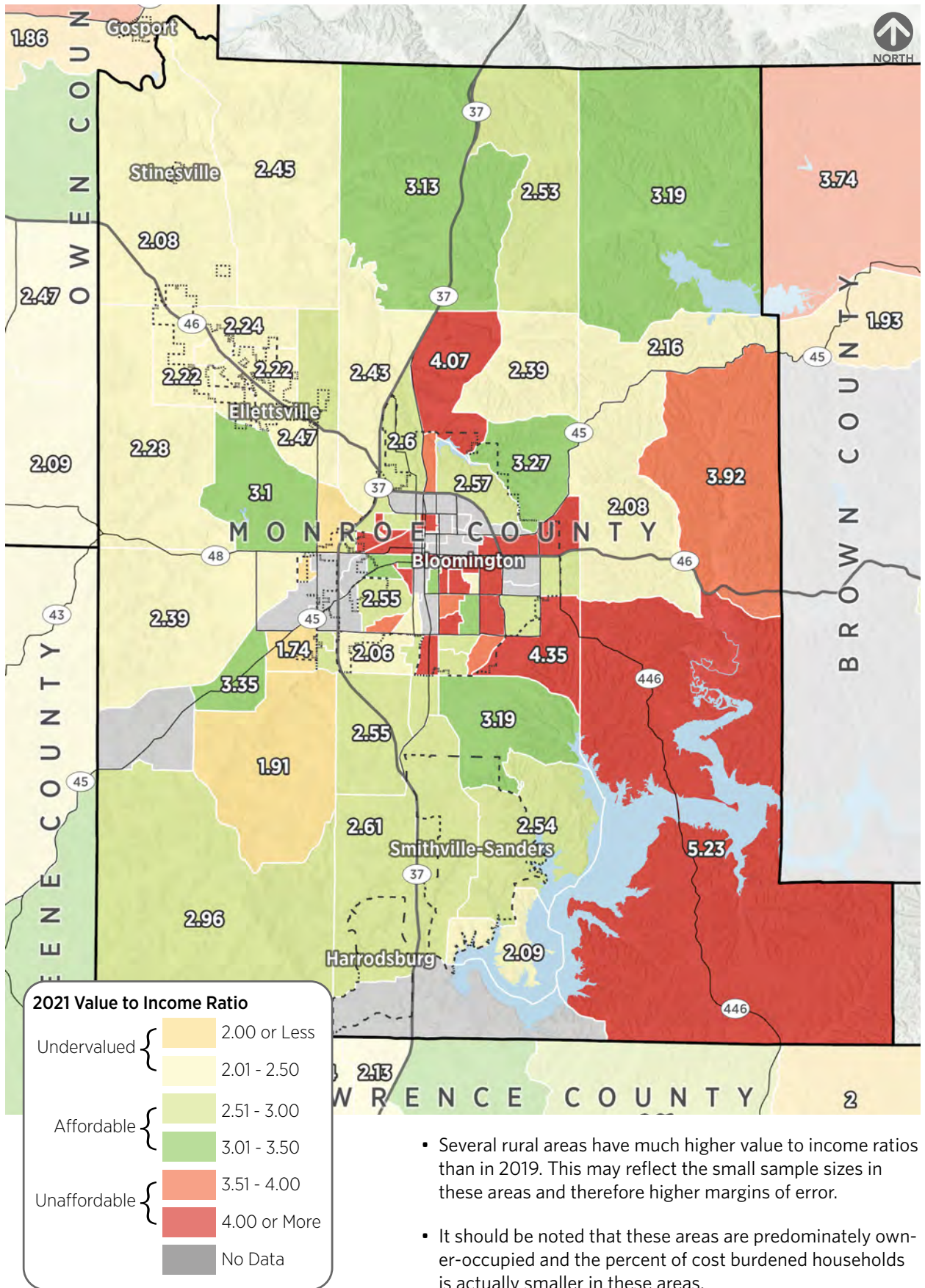
Median Household Income	Median Contract Rent	% paying more than 30% in Gross Rent*	% paying more than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$48,552	\$597	55.41%	17.16%	\$114,000	2.35

Champaign County, IL

Median Household Income	Median Contract Rent	% paying more than 30% in Gross Rent*	% paying more than 30% for Owner Costs**	Median House Value	Value / Income Ratio
\$56,939	\$760	52.45%	14.71%	\$170,600	3.00

* Gross rent includes utilities. **Owner costs include mortgage, mortgage interests, property taxes, and maintenance. Source: 2021 American Community Survey (5-Year Estimates)

Map H.6: Value to Income Ratio



Source: 2021 American Community Survey (5-Year Estimates)

Figure H.10 compares the number of households in an income range with the number of units that would be affordable to that household.

- Since 2019, it appears that the shortage of housing affordable to the lowest income households has declined.
 - » This is mostly reflective of fewer households in this range but it should be noted that most students fall within this range and an undercount would affect this analysis.
 - » The rising cost of housing can have an impact on the ability of students to afford college.
- The current estimates have a greater number of households making over \$150,000 but fewer units available to them.
 - » The number of \$400,000+ units has likely not declined but the number of \$3,000 plus rental units may have declined as newer units forced pricing adjustments in the city’s older rental stock.

FIGURE H.10: Housing Affordability Analysis

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	14,857	>\$60,000	2,212	\$0-499	2,868	5,080	-9,777
\$25,000-49,999	11,696	\$60,000-124,999	4,399	\$500-999	13,667	18,066	6,370
\$50,000-74,999	9,843	\$125,000-199,999	8,798	\$1,000-1,499	6,523	15,321	5,478
\$75-99,999	6,601	\$200,000-249,999	4,632	\$1,500-1,999	1,793	6,425	-176
\$100-149,999	7,994	\$250,000-399,999	7,586	\$2,000-2,999	728	8,314	320
\$150,000+	6,169	\$400,000+	3,640	\$3000+	314	3,954	-2,215

* HH = Households
 Source: 2021 American Community Survey (5-Year Estimates)

Home Sales. Demand for housing would appear to remain high while the supply has slowly declined.

- The number of homes listed for sale has steadily declined along with the days on market.
 - » A decline in the days on market means that homes are selling faster. A signal that the number of buyers has likely not declined.
- An equal or greater number of buyers in a market with fewer listings often results in price inflation as buyers compete for fewer units.
- As a side note, Realtor.com estimated an average sale price of \$380,360 for Tippecanoe County in 2022.

FIGURE H.11: Home Sales, Monroe County

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	% Change
Listings	2,793	2,605	2,604	2,567	2,418	2,441	2,374	2,269	2,144	2,207	2,106	-25%
Median Days on Market	57	47	49	50	41	33	31	31	29	17	21	-63%
Median List Price	163K	160K	165K	172K	189K	199K	225K	240K	250K	270K	302K	86%
Median Sale Price	155K	151K	157K	165K	169K	180K	200K	218K	234K	265K	295K	90%

Source: 2022 MLS

Housing Demand Analysis. The housing demand analysis builds on the assumption that the city’s permanent population will grow at 1% annually and that the student population will remain steady. Items to note in this methodology:

- It is assumed that the students that were undercounted had housing, and that new housing does not need to be produced for this population.
- The vacancy rate is held steady, but if some of the “other vacant” units can be made available, the number of units needed will decline.
- In the 2019 study, demand was estimated at 449 units annually, which is below the actual production of 762, 650, and 2,086 units that were added in 2019, 2020, and 2021.
- The projected demand in H.12 is below that experienced between 2019 and 2021 but over 160 units above the average units produced between 2010 and 2019 (410 units).

FIGURE H.12: Housing Demand Summary

	2020	2030	2035	Total
Population at End of Period	139,718	152,421	159,262	
Household Population at End of Period	123,206	134,407	140,440	
Average People Per Household	2.34	2.34	2.34	
Household Demand at End of Period	52,652	57,439	60,017	
Projected Vacancy Rate	8.4%	8.4%	8.4%	
Unit Needs at End of Period	57,476	62,701	65,515	
Replacement Need (total lost units)		240	150	390
Cumulative Need During Period		4,447	2,965	7,412
Average Annual Construction		556	593	570

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

Housing Development Program. Figure H.13 distributes the forecasted demand by price point based on the 2020 distribution of household incomes in Monroe County. The following assumptions create the program:

- Based on the declining number of for sale homes but the continued demand for those homes, more ownership options should be constructed then have occurred in the last five years.
 - » Ownership options should not be seen exclusively as single-family detached homes. Ownership can come in the form of townhomes, single-family attached, and even in multifamily structures.
 - » Additionally, more rental housing should be in smaller scale structures that have 16 or fewer units. These structures are more likely to meet the demands of young professionals and non-student renters.
- Due to the cost of land, materials, and labor, the production of housing priced below \$250,000 will be challenging to impossible. The over 220 units in these price ranges can be generated in four different ways:
 - » Production of ownership options that are not the traditional single-family detached, but duplexes, townhomes, or other medium and higher density configurations that reduce per unit costs.
 - » Funding assistance that offset lot development costs and smaller square footage homes.
 - » Rehabilitation of existing housing units.
 - » Construction of higher priced units that allow existing households to make the next step up.
- It is important to note that while the median sale price of a home in Monroe County is nearly \$300,000, this only reflects the homes sold in a year not the median value of the entire residential stock in the county. The Census does estimate that thousands of units exist across the county that are affordable to households making less than \$75,000 a year.

FIGURE H.13: Housing Development Program

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	738	492	1,230
Affordable Moderate: \$125-\$200k	621	414	1,035
Moderate Market: \$200-\$250k	416	278	694
Market: \$250-350k	504	336	840
High Market: Over \$350k	389	259	648
	} 2,668	} 1,779	} 4,447
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	615	410	1,025
Affordable: \$500-\$1,000	484	323	806
Market: \$1,000-\$1,500	407	271	679
High Market: \$1,500+	273	182	455
	} 1,779	} 1,186	} 2,965
Total Need	4,446	2,964	7,412

Source: RDG Planning & Design

Community Profile: Bloomington

Bloomington’s growth since the late 1800s has been remarkable, defying economic downturns that affected other cities. As the largest city in the Indiana Uplands, it serves as a significant hub for commerce, jobs, entertainment, and education. Indiana University’s presence has not only driven the local economy but also inspired entrepreneurs to establish international businesses, though this has led to unique housing challenges.

Overview

- Bloomington has seen steady rates of growth since 1980 averaging 1.5% annual growth.
- Over the next 10 years, if the student population held steady and the city’s permanent population grew by 1% annually, the city would reach a population of just over 90,000 by 2030.
- This rate could be higher if greater housing diversity that supports households at different stages of life can be provided.
 - » To support a population of 90,300 by 2030, the city will need to produce 2,236 additional housing units.
 - » These units will need to be of a greater variety than occurred between 2015 and 2018.
- Rental rates and home values are the highest in the region, often leaving first-time home buyers and non-student renters struggling to find housing.
- Affordability is often measured by comparing housing values to income with ratios between 2 and 3 considered healthy and self-sustaining. Map H.9 shows the value to income ratios by census tract with many areas well above a ratio of 3, representing an unaffordable market. The overall ratio for Bloomington is 5.31, high even for cities with large student populations.

FIGURE H.14: Projected Growth, Bloomington

Growth Rate	2020	2025	2030	2035
1.00%	79,168	82,273	85,536	88,965
1.25%	79,168	83,068	87,219	91,635
1.87%	79,168	85,076	91,557	98,667

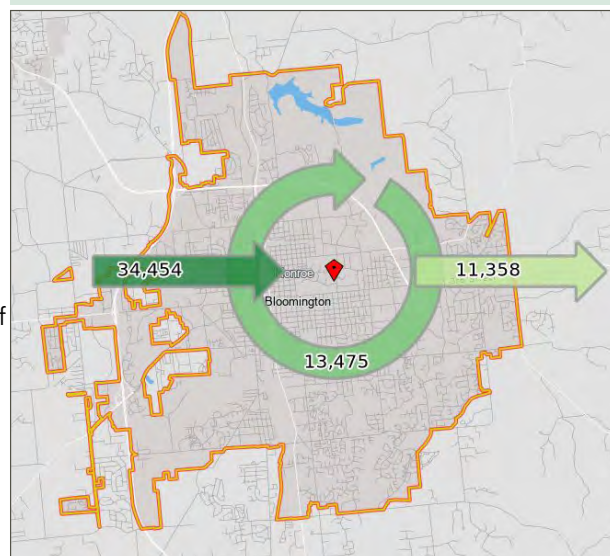
Source: US Census Bureau; RDG Planning & Design

Commuting Patterns

Bloomington draws a large portion of its workforce from surrounding Monroe County. Nearly 72% of the jobs in Bloomington are filled by employees living outside Bloomington.

- The percent of workers commuting into Bloomington has increased over the last several years.
- Only 17% of the county’s workforce is commuting into work, therefore it can be assumed that much of Bloomington’s workforce is finding housing within the county but outside city limits.
 - » Many Bloomington workers live in Ellettsville, but there are also a significant number that are living outside incorporated areas.

FIGURE H.15: Inflow-Outflow Diagram

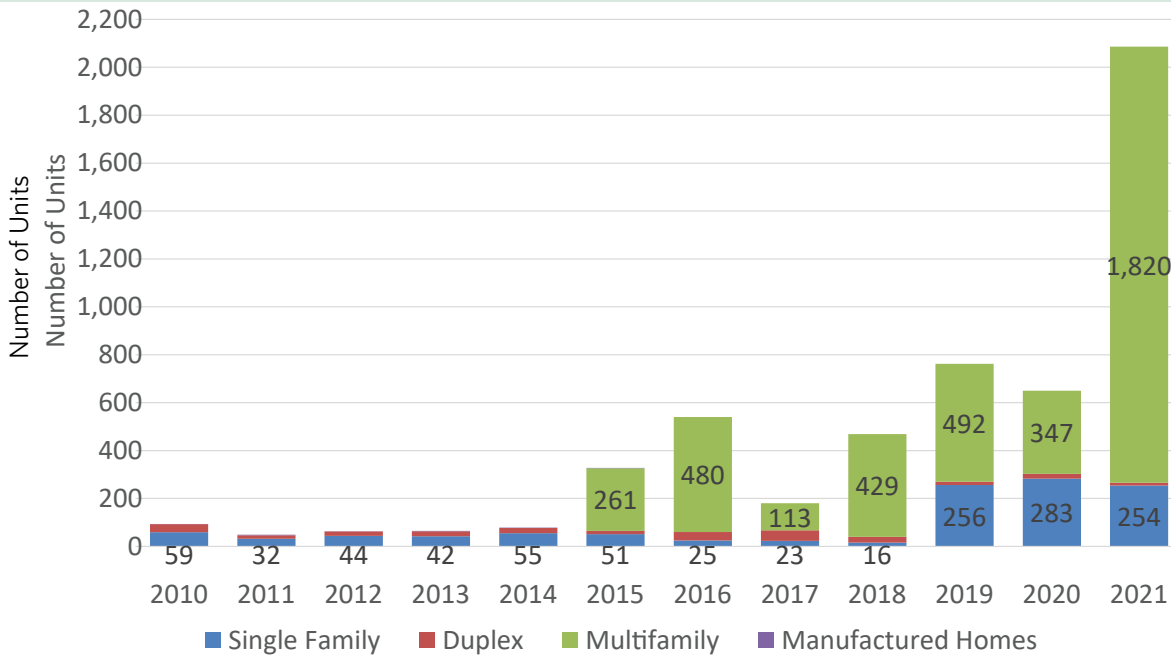


Source: 2020 US Census OnTheMap

Building Permit History

- Multifamily permit data was only tracked for buildings until 2015 when number of units could be identified based on the fees charged.
- Since 2015, almost 75% of new units have been in multifamily structures and many of those have been structures with more than 12 units.
- When a community has a limited lot supply or high land and infrastructure costs, multifamily is a much more efficient way to produce units. However, many of those units have been oriented to students, resulting in a lack of units that are appropriate for other market segments.

FIGURE H.16: Residential Building Permit History*



Source: Monroe County Building Department

*Before 2015 only the number of structures were tracked not the number of units

Housing Costs

- Maps H.7 and H.8 (on the following pages) offer an overview of housing costs by census tract. The city's highest value housing continues to be located in the eastern tracts with lower values to the west.
 - » Census tract boundaries are often shifted following a decennial census. For this reason there are small shifts compared to 2019 maps.

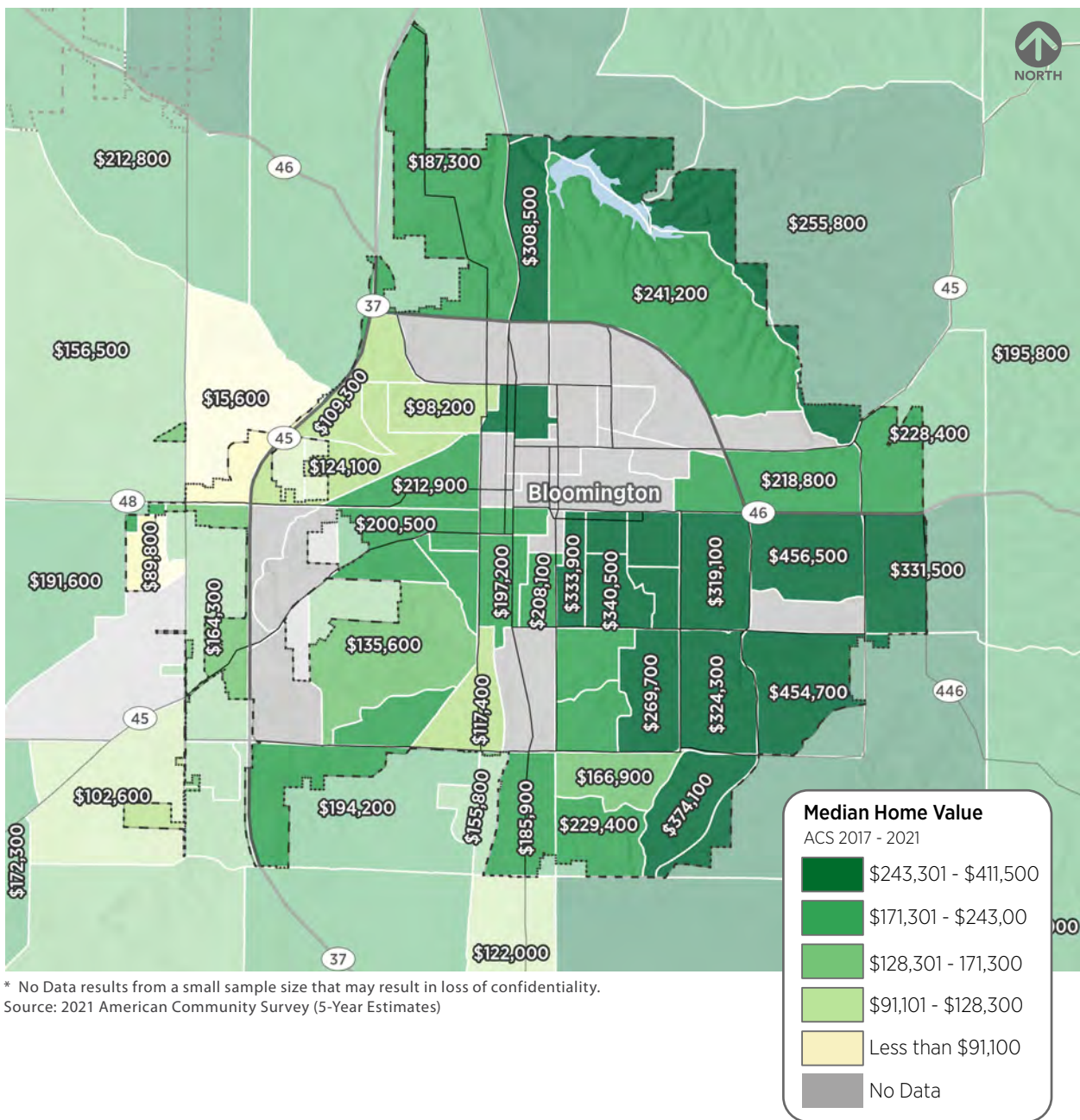
FIGURE H.17: Housing Affordability Analysis

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	11,677	>\$60,000	672	\$0-499	1,993	2,665	-9,012
\$25,000-49,999	6,870	\$60,000-124,999	1,198	\$500-999	11,225	12,423	5,553
\$50,000-74,999	5,118	\$125,000-199,999	2,727	\$1,000-1,499	5,463	8,190	3,072
\$75-99,999	2,851	\$200,000-249,999	1,753	\$1,500-1,999	1,611	3,364	513
\$100-149,999	3,074	\$250,000-399,999	3,536	\$2,000-2,999	611	4,147	1,073
\$150,000+	3,009	\$400,000+	1,514	\$3000+	296	1,810	-1,199

* HH = Households

Source: 2021 American Community Survey (5-Year Estimates)

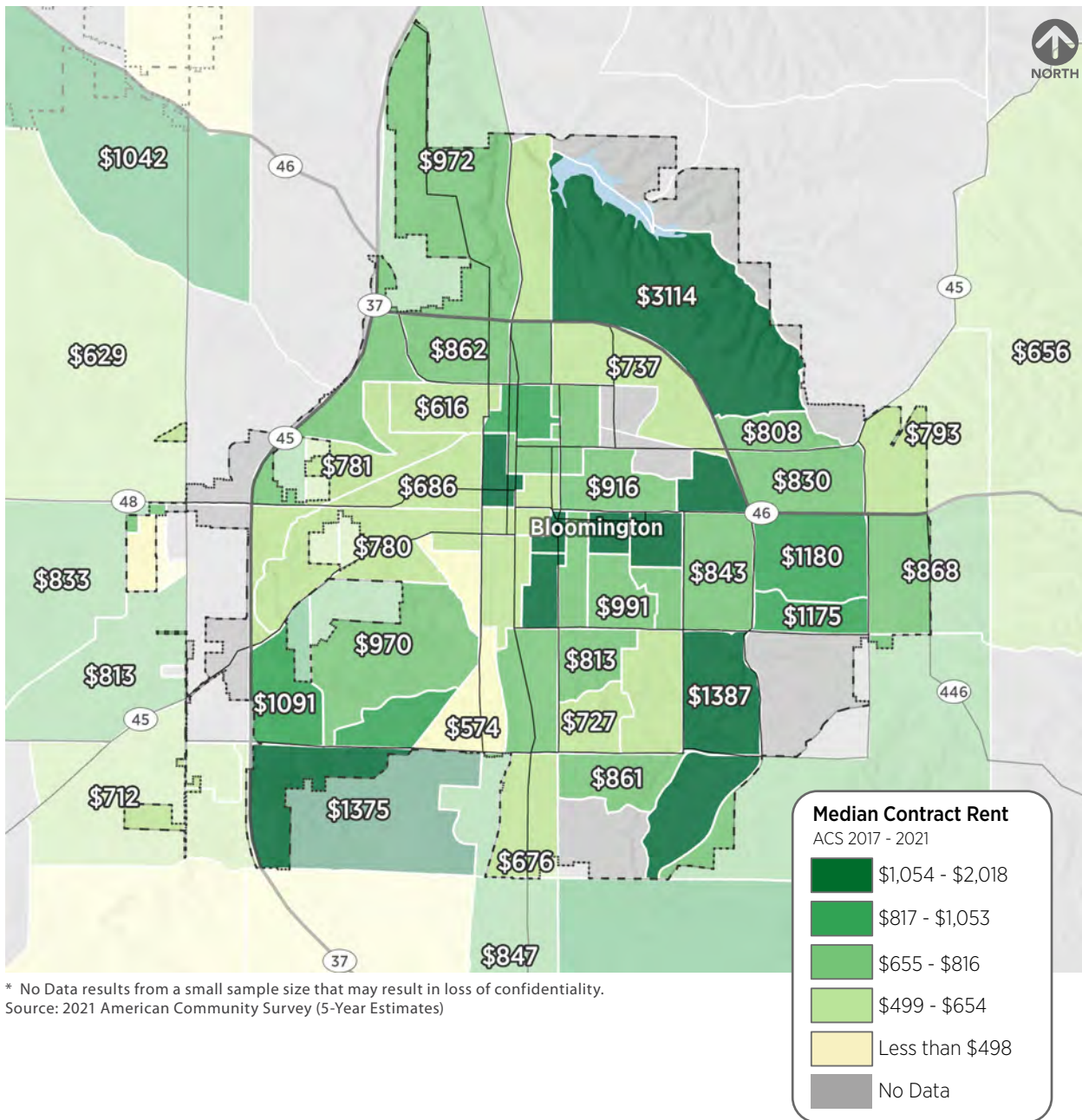
Map H.7: Median Home Value by Census Tract



* No Data results from a small sample size that may result in loss of confidentiality.
 Source: 2021 American Community Survey (5-Year Estimates)

- Figure H.17 (see previous page) compares the number of households in an income range with the number of units that would be affordable to that household.
 - » The city has a severe shortage of housing for households making less than \$25,000. The level of this shortage has changed very little since 2019. Many of these households are students, but this also includes a number of service workers and seniors that struggle to find affordable housing.
 - » The city's median household income in 2021 is estimated at just over \$37,700, a household that would be in the rental market. However, for households between the ages of 25 and 44, the median household income is just over \$50,000, an income level that is challenged to find ownership options in Bloomington.
 - » There now appears to be adequate upper end housing but this does not speak to the quality or the type of housing.

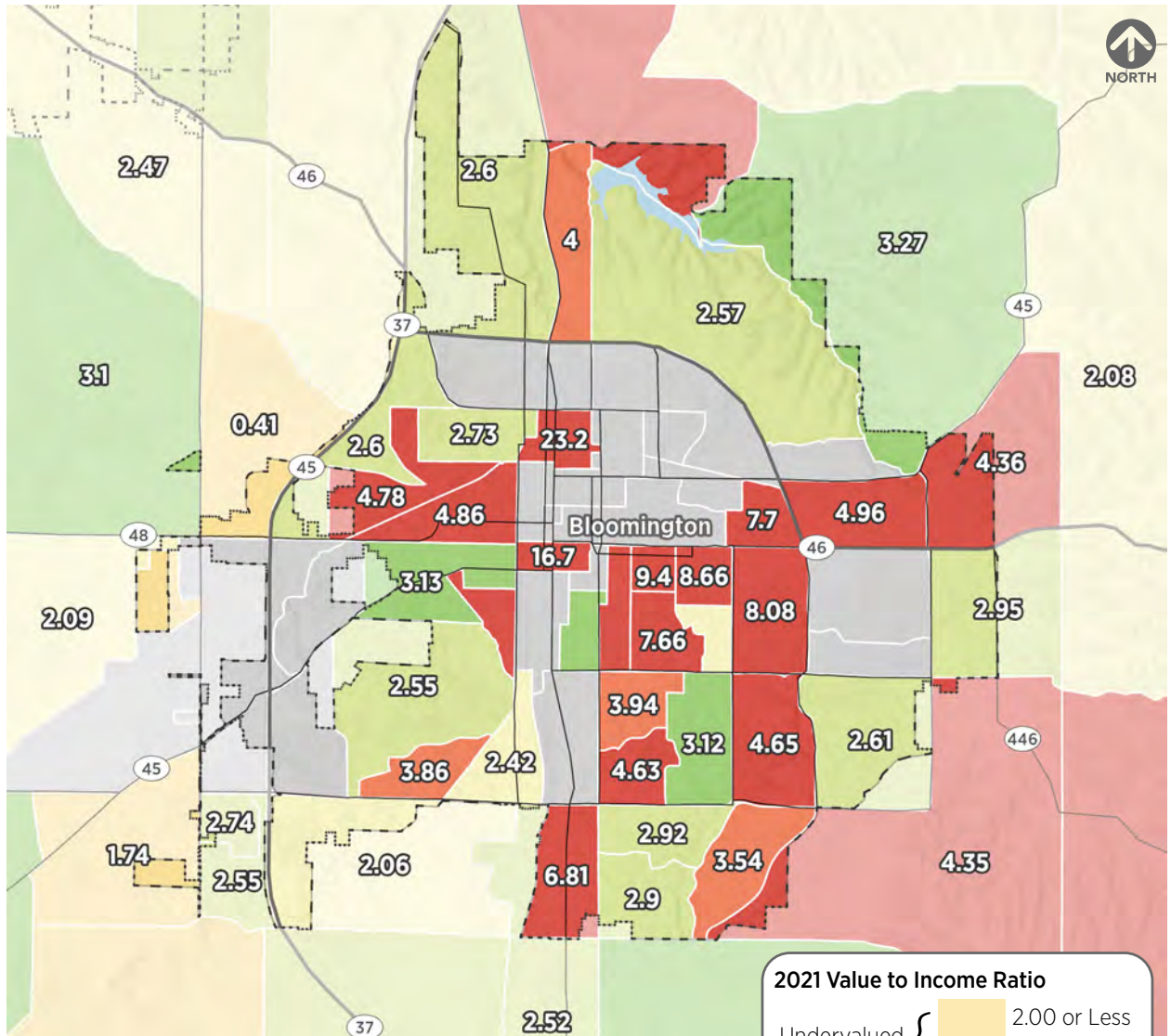
Map H.8: Median Contract Rent by Census Tract



* No Data results from a small sample size that may result in loss of confidentiality.
Source: 2021 American Community Survey (5-Year Estimates)

- Median contract rent and median home values have a positive correlation with the most expensive census tracts south and east of the University.

Map H.9: Value to Income Ratio by Census Tract*



*See 2019 Report, page 220 for Value to Income explanation
 No Data results from a small sample size that may result in loss of confidentiality.
 Source: 2021 American Community Survey (5-Year Estimates)

- Map H.9 illustrates the value to income ratio by census tract. Areas with ratios over 3 are considered unaffordable.
 - » There are neighborhoods that appear to have extreme unaffordability that has only grown since 2019. In 2019, it was noted that some of these areas could be due to higher student or retiree populations that tend to have lower annual incomes.

Housing Demand Analysis

- The housing demand model (Figure H.18) is based on an assumed 1% annual growth rate and a stable student population, stable 2.18 people per household, and a slightly declining vacancy rate.
- Replacement need is the number of housing units demolished or converted to other uses. Homes in poor condition or obsolete should be gradually replaced in a city’s housing supply. The number of units lost annually is based on the city’s historic demolition permit data.
- Cumulative need shows the number of total units needed between the base year of 2023 and the year indicated at the end of the period.

These assumptions generate a demand for 4,155 housing units or an average annual construction need of 320 units. This is below the number of permitted units between 2018 and 2022 (Figure H.16) which included a large number of multifamily units. Nationally, the number of individuals between the ages of 10 and 18 is declining (the population entering colleges and universities in the next ten years), therefore the number of student oriented rental units would likely be leveling off.

FIGURE H.18: Housing Demand Summary

	2020	2023-2030	2030-2035	Total
Population at End of Period	79,168	87,219	91,635	
Household Population at End of Period	64,725	71,307	74,917	
Average People Per Household	2.18	2.18	2.18	
Household Demand at End of Period	29,690	32,709	34,366	
Projected Vacancy Rate	8.9%	8.1%	7.6%	
Unit Needs at End of Period	32,596	35,598	37,198	
Replacement Need (total lost units)		120	75	195
Cumulative Need During Period		2,480	1,675	4,155
Average Annual Construction		310	335	320

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

Housing Development Program

Building on the housing demand model, the development program forecasts production targets for owner- and renter-occupied units based on the following assumptions:

- Recent market activity has been focused on rental housing with few ownership options. Over the next several years greater production of ownership options should focus on pent up demand and the need to offer more affordable housing options.
- Most low-income residents will be accommodated in rental units.
- Approximately 521 new owner-occupied units should be priced below \$130,000.
 - » It will be very difficult for the private market to produce housing in this price range in Bloomington. Most will be produced through assistance programs like Habitat for Humanity or through a filter effect created by the production of move-up housing.
- Nearly 697 rental units will need to be produced with rents below \$700 per month.
 - » A major theme during public engagement was on the lack of rental units priced below \$900. This model reflects this with over 78% of the rental units developed under this threshold. Those under \$700 will likely have to be produced through assistance programs like low-income housing tax credits, but some may result from market adjustments due to new higher quality rental units creating competition in the market.

FIGURE H.19: Housing Development Program

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	489	330	819
Affordable Moderate: \$125-\$200k	364	246	610
Moderate Market: \$200-\$250k	203	137	340
Market: \$250-350k	219	148	366
High Market: Over \$350k	214	145	359
	} 1,488	} 1,005	} 2,493
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	437	295	732
Affordable: \$500-\$1,000	257	174	431
Market: \$1,000-\$1,500	191	129	321
High Market: \$1,500+.....	107	72	179
	} 992	} 670	} 1,662
Total Need	2,480	1,675	4,155

Source: RDG Planning & Design

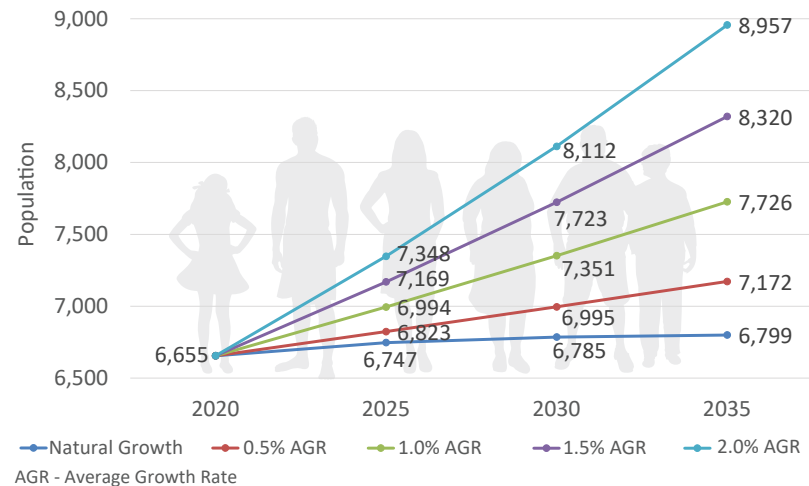
Community Profile: Ellettsville

Ellettsville, located just minutes from Bloomington, has experienced growth since 1990. Quality schools and affordable lots have attracted much of the county's single-family residential growth.

Overview

- Ellettsville has experienced less than 1% annual growth rate in the last decade. The student undercount should not have impacted Ellettsville the same way it impacted Bloomington. The rate of growth is still surprisingly low compared to the previous two decades.
- Figure H.20 illustrates four growth scenarios. Natural population growth would indicate that the city will grow solely based on a greater number of births than deaths. From 2000 to 2010, the city was above a 2% annual growth rate. With the city's strategic position, it seems likely that a 2% annual growth rate is once again feasible with adequate housing production.
- Affordability is often measured by comparing housing values to income with ratios between 2 and 3, which is considered healthy and self-sustaining. Ellettsville's ratio of 2.44 is lower than much of the county and for households between the ages of 25 and 44, that ratio is even lower.

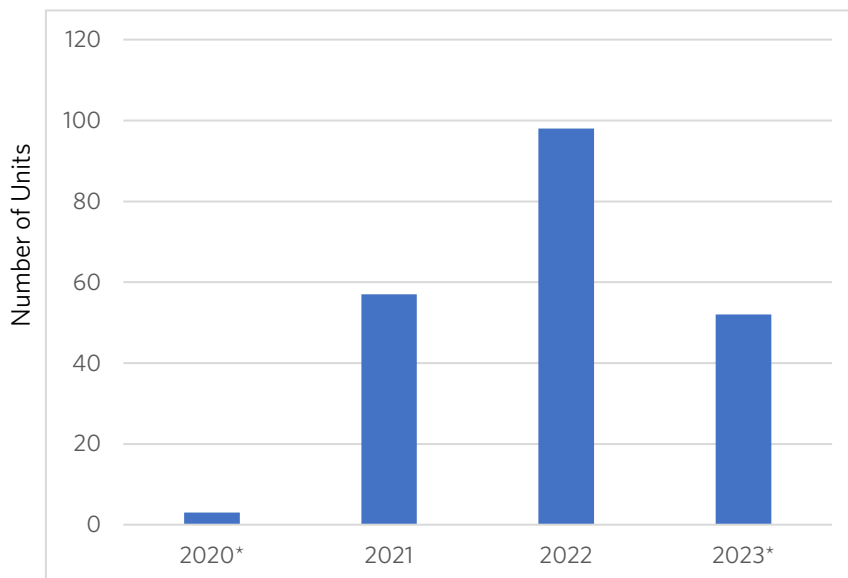
FIGURE H.20: Future Growth Rate Scenarios



Building Permit History

- Beginning in 2020, the City of Ellettsville began issuing building permit data.
- It would appear that most of the city's building activity has focused on single-family detached housing.

FIGURE H.20b: Residential Building Permit History*



Source: City of Ellettsville
*The City of Ellettsville began issuing permits in July 2020; 2023 data is through August

Housing Demand Analysis

- The housing demand model (Figure H.21) is based on 2% annual growth rate, generating a similar demand to that projected in 2019.
- At an average of 77 units annually, this would put production above 2021 levels but slightly below 2022. It is likely that in 2023 and 2024 interest rates may cause production be similar to 2021. Lot availability will also play a significant role in the town's ability to construct new units and support population growth.

FIGURE H.21: Housing Demand Summary

	2020	2023-2030	2030-2035	Total
Population at End of Period	6,655	8,112	8,957	
Household Population at End of Period	6,585	8,027	8,863	
Average People Per Household	2.42	2.42	2.42	
Household Demand at End of Period	2,721	3,317	3,662	
Projected Vacancy Rate	5.2%	6.8%	7.8%	
Unit Needs at End of Period	2,871	3,560	3,973	
Replacement Need (total lost units)		8	5	13
Cumulative Need During Period		577	418	996
Average Annual Construction		72	84	77

Source: 2021 American Community Survey (5-Year Estimates); RDG Planning & Design

Housing Gaps

To better understand the gaps in housing that stakeholders noted, a comparison between household incomes and appropriately priced units can be made. Figure H.22 compares the number of households in an income range with the number of units that would be affordable to that household.

- Since 2019 it would appear that the shortage of housing affordable to the lowest income households has lessened. This was driven by fewer households in the under \$25,000 income range not by an increase in the number of units affordable to this group.
- The shortage of housing affordable to households making over \$75,000 has grown. This mostly reflects a greater number of households in these income ranges despite more units affordable to the highest income ranges.
- Ellettsville likely still lacks rental options that are appealing to young professionals or young families looking to establish themselves in a smaller community before buying. Based on the income levels of these households, many can afford rents well over \$1,000 a month.

FIGURE H.22: Housing Affordability Analysis

Income Range	# HHs* in Each Range	Affordable Range for Owner Units	# of Owner Units	Affordable Range for Renter Units	# of Renter Units	Total Affordable Units	Balance
\$0-24,999	381	>\$60,000	66	\$0-499	188	254	-127
\$25,000-49,999	562	\$60,000-124,999	362	\$500-999	223	585	23
\$50,000-74,999	492	\$125,000-199,999	1,161	\$1,000-1,499	18	1,179	687
\$75-99,999	624	\$200,000-249,999	376	\$1,500-1,999	0	376	-248
\$100-149,999	530	\$250,000-399,999	328	\$2,000-2,999	0	328	-202
\$150,000+	170	\$400,000+	37	\$3000+	0	37	-133

* HH = Households

Source: 2021 American Community Survey (5-Year Estimates)

Housing Development Program

Building on the housing demand model, the development program forecasts production targets based on a 50/50 split between owner- and renter-occupied. The renter split is higher than the actual split but reflects decades long lack of rental construction that meets young professional and retirees housing needs.

The demand for units priced below \$250,000 will likely be met by the city's existing housing stock or products that do not fit the traditional detached single-family homes, creating a filtering effect.

- » Based Figure H.22, Ellettsville has an adequate supply of homes below \$250,000, however those homes are occupied. For this reason new products must be produced that will be appealing to those homeowners.
- Enough demand exists to support rentals with rates above \$1,000 a month. Production of these units does not have to be in the same form as those produced in Bloomington. Small scale rentals with 4 to 12 units, townhomes, and duplexes would all meet Ellettsville's demand for rental housing and fit the character of the community.

FIGURE H.23: Housing Development Program

Total Owner-Occupied	2023-2030	2030-2035	Total
Affordable Low: <\$125k	68	49	118
Affordable Moderate: \$125-\$200k	60	43	103
Moderate Market: \$200-\$250k	76	55	131
Market: \$250-350k	64	47	111
High Market: Over \$350k	21	15	36
	289	209	498
Total Renter-Occupied	2023-2030	2030-2035	Total
Low: Less than \$500	53	39	92
Affordable: \$500-\$1,000	79	57	136
Market: \$1,000-\$1,500	69	50	119
High Market: \$1,500+	87	63	151
	289	209	498
Total Need	577	418	996

Source: RDG Planning & Design