



Housing Update

Economy & Place Committee

01/08/2025

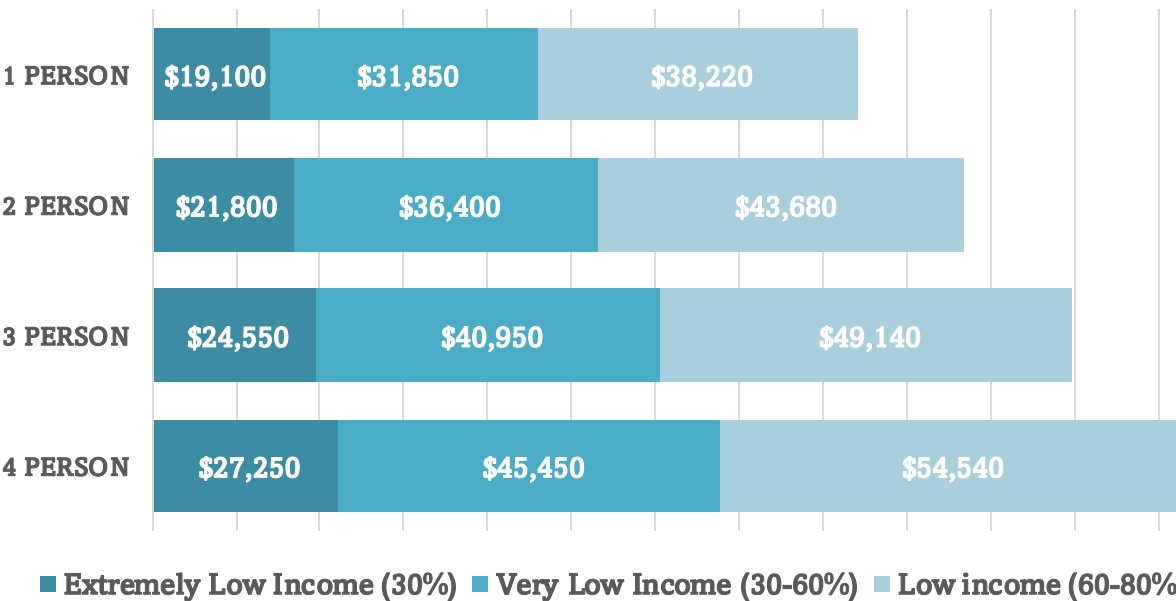
Presented by:
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Planning Manager



Area Median Income (AMI)

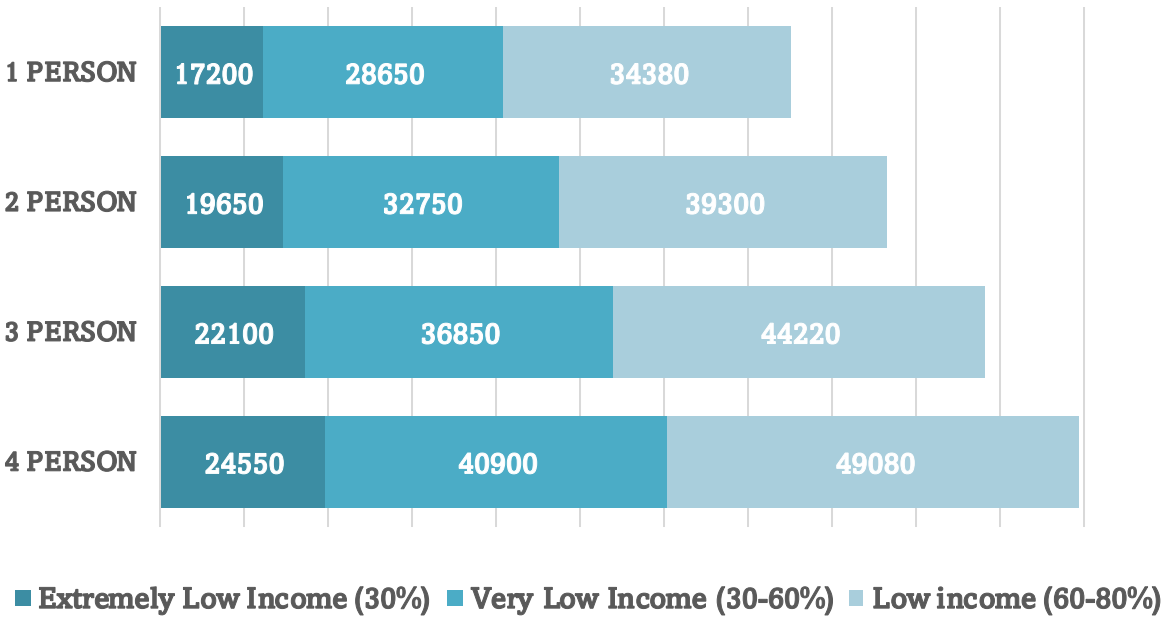
- It is the midpoint of a region's income distribution, meaning half the households earn more and half earn less.
- Established for each community by HUD and used to determine eligibility for affordable housing programs.
- Set income limits for housing assistance in a specific geographic area.
- "Low-income" housing is typically affordable to households earning below 80% AMI.
- "Middle-income" refers to 80-120% AMI.

HUD Area Median Income (AMI) by Household Size-
Gary Metro (Lake-Porter Counties)



The median family income for the Gary MSA in 2023 was \$75,625

HUD Area Median Income (AMI) by Household Size-
Michigan City/-LaPorte Metro



The median family income for the Michigan City-La Porte MSA, in 2023 was \$62,868

Hourly Wage Required to Afford a Two-bedroom Rental Home

INDIANA

#34*

In **Indiana**, the Fair Market Rent (FMR) for a two-bedroom apartment is **\$1,148**. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn **\$3,826** monthly or **\$45,913** annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

\$22.07
PER HOUR
STATE HOUSING
WAGE

FACTS ABOUT INDIANA:

STATE FACTS	
Minimum Wage	\$7.25
Average Renter Wage	\$17.92
2-Bedroom Housing Wage	\$22.07
Number of Renter Households	793,030
Percent Renters	30%

MOST EXPENSIVE AREAS	HOUSING WAGE
Indianapolis-Carmel HMFA	\$25.94
Louisville HMFA	\$25.02
Gary HMFA	\$24.12
Columbus MSA	\$23.00
Cincinnati HMFA	\$22.98

MSA = Metropolitan Statistical Area; HMFA = HUD Metro FMR Area.

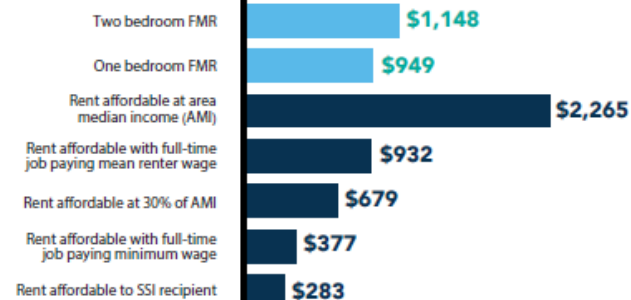
* Ranked from Highest to Lowest 2-Bedroom Housing Wage. Includes District of Columbia and Puerto Rico.

122
Work Hours Per Week At
Minimum Wage To Afford a 2-Bedroom
Rental Home (at FMR)

101
Work Hours Per Week At
Minimum Wage To Afford a 1-Bedroom
Rental Home (at FMR)

3
Number of Full-Time Jobs At
Minimum Wage To Afford a
2-Bedroom Rental Home (at FMR)

2.5
Number of Full-Time Jobs At
Minimum Wage To Afford a
1-Bedroom Rental Home (at FMR)



INDIANA

FY24 HOUSING
WAGE

HOUSING COSTS

AREA MEDIAN
INCOME (AMI)

RENTERS

	Hourly wage necessary to afford 2 BR ¹ FMR ²	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage to afford 2BR FMR ³	Annual AMI ⁴	Monthly rent affordable at AMI ⁵	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2018-2021)	% of total households (2018-2021)	Estimated hourly mean renter wage (2024)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Indiana	\$22.07	\$1,148	\$45,913	3.0	\$90,595	\$2,265	\$27,178	\$679	793,030	30%	\$17.92	\$932	1.2
Combined Nonmetro Areas	\$16.96	\$882	\$35,282	2.3	\$81,800	\$2,045	\$24,540	\$614	138,960	24%	\$14.94	\$777	1.1
<u>Metropolitan Areas</u>													
Anderson HMFA	\$21.92	\$1,140	\$45,600	3.0	\$81,800	\$2,045	\$24,540	\$614	15,446	30%	\$12.78	\$665	1.7
Bloomington HMFA	\$21.65	\$1,126	\$45,040	3.0	\$106,100	\$2,653	\$31,830	\$796	25,696	45%	\$13.67	\$711	1.6
Carroll County HMFA	\$16.60	\$863	\$34,520	2.3	\$82,900	\$2,073	\$24,870	\$622	1,638	21%	\$15.61	\$812	1.1
Cincinnati HMFA	\$22.98	\$1,195	\$47,800	3.2	\$104,800	\$2,620	\$31,440	\$786	3,930	17%	\$9.25	\$481	2.5
Columbus MSA	\$23.00	\$1,196	\$47,840	3.2	\$93,600	\$2,340	\$28,080	\$702	9,782	30%	\$22.92	\$1,192	1.0
Elkhart-Goshen MSA	\$21.19	\$1,102	\$44,080	2.9	\$82,000	\$2,050	\$24,600	\$615	20,633	29%	\$19.28	\$1,003	1.1
Evansville MSA	\$20.58	\$1,070	\$42,800	2.8	\$81,400	\$2,035	\$24,420	\$611	33,392	30%	\$16.92	\$880	1.2
Fort Wayne MSA	\$20.94	\$1,089	\$43,560	2.9	\$88,000	\$2,200	\$26,400	\$660	48,941	30%	\$17.42	\$906	1.2
Franklin County HMFA	\$18.06	\$939	\$37,560	2.5	\$93,400	\$2,335	\$28,020	\$701	1,672	19%	\$10.70	\$556	1.7
Gary HMFA	\$24.12	\$1,254	\$50,160	3.3	\$90,900	\$2,273	\$27,270	\$682	72,374	27%	\$15.93	\$829	1.5
Indianapolis-Carmel HMFA	\$25.94	\$1,349	\$53,960	3.6	\$102,900	\$2,573	\$30,870	\$772	258,000	34%	\$21.74	\$1,130	1.2
Jasper County HMFA	\$22.10	\$1,149	\$45,960	3.0	\$95,600	\$2,390	\$28,680	\$717	2,369	19%	\$13.61	\$707	1.6
Kokomo MSA	\$18.85	\$980	\$39,200	2.6	\$74,400	\$1,860	\$22,320	\$558	9,905	28%	\$17.47	\$908	1.1
Lafayette-West Lafayette HMFA	\$20.56	\$1,069	\$42,760	2.8	\$83,000	\$2,075	\$24,900	\$623	35,251	46%	\$15.75	\$819	1.3
Louisville HMFA	\$25.02	\$1,301	\$52,040	3.5	\$96,400	\$2,410	\$28,920	\$723	22,599	24%	\$13.95	\$725	1.8
Michigan City-La Porte MSA	\$19.54	\$1,016	\$40,640	2.7	\$81,800	\$2,045	\$24,540	\$614	11,186	26%	\$13.95	\$725	1.4
Muncie MSA	\$18.31	\$952	\$38,080	2.5	\$73,400	\$1,835	\$22,020	\$551	15,889	34%	\$13.11	\$682	1.4
Owen County HMFA	\$17.29	\$899	\$35,960	2.4	\$73,600	\$1,840	\$22,080	\$552	1,717	20%	\$18.11	\$942	1.0

1: BR = Bedroom

2: FMR = Fiscal Year 2024 Fair Market Rent.

3: This calculation uses the higher of the county, state, or federal minimum wage, where applicable.

4: AMI = Fiscal Year 2024 Area Median Income

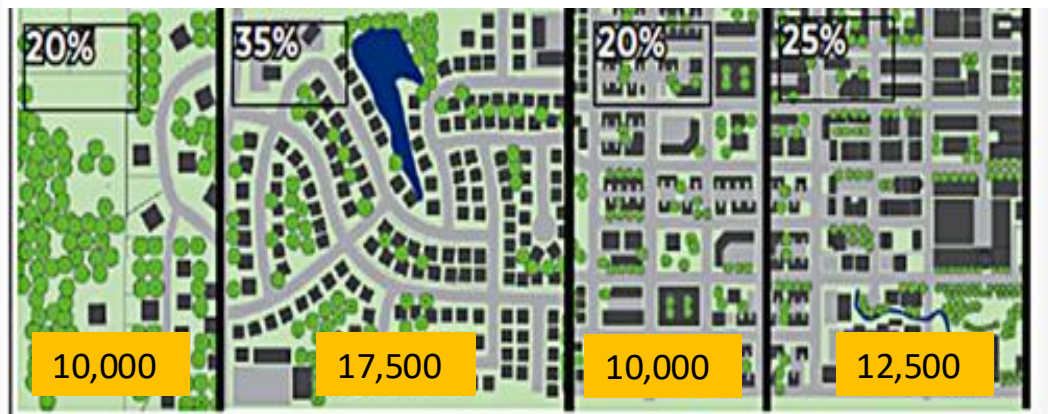
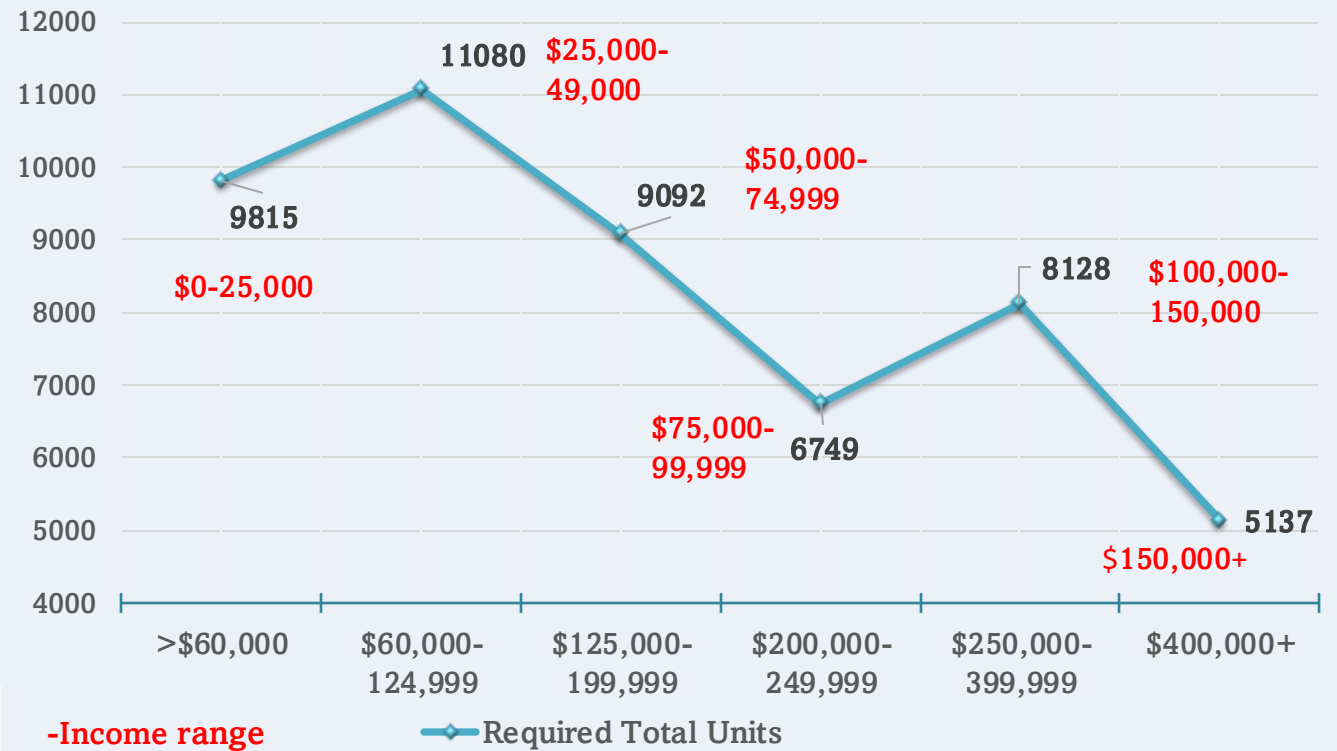
5: Affordable rents represent the generally accepted standard of spending not more than 30% of gross income on gross housing costs.

Required Housing Units

- Current Density 1.97 du/ acre
- Required Density 5 du/ acre
- Required Housing Units by 2050: 50,000 Units

Unit Type	Average Site Area/Unit (SF)	% of Total Unit Growth	Net du/A	Land Area (Sq Mi)
Scenario 4: 5du/A Trend: High Small Lot and Attached Single-Family				
Large Lot 1-Family	25,028	20%	1.57	9.93
Small Lot 1-Family	6,000	35%	7.29	3.75
1-Family Attached	3,700	20%	11.78	1.33
Multifamily	1,300	25%	33.51	0.58
Total	9,607	100%	5.01	15.60

Distribution of Required Housing Units by 2050



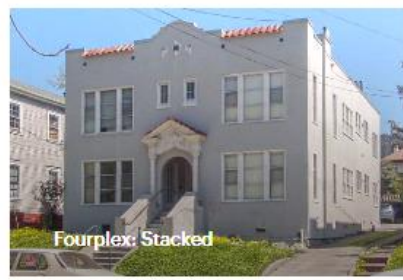
Missing Middle Scenario: 5 du/A



Duplex: Side-by-Side



Duplex: Stacked



Fourplex: Stacked



Courtyard Building



Cottage Court



Townhouse



Multiplex: Medium



Triplex: Stacked

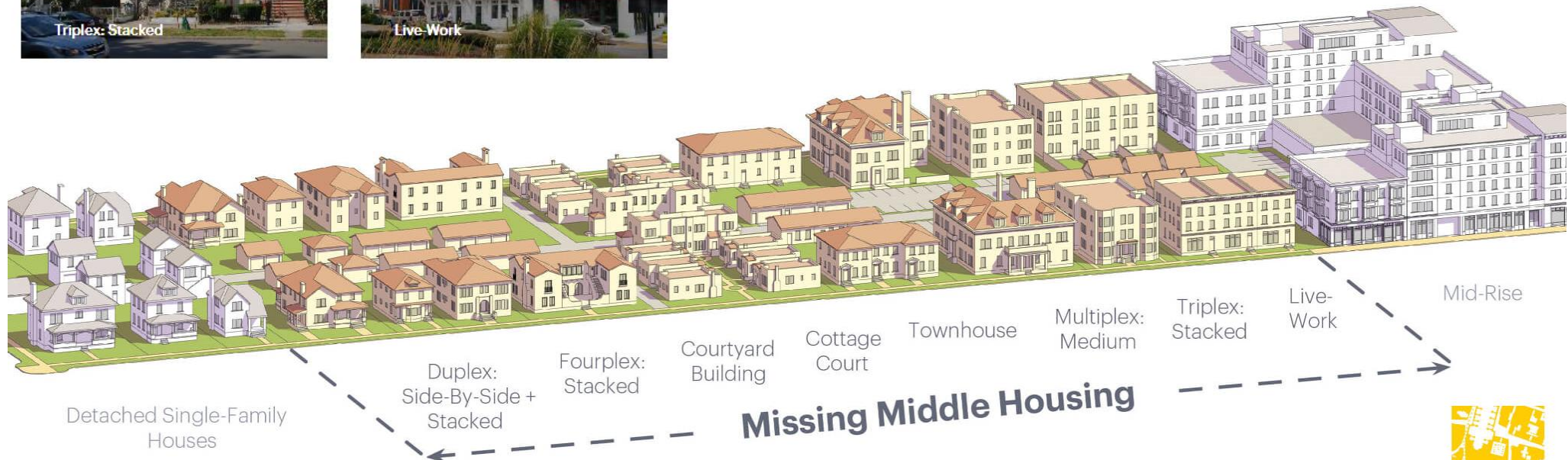


Live-Work

Missing Middle Housing

Building a new duplex costs between \$285,000 and \$537,000

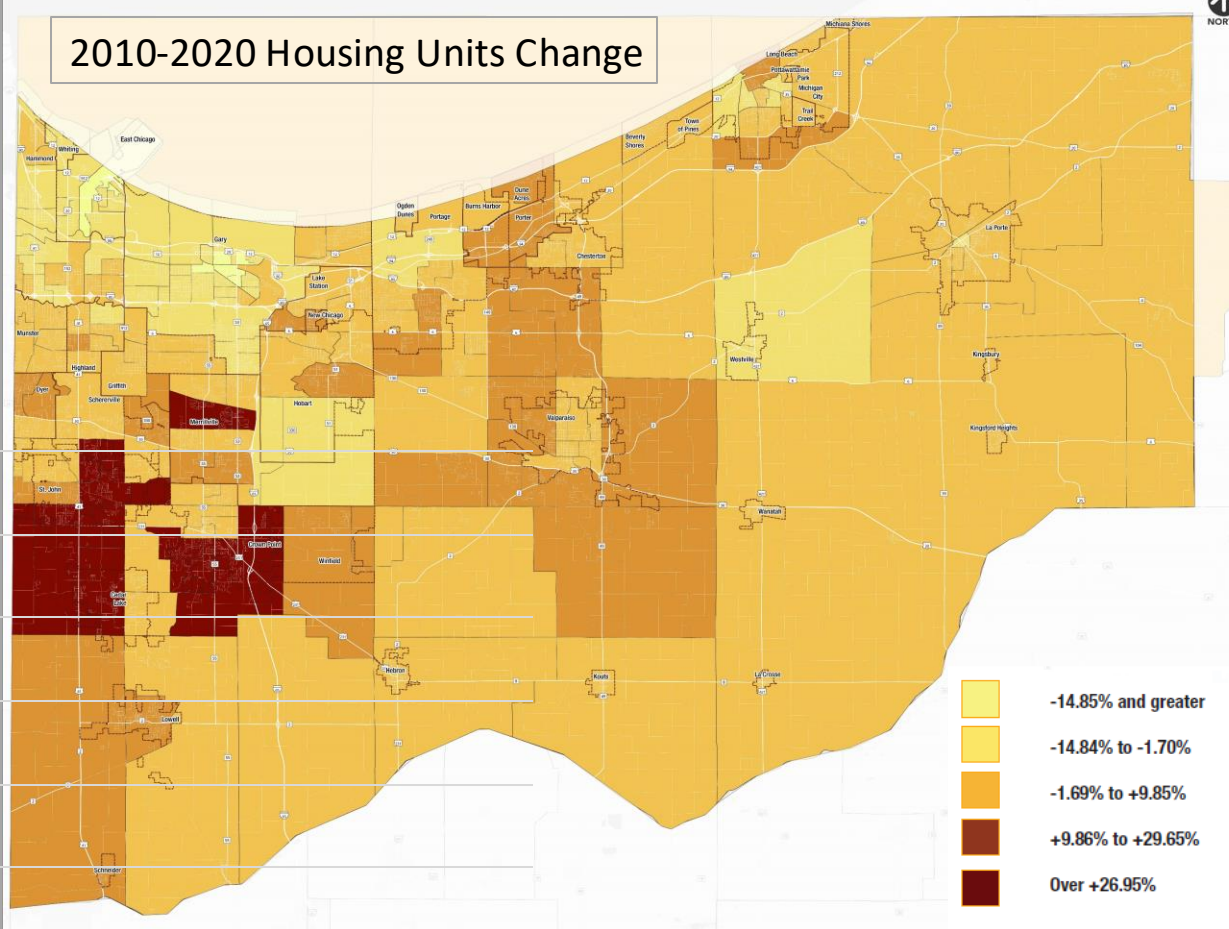
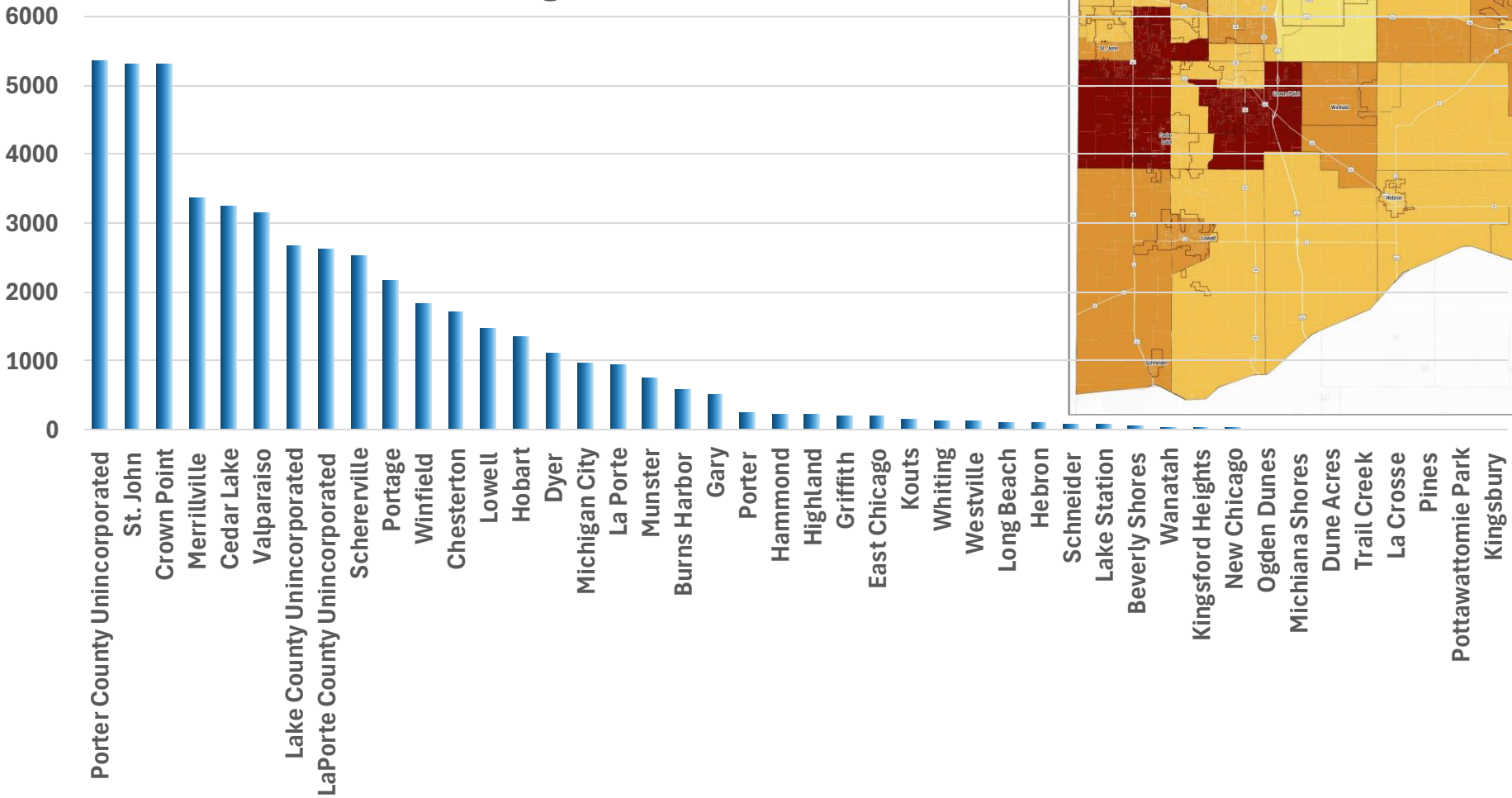
Building new single-family costs between \$390,000 and \$710,000





Housing Permits 2003-2023

Housing Permits in NWI 2003-2023



- In February 2024, 336 new construction homes median list price was \$432,555.
- Older homes' median sale price was \$249,900.
- The current new construction list includes about 840 units.



New Construction in NWI

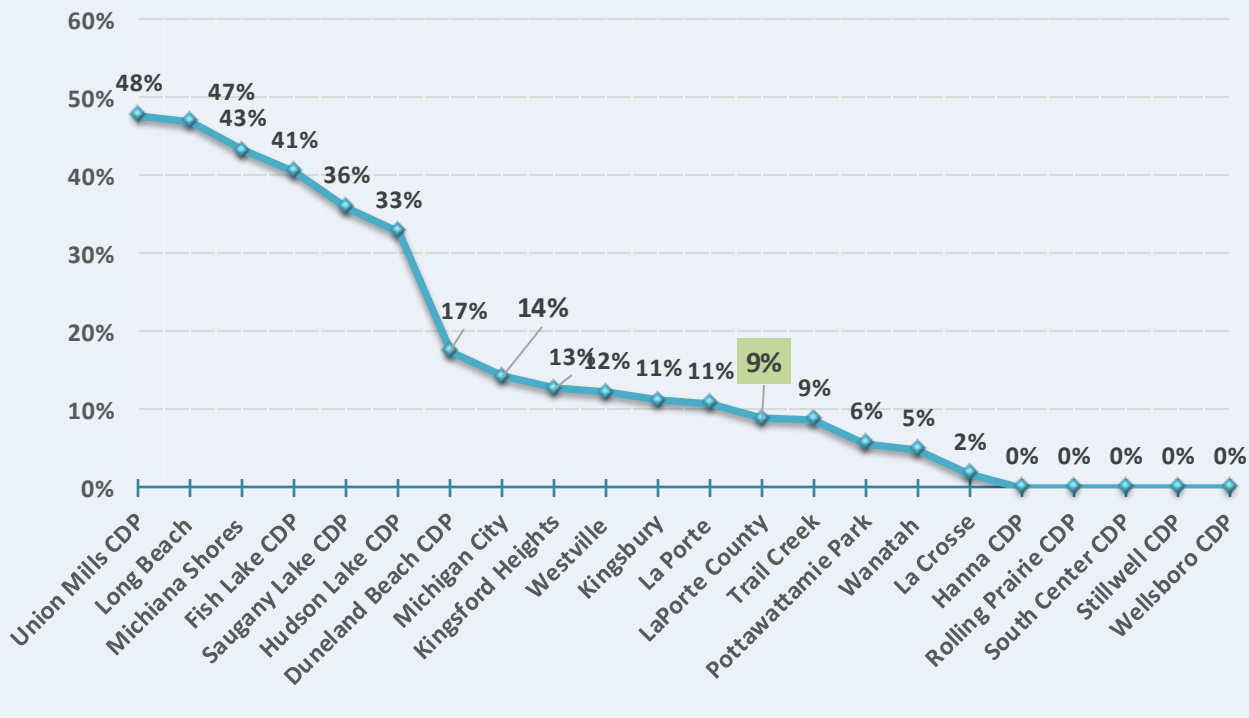




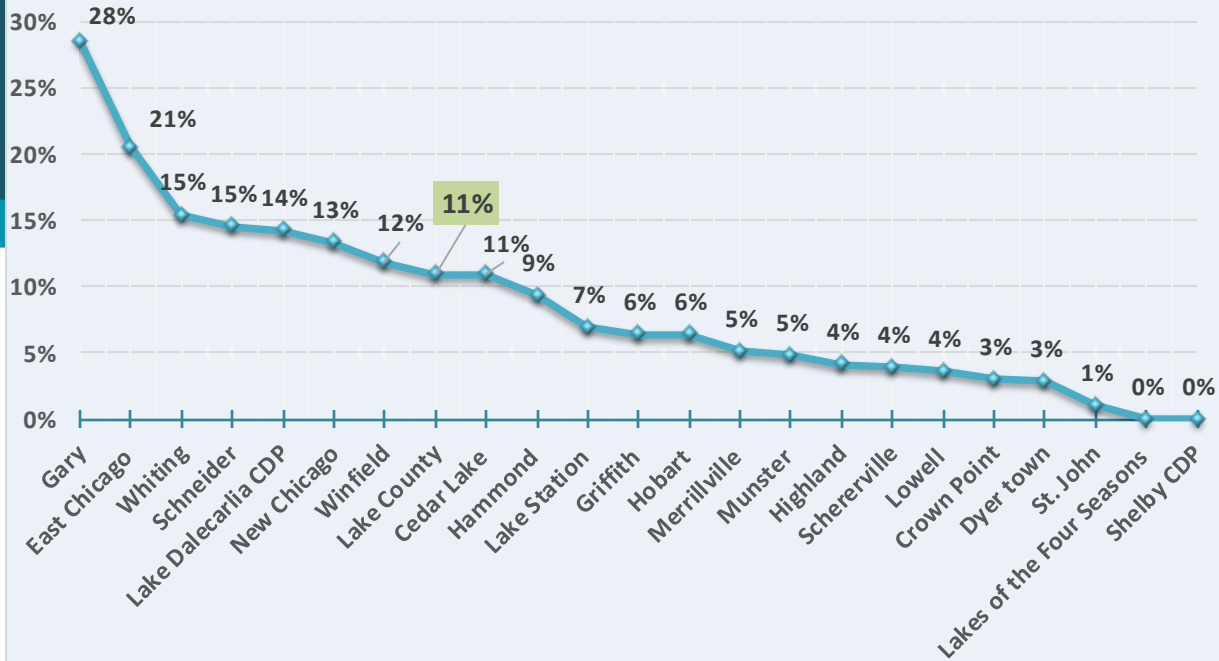
Housing Vacancy 2022

NWI Vacancy Rate is 10% (32,920 Units)

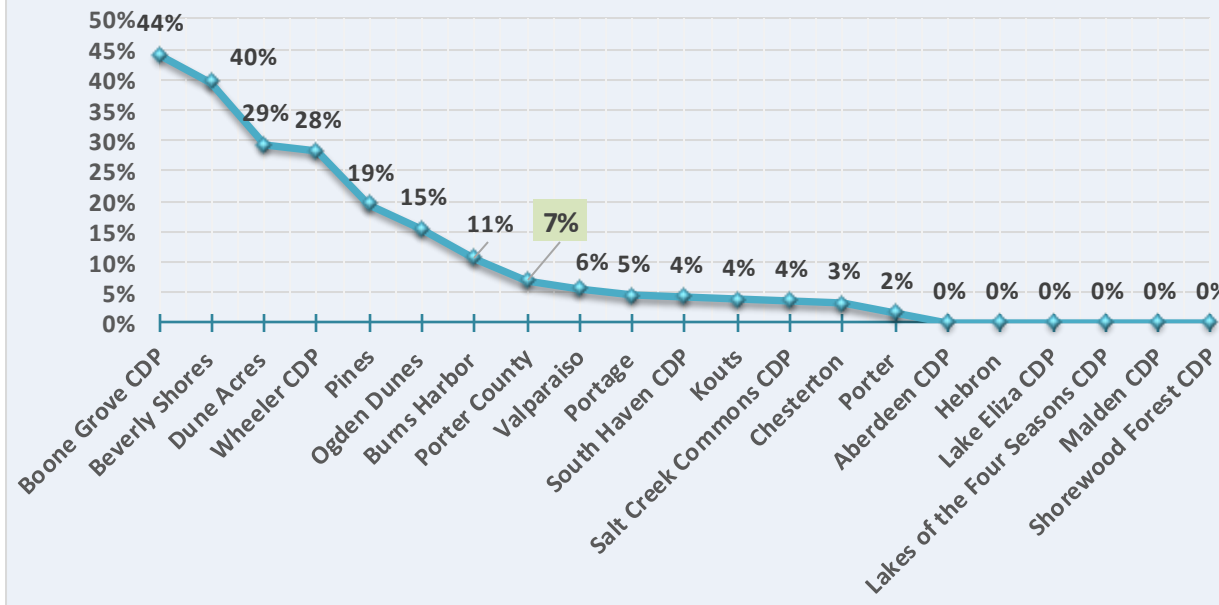
LaPorte County- Vacant Housing Units 2022



Lake County-Vacant Housing Units 2022



Porter County- Housing Vacancy 2022





Next Meeting:

Housing Snapshot/ Recommendations