

Wrap-Up Meeting

LA PORTE COUNTY INDIANA HOUSING ANALYSIS & ACTION AGENDA

August 26, 2021

greenstreet



Today's Agenda

Project Overview

Analysis Findings

Recommendations: Action Agenda



Scope and Schedule

Task 1: Project Start

Jan 15

Task 2: Housing Supply Baseline

Feb 19

Task 3: Housing Demand, Gap, Socioeconomic/
Racial Impacts

March 26

Task 4: Opportunities for Growth

no meeting

Task 5: Summary and Action Agenda

July 9

Stakeholders Engaged

Non-Profit

Unity Foundation, Healthcare Foundation of La Porte County, housing and social services providers

Government

Councillors, commissioners, city and town mayors, staff planners, engineers, administrators, NIRPC, economic development, schools

Private

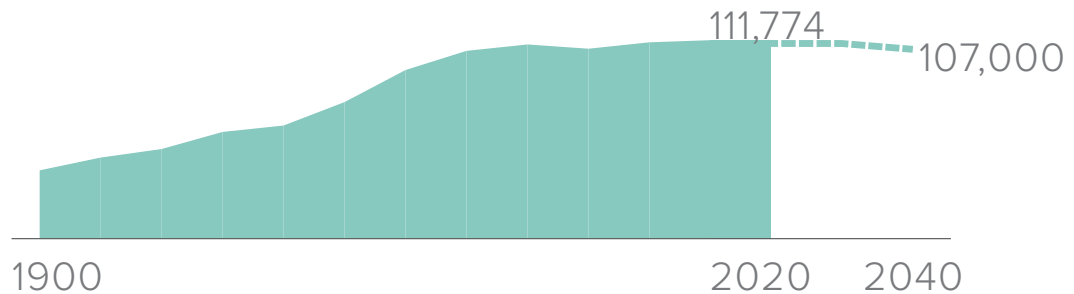
Realtors, Builders, Developers



Analysis Highlights – Population

HISTORICAL AND PROJECTED POPULATION COUNT

La Porte County



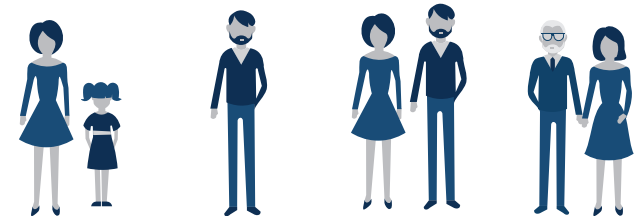
Recent and projected populations numbers are flat

source: US Census, STATS Indiana, IBRC

DEMOGRAPHIC TRENDS



Household of the past



Households of Today

Singletons now make up 29% of all La Porte County Households, up from 12% 50 years ago.

Source: Esri, US Census, IBRC

Analysis Highlights – Affordability

THE NEED FOR AFFORDABILITY

While economic development attraction efforts focus on high-earning industries, other lower-wage jobs are indirectly created.

1 : 5

For every high tech job created, five additional jobs are created outside the tech industry.

Of those five jobs, two are likely to be professional jobs while the other three are nonprofessional occupations such as waiters and store clerks.

THE MIRAGE OF AFFORDABILITY

Despite relatively old and cheap housing stock,

56% of low-income households are stuck paying unaffordable rent or mortgage payments (over 30% of income)

HOUSING PROBLEMS BY RACE

1 in 4

White Households face at least one Housing Problem in La Porte County

1 in 2

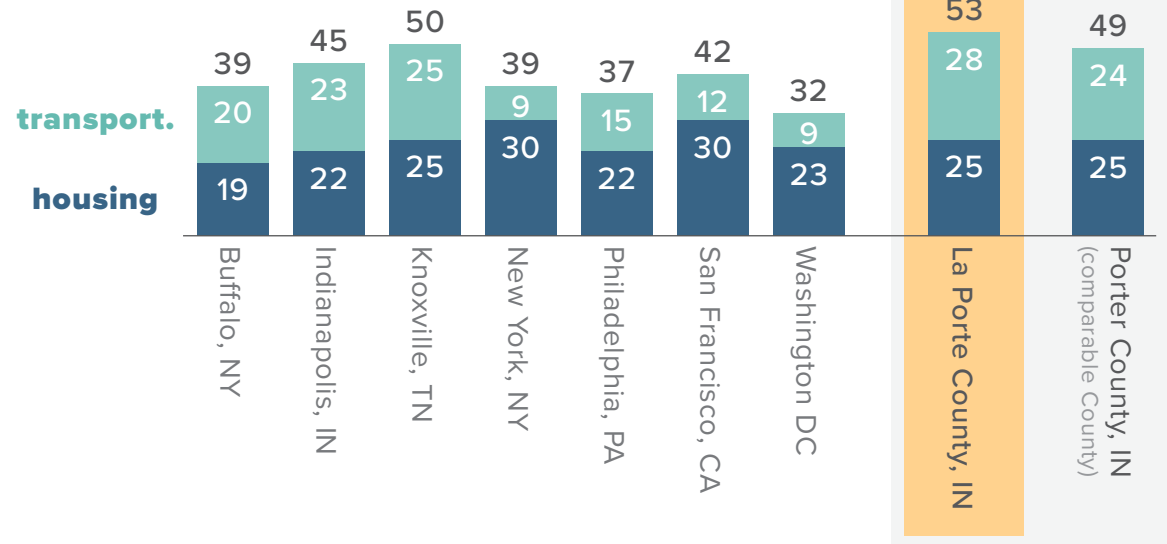
Black Households face at least one Housing Problem in La Porte County

Housing Problem: Cost Burden (over 30% of income spent on housing, no kitchen or plumbing, more than one occupant per room)

Source: Enrico Moretti, The Geography of Jobs, HUD, Greenstreet calculations

Analysis Highlights – Transportation Costs

HOUSING AND TRANSPORTATION COSTS
AS A SHARE OF MEDIAN INCOME



Many car-centric cities make “Most Affordable Cities” lists, and La Porte County looks relatively affordable, at 25 percent of the median income spent on housing.

When viewed together, La Porte County’s housing and transportation costs are high. Many in La Porte County have to rely on cars to get around, and driver further.

Location-efficient development styles save on the household budget by lowering transportation costs.

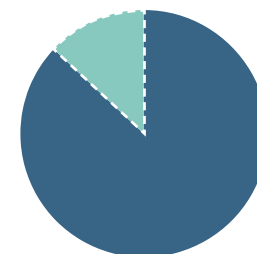
Analysis Highlights – Development Efficiency

PRESSURES ON MUNICIPAL BUDGETS

Aging infrastructure and shifting revenues are causing cities to think more efficiently. Low-density development styles have higher infrastructure costs and lower revenues per capita and per acre.

Property tax reform in 2008 created tax caps on the local tax rate. These “circuit breaker” credits amounted to \$4.9 million in 2020 for La Porte County.

That's a
13.3% loss
of the tax levy.



To increase revenue, cities can either raise income taxes and fees, or...
Support household growth and improve the efficiency of their land use.

More tax revenue per acre can
increase the
tax base.



Source: Indiana Department of Local Government Finance (DLGF). Indiana Fiscal Policy Institute. 2016

Positive Signs



NATURAL BEAUTY AND
RECREATIONAL AMENITIES TO
PRESERVE



RECENT HOUSING AND
EMPLOYER ANNOUNCEMENTS
ARE PROMISING

Action Agenda

1. Establish a Vision for Housing Growth
2. Build a Spectrum of Housing to Unlock Growth
3. Establish a Housing Trust Fund
4. Support Commercial Centers with Dense, Walkable Housing
5. Manage Growth at the Edge
6. Continue the Conversation

Establish a Vision for Housing Growth

PROPOSED IMPLEMENTERS

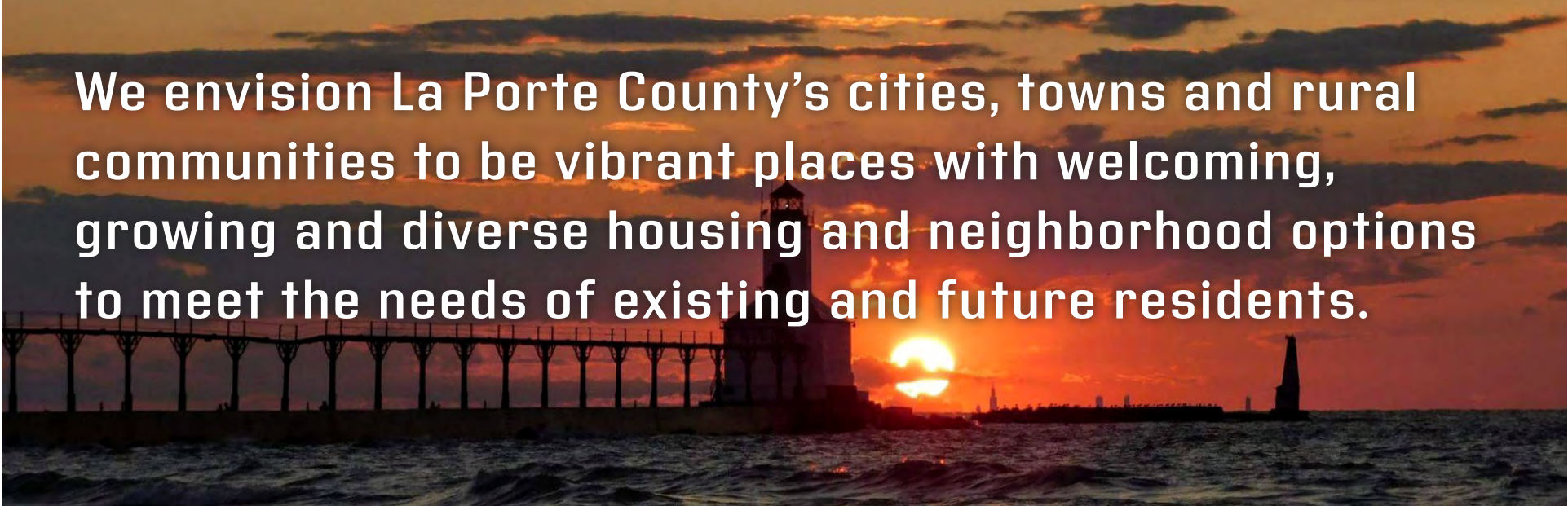
Philanthropic and elected leaders, LPC Association of Realtors, Builders Association of La Porte County

MEASURE

Adoption of this Vision by public and professional bodies

Myths and differing ideas of success have muddled the production of housing in La Porte County's communities. Establish buy-in to the plan across La Porte County by adopting a Vision for Housing.

Professionals and the public can then hold their elected officials accountable to meeting this vision. Developers and builders can then confidently invest in La Porte.



We envision La Porte County's cities, towns and rural communities to be vibrant places with welcoming, growing and diverse housing and neighborhood options to meet the needs of existing and future residents.

Build a Spectrum of Housing to Unlock Growth

PROPOSED IMPLEMENTERS

Nonprofit and for profit home builders and developers, plan commissions, staff planners

MEASURE

Build or approve 1,000 units in two years

Numerous indicators reveal a shortage of new housing supply at almost all price points. This not only keeps new families from moving in, but constrains turnover of existing homes.

Support the construction of homes for ownership and rental to meet current and future demand for housing.

Better options for low-income families and upper-income families will unlock the potential of La Porte County's housing market.

HOUSING UNITS NEEDED TO MEET 2030 GROWTH GOALS

La Porte County

		Price/Income Ranges		
		Subsidized Affordable <80% AMI hh income: <\$44k sale: <\$200k rent: <\$1,000	Workforce 80% - 120% AMI hh income: \$44k - \$66k sale: \$200-\$300k rent: \$1,000-\$1,400	Upper Income 120%+ AMI hh income: \$66k+ sale: \$300k+ rent: \$1,400+
TOTAL NET NEW DEMAND	5,700	at least 1,200	at least 3,300	at least 1,200

Read More: [Montgomery County, MD](#)

source: US Census' Greenstreet calculations

*note: Affordable homes for sale will likely need to be developed by a local community development corporation with significant federal or philanthropic support.

Build a Spectrum of Housing to Unlock Growth

The Two–Year Plan

To meet long–term goals, smaller steps in the near term will ensure the County is on track.



\$

240+ affordable units

Affordable to families making less than 80% AMI, or about \$44,000 for a family of 2.

Example: Starting teacher, average firefighter

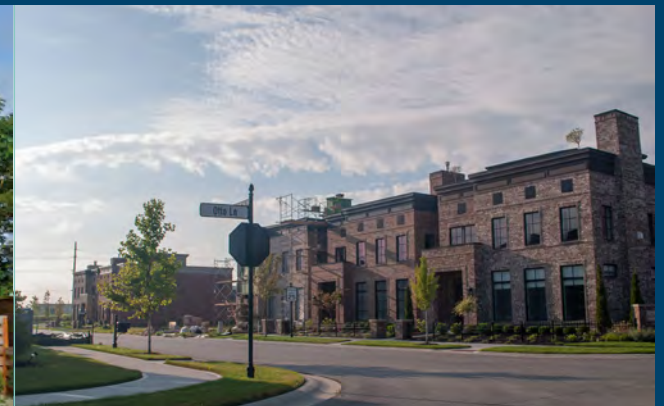


\$\$

660+ workforce units

Affordable to families making 80%-120% AMI, or about \$44-\$66,000 for a family of 2.

Example: Engineer, Casino Dealer



\$\$\$

240+ upper income units

Affordable to families making over 120% AMI, or about \$66,000 for a family of 2.

Example: IT Network Manager, Doctor

Build a Spectrum of Housing to Unlock Growth



Build Subsidized Mixed-Income Housing

\$

Problem

Low-Income households lack quality options at affordable prices near economic opportunity. 56% of low-income households have unaffordable housing payments.

Result

Families and workers cannot build wealth and take care of basic needs. Landlords get away with charging high rent as housing stock continues to deteriorate instead of selling to first-time homes or other investors willing to rehab.



Build Attainable and Workforce Housing

\$ \$

Problem

Existing middle-income residents have few options if their housing needs change, and the workforce La Porte County needs to attract has few options to move into the county, closer to work.

Result

Constrained hiring means constrained economic development. Population numbers may not grow until this need is sufficiently met.



Build Upper Income Housing

\$ \$ \$

Problem

Many older households with means wanting to “move up” into a nicer house cannot. This higher priced housing is in short supply generally, including many newer formats in walkable locations in the heart of La Porte or Michigan City.

Result

Existing middle priced homes do not enter the market for the next family or investor to renovate. These residents may eventually leave.

Establish a Housing Trust Fund

PROPOSED IMPLEMENTERS

Elected Officials, staff planners, Nonprofit

MEASURE

Study feasibility and complete need assessment

The cost to build or renovate old housing stock is prohibitive. This development gap limits the amount and quality of affordable housing for residents of La Porte County.

Establish an affordable housing trust fund to support the demolition, construction, and rehab of homes limited to lower and middle income residents, either for-sale or for-rent.

This will raise home values, support the rehab industry, and ensure safer conditions for residents who may only have poor choices among negligent landlords.

Case Study: Washington State Housing Trust Fund

Washington State

This statewide fund uses recording fees collected at the county level to build and preserve affordable housing for extremely low-income and very low-income households. Two thirds of the funds go straight back to the county, while the remainder stays at the state for administrative and technical support. In 30 years, over 50,000 units have been built or preserved.

source: Washington State Department of Commerce



Support Commercial Centers with Dense, Walkable Housing

PROPOSED IMPLEMENTERS

Developers, plan commissioners, staff planners

MEASURE

Zoning and other regulations promote walkable density;

Commercial centers become vibrant

Commercial centers need to be the center of something: a market to serve.

Provide easier access to jobs and commercial services for more people by allowing denser, walkable developments near existing commercial centers.

This lowers transportation costs for residents, improves labor access for employers, and makes commercial centers more viable. This can also unlock infill housing investment taking advantage of current infrastructure instead of new expansions.



Source: Northwest Indiana RDA

Commercial and civic centers, including Franklin Street and the 11th Street South Shore Line Station need to be supported with jobs and residents to be successful. This means promoting dense residential infill nearby.

Smart Growth: Read More:

[Smart Growth America](#)

[American Planning Association](#)

[NWI TOD](#)

Case Study: Mixed-Use Malls

Crocker Park, West Lake, Ohio

The need for walkable housing near commercial centers is illustrated by the new model for shopping mall development and redevelopments. Most now have numerous housing types integrated into the shopping and working areas.

This housing, but also class-A office space and hotel (not pictured) keep shopping centers like Crocker Park vibrant during all times of the day, and far more resilient in the long run. Different uses support the space and share parking with offset peak-use times.



image: Launch Workplaces

Above: Apartments and office space above ground floor retail mimic a historic building type.



image: Apartment Finder

corporate headquarters



image: Google

Above: Townhomes line the edges of big-box stores and parking areas to create more inviting streets. Most have parking in the rear.

Manage Growth at the Edge

PROPOSED IMPLEMENTERS

City and County elected officials, staff planners

MEASURE

New housing production in annexed areas;
Municipal population growth

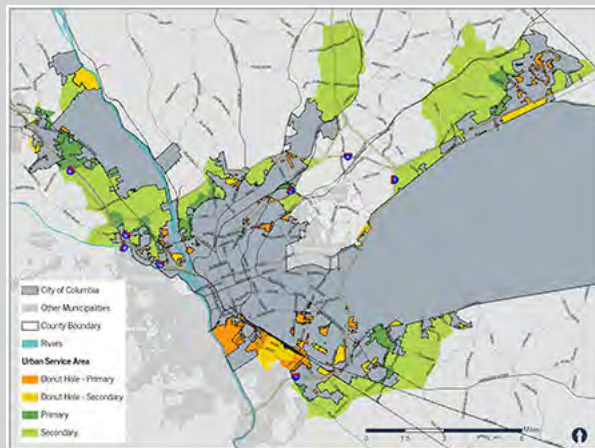
The cities and towns of La Porte County are ready to grow their geographic boundaries, and expand infrastructure. Consider tools such as Urban Service Areas that...

clearly communicate the intention to annex and provide infrastructure while also protecting the agricultural and natural lands beyond.

Unmanaged sprawl can undermine effective infrastructure and service delivery, build acrimonious relationships across political boundaries, and constrain new housing development.

Case Study: Urban Service Area

Columbia, South Carolina



“The Urban Service Area defines areas outside the City of Columbia that reasonably could be provided with City services. Some of these services, such as water and sewer, may already be available beyond the City limits but are subject to out-of-city rates. Other services are only available to properties within the City of Columbia. While all properties adjacent to the City limits are eligible for annexation, the location and staffing of existing or proposed City services, such as police stations, fire stations, and solid waste routes, means that the City can more readily serve some adjacent areas than others.”

Source: <https://www.columbiasc.net/planning-preservation/annexations/urban-service-area>

Read More:
[Columbia, SC](#)

Case Study: Compact Rural Development

Serenbe, GA

Serenbe focuses on farming and social interaction in a town setting nestled in the Georgia hillcountry.

Five neighborhoods are nestled amongst 1,200 acres of forest and meadows, connected by over 15 miles of nature trails. The town center is made up of more than 30 shops and businesses including The Inn, five restaurants, and a playhouse.

It's success has made the local organic farm and restaurants a regional destination.

"We created plans for 20 percent more residential units than would have been possible with traditional development practices and preserved over 70 percent of 'developable' land for agriculture and open space—all of this within 30 minutes of the world's busiest airport." -Steve Nygren, President and Founder, Serenbe.



Source: Life at Serenbe



Source: Forbes



Source: Forbes

Continue the Conversation

PROPOSED IMPLEMENTERS

LPC Association of Realtors, Municipal Leaders, Vibrant Communities of LPC, Housing Opportunities, staff planners

MEASURE

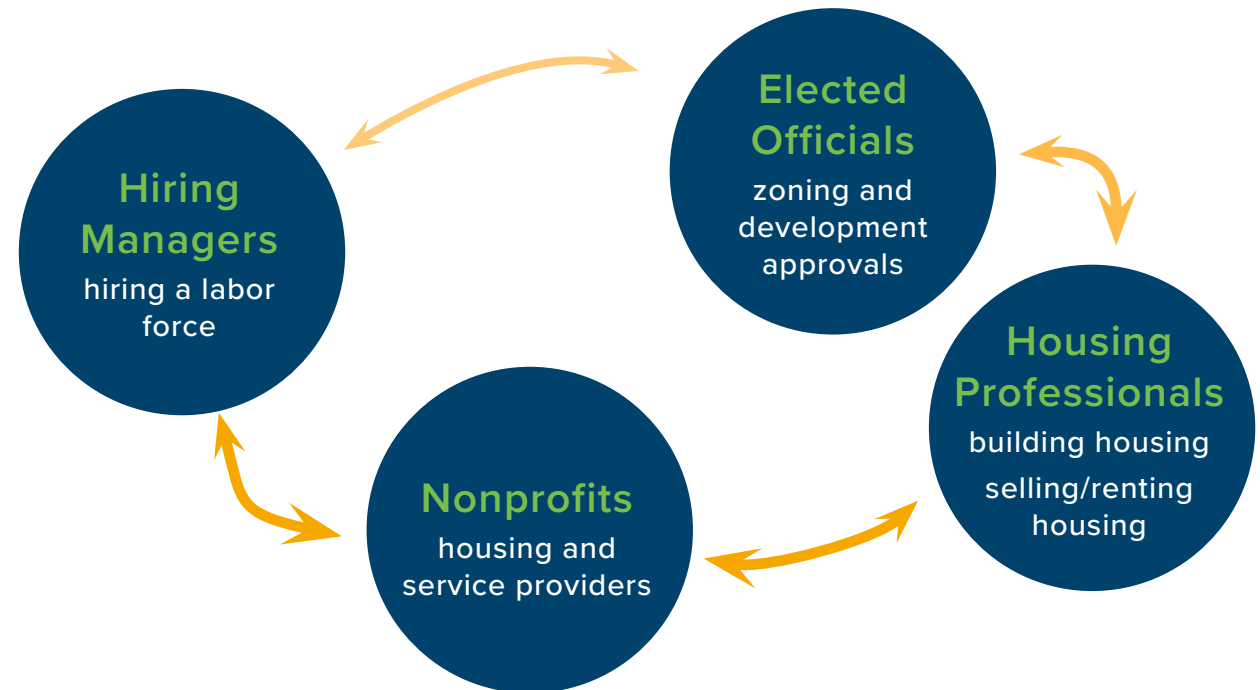
Annual summit, quarterly roundtable with key stakeholders: elected officials, employers, housing professionals

To grow, La Porte County needs to attract new households that may have different tastes.

Keep housing production aligned with demand by keeping elected officials, housing professionals, and the business community informed.

Regular communication between these groups can keep everyone on the same page, including when priorities shift.

KEEP ALL
STAKEHOLDERS
INFORMED OF
THE VISION AND
LATEST TRENDS



Source: HUD, LPCAR, Greenstreet Analysis



Next Steps

1. Wrangle the Building Permit Data

2. Continue the Conversation

Bust myths

Adapt and coordinate

3. Assess Development Ordinances

Improve development efficiency with mixed uses

Reduce minimums, single-family-only zoning

Make entitlements process more iterative

4. Launch Trust Fund Feasibility Study

Gather buy-in



Thank You

Materials can be found at

Vibrant Communities of La Porte County's website

<https://vibrantlpcounty.com/resources/people/>

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