



Chapter 2: Regional Profile



2

The MACOG region is located in North Central Indiana and consists of Elkhart, Kosciusko, Marshall and St. Joseph Counties. Two of the four counties (St. Joseph and Elkhart Counties) border the Michigan state line. There are 35 cities and towns in the Michiana Area. Figure 2-1 shows the population estimates for the largest communities in each of the four counties.

As seen in Figure 2-2, the region is centrally located to several major cities in the Midwest. South Bend (the largest city in the region) is located 95 miles or two and a half (2 1/2) hours of drive time east of downtown Chicago, 155 miles or three (3) hours north of downtown Indianapolis, and 215 miles or three and a half (3 1/2) hours southwest of Detroit. Additionally, the region is approximately 35 miles or 45 minutes southeast from Lake Michigan.

The MACOG region is home to several attractive water resources. The region is unique in that its water resources drain into three major water body networks: the Great Lakes, the Mississippi River, and the Ohio River. A large portion of the region's water flows into the St. Joseph River via the Elkhart River and other tributaries, and further drains into Lake Michigan. Over 130 natural lakes occur in the region, more than half being located within Kosciusko County. Many of these lakes are hot spots for recreation, such as Lake Wawasee, the largest lake wholly contained in Indiana. Below the surface, the only

Figure 2-2: MACOG Region Location



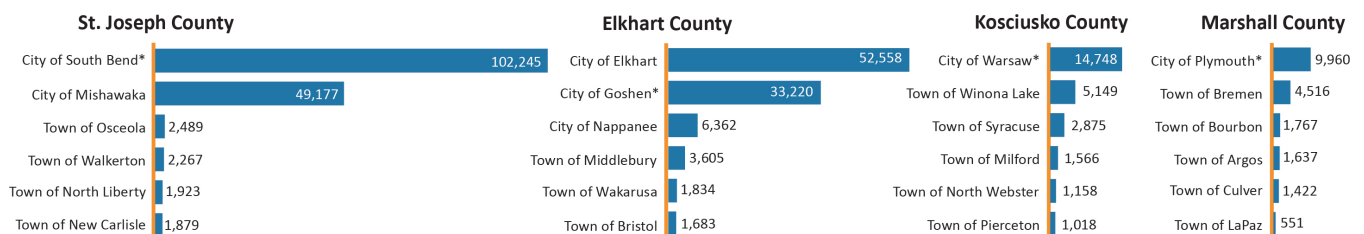
sole source aquifer in Indiana is located within Elkhart, Kosciusko, and St. Joseph Counties. This portion of the region is designated as a Wellhead Protection Area, meaning that it receives a special level of protection from groundwater contamination.

Population Trends

Population Growth

Indiana is the 17th most populated state, at 6,691,878 people, according to 2018 population estimates by the U.S. Census Bureau. The population change for Indiana from the 2010 Census to the 2018 estimates was 207,817 individuals at a rate of 3.2%, ranking Indiana 30th in the nation for percent of growth. The overall national growth rate the 2018 U.S. Census Bureau estimates is 6%, with a national population near

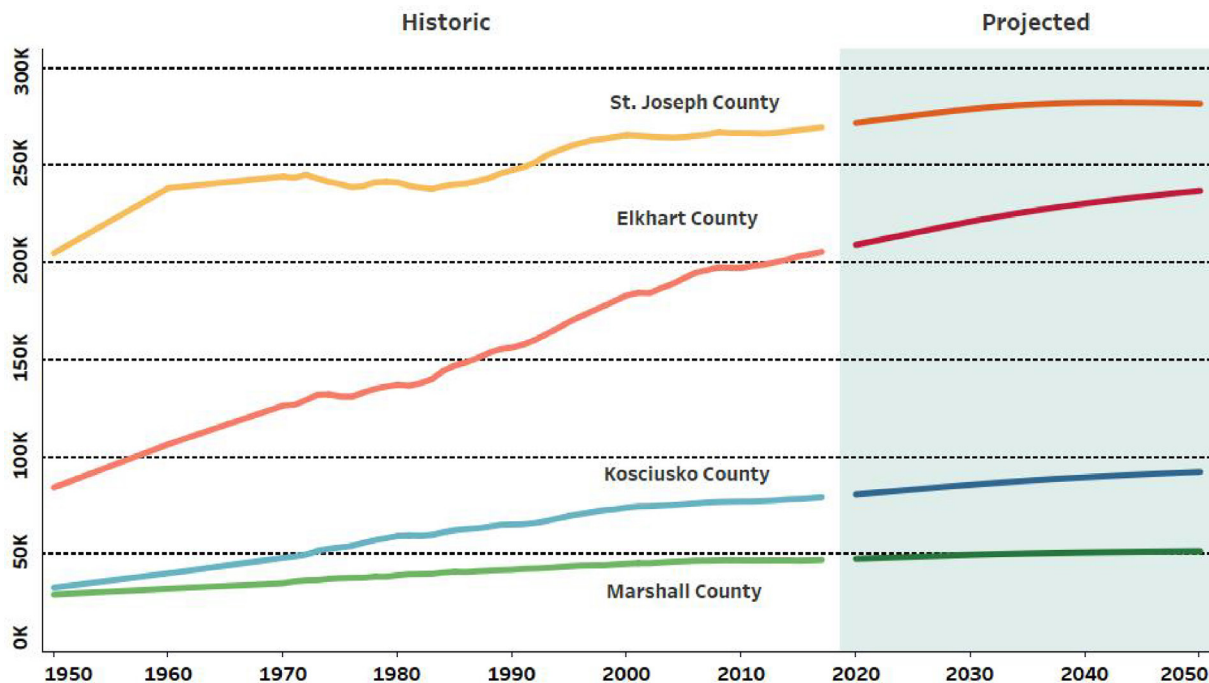
Figure 2-1: Growth of the MACOG Region



Source: 2017 Population STATS Indiana and U.S. Census Bureau

*Indicates the county seat

Figure 2-3: Growth of the MACOG Region



Source: 2017 Woods & Poole Economics and Census Bureau

327,167,434 people. This is an increase of 18,409,329 since the 2010 Census. Though Indiana has a low ranking for population growth, the surrounding states grew at even smaller rates: Michigan at 1.1%, Ohio at 1.3%, Kentucky at 3%, and Illinois lost population at -0.7%.

The region has been continually growing over the past seven decades, from a region of approximately 350,000 people in 1950 to a region of just over 600,000 residents in 2018. As seen in Figure 2-3, the highest growth of the region was between 1990 and 2000. In that timeframe, the region saw population growth increase by 11%, which was the highest percentage increase since 1960. During that time, Elkhart County grew 17%, Kosciusko County grew 13%, and St. Joseph and Marshall Counties grew at 7.5% and 7% respectively. In the last decade, while growth has slowed, the region remains on an upward population trajectory.

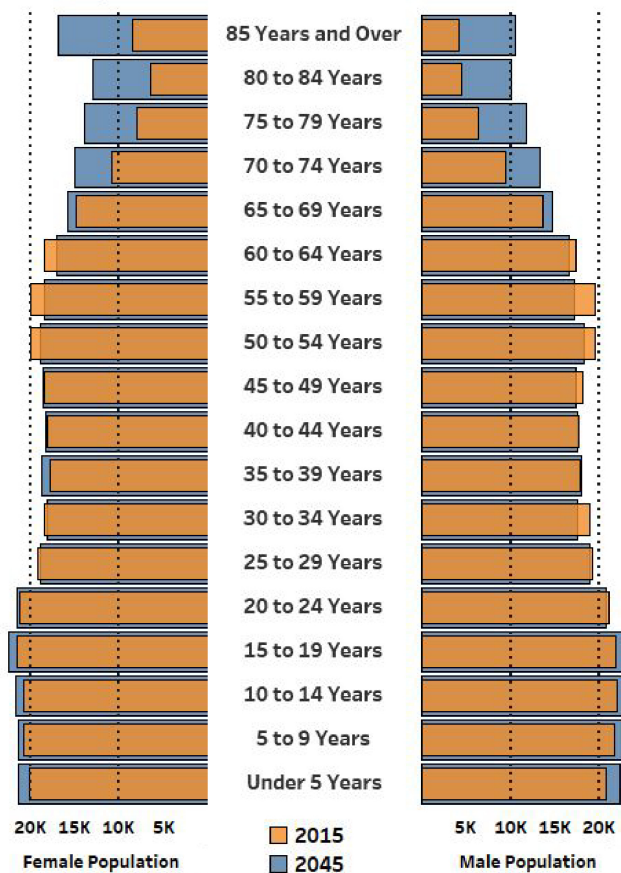
Using Woods and Poole Economic data to project out the regional population to 2045 it is anticipated that the population will increase to 659,000, nearly a 10% increase in population over the next 25 years.

Age and Gender

The median age of an area can be a key underlying economic indicator. Communities with a large populace in the working age groups typically have more economic productivity, with fewer dependents to support. The median age changed from 27.7 in 1970 to 37.7 in 2019. Growing median age is due to factors such as increasing life expectancy and declining fertility rates that have been found to be common in developed countries. This 10-year increase in median age in the MACOG region also aligns with several decades of the regions fastest growth rate, suggesting migration to the region potentially due to economic growth. Also matching the forecast for population in the regions four counties, the median age is anticipated to level out and increase by less than 1 year (38.15) from 2020 to 2045.

A marker of diversity is age groups and gender. In 2015, the MACOG region had large populations under age 25 and in their late 40's to early 60's. The largest group was 15 to 19 years old. In Figure 2-4, the wider sections of the population pyramid around the young and the middle-aged suggest higher birthrates, falling or stable death rates, and the potential for population growth.

Figure 2-4: Populations Pyramid



Source: 2017 Woods & Poole Economics and Census Bureau

The region had a similar balance between female and male populations in 2015. The most pronounced differences between genders is noted with a slightly higher male population at ages 19 and below and higher female population from the age 60 and over. The balance in genders remains similar in projections of 2045; however, the total population from 65 and over is estimated to consist of over 14,000 more females than males.

Furthermore, in 2045, the MACOG region is projected to have a vastly different distribution. This is most noticeable in the aging population groups. The largest group remains between years 15 and 19 and the population under age 25 continues to grow. Ages from 50 to 64 lose population by nearly 8% total, with the biggest loss between 55 to 59 years old at 10%. The largest growth occurs in population 65 years old and older, nearly doubling by 2045.

Race and Ethnicity

One marker of diversity is the racial makeup of communities. St. Joseph County has the highest minority population at approximately 27%. The minority population is similar in Elkhart County at 25% of the population, and lower in Kosciusko and Marshall Counties at 12% of the population. Related to ethnicity, Elkhart County is home to the largest Hispanic population, with 34,678 people which is almost 17% of the population. The next largest Hispanic population is in St. Joseph County at 7% of the total county population.

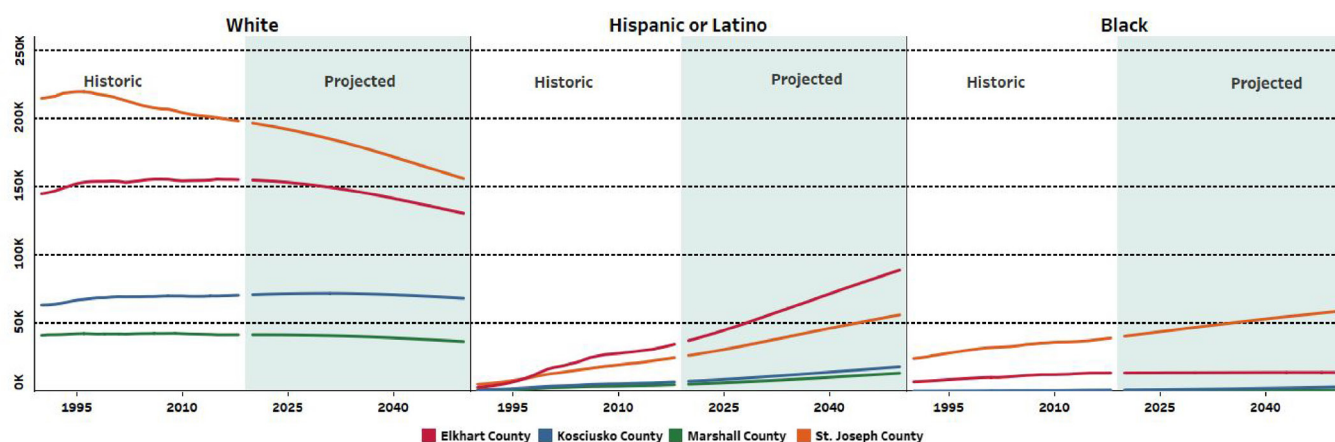
According to the Indiana Business Research Center at Indiana University's Kelly School of Business, "Indiana's population will become increasingly diverse over the next 20 years as the state's Hispanic, 'two or more races,' Asian and Black populations grow rapidly" (2008). In particular, the Hispanic or Latino population is projected to double by 2030 to over 500,000 persons across the state. The Asian population is expected to grow substantially by more than half. While the impact to the region is difficult to project, it is safe to argue the state trend will be reflected in our local figures.

As noted in Figure 2-5, three of the major Race and Ethnicity categories show similar trends. Historically in the region, the White population has either slowly risen or declined. Both St. Joseph and Elkhart Counties are expected to respectively see a decrease of 26% and 15% in the White population through 2045. Marshall and Kosciusko Counties are also projected to see a decrease in the White population, however at a much lower rate.

In contrast, the Latino or Hispanic population has grown at a constant rate since 1995. Notably, Elkhart County may see population for Hispanic or Latino grow as high as 92% from 1995 to 2045, a change from 6,951 to 89,075. The projected growth rate of the Hispanic or Latino people group is similar in St. Joseph County with an 85% increase in the same period. While Marshall and Kosciusko Counties have similarly high percentage increases, their total Hispanic or Latino population is anticipated to remain below 20,000 residents in either county.

Similarly, trends within the Black population show an increasing trajectory with the highest increase in population seen in Elkhart and St.

Figure 2-5: Race and Ethnicity



Source: 2017 Woods & Poole Economics and Census Bureau

Joseph Counties. Elkhart County may see a slight increase in the future forecast at just over 5,000 new Black residents. St. Joseph County however may see an increase of over 50% of the Black population from 1995 to 2045, which equates to 30,000 people.

Language

Spanish is the main non-English language spoken in the region, with the area having a higher percentage of Spanish-speakers at 7.8% as compared to 4.7% of Indiana's population. As seen in Table 2-1, of the population that speaks Spanish, just under half speak English less than very well.

Household Trends

The term household population describes the number of people in a type of housing unit, and it can include groups of related or unrelated people or a single occupant. The region's number of households was estimated at 219,941 for 2018, with most of the households consisting of families. The average regional household size is 2.63 persons. Elkhart County has the largest average household size, at 2.78 persons, and St. Joseph and Kosciusko Counties has the smallest average, at 2.55 persons.

Table 2-1: Household Populations

Area	Population over the age of 5	Speaks Only English		Speaks Spanish					
		Total	Percent	Total	Percent	Speaks English "very well"		Speaks English less than "very well"	
						Total	Percent	Total	Percent
Elkhart	187,563	152,739	81.4%	22,696	12.1%	12,319	54.3%	10,377	45.7%
Kosciusko	73,586	66,271	90.1%	4,214	5.7%	2,341	55.6%	1,873	44.4%
Marshall	43,835	38,971	88.9%	3,063	7.0%	1,466	47.9%	1,597	52.1%
St. Joseph	251,197	227,661	90.6%	13,703	5.5%	8,602	62.8%	5,101	37.2%
Region	556,181	485,642	87.3%	43,676	7.8%	24,728	56.6%	18,948	43.3%
State	6,196,098	5,672,618	91.9	288,236	4.7%	171,534	59.5%	116,702	40.5

Number of Households vs Population

Between 2010 and 2017, the number of households increased 1%, which was quite different from the population growth during that time at 10%. This showed itself in growing average household size. However, in each county the population and number of households in the region grew at differing rates. Elkhart County's population grew at 4% while the number of households grew at 2%. In Kosciusko County, the number of household's fell by 1%, while the population grew at 3%. In Marshall County, the number of households fell 2% as population grew 1%. In St. Joseph County, there was only a slight growth for both population and the number of households at 2% and 1% respectively.

With the varying population and household change, the average household size also changed during this time. Elkhart County had the most number of people per household at 2.78 in 2010 and stayed stagnant with no growth in average household size by 2017. Marshall County has the next highest average household size at 2.67, which was an increase from 2.63 in 2010. Kosciusko County slightly grew the average household size from 2.49 to 2.55. For both Kosciusko and Marshall Counties, the difference in change of population was positive while the change in households decreased showing evidence of growing family sizes. St. Joseph County slightly grew in average household size from 2.52 person per house in 2010 to 2.55 in 2017.

Household Income

Per capita income is often used to measure economic well-being. It is the mean money income for the past 12 months for every person age 15 and older. The national per capita money income is \$31,786. Indiana's per capita

income is \$28,323. The four counties in the region are all under both the United States and Indiana, with a regional average per capita income of \$22,945.

Poverty

The U.S. Census determines the poverty status of families by assigning each family to an income threshold based on family size and ages of the members. If a family's income falls below that threshold, the family is considered to be in poverty. The poverty guideline for a household of four is \$25,750. For a household of two, it is \$16,910 and for a household of three, \$21,330. St. Joseph County has the highest percentage of poverty at 12.6%, followed by Elkhart County (10.5%), Marshall County (8.5%), and Kosciusko County (8%).

Table 2-2: Household Populations

Households	Elkhart County	Kosciusko County	Marshall County	St. Joseph County
Total	71,733	30,265	17,249	100,694
Family	72%	71%	70%	64%
Non-family	28%	29%	30%	36%
Average Size	2.78	2.55	2.67	2.55

Table 2-3: Household vs. Population Growth 2010-17

Area	Population	Number of Households
Elkhart	4%	2%
Kosciusko	3%	-1%
Marshall	1%	-2%
St. Joseph	2%	1%
Region	10%	1%

Table 2-4: Household Income

Area	Per Capita money income in past 12 months (2017 dollars), 2013-2017
Elkhart	\$22,187
Kosciusko	\$24,082
Marshall	\$22,493
St. Joseph	\$23,082
Indiana	\$28,232
United States	\$31,486

Economic Trends

Housing Supply and Vacancies

The residential housing supply has grown just over 2% from 2010 to 2017. This is substantially lower than the regional population growth rate. Supply has stayed near 250,000 residential housing supply over the last decade. Due to that trend the 10% population growth in the region shows further evidence of a growing household size.

In 2000, almost 8% of the housing supply was vacant and in 2017, almost 13% was vacant. Since 2010, the rate of vacant homes has been increased by approximately 6,000 homes. In Elkhart County, the number of vacant housing units has stayed almost the same, dropping slightly from 2014 to 2016. In Kosciusko and Marshall Counties, the number of vacant housing units has increased steadily since 2011. Figure 2-10 shows the percentage of vacant homes per county. Very noticeable is the Kosciusko County's 20% vacant rate in 2017. Second homes such as vacation homes are considered by the U.S. Census as vacant, as such the high rate of vacancy in Kosciusko County is likely due to the number of lake homes in which are both second homes and seasonal rentals.

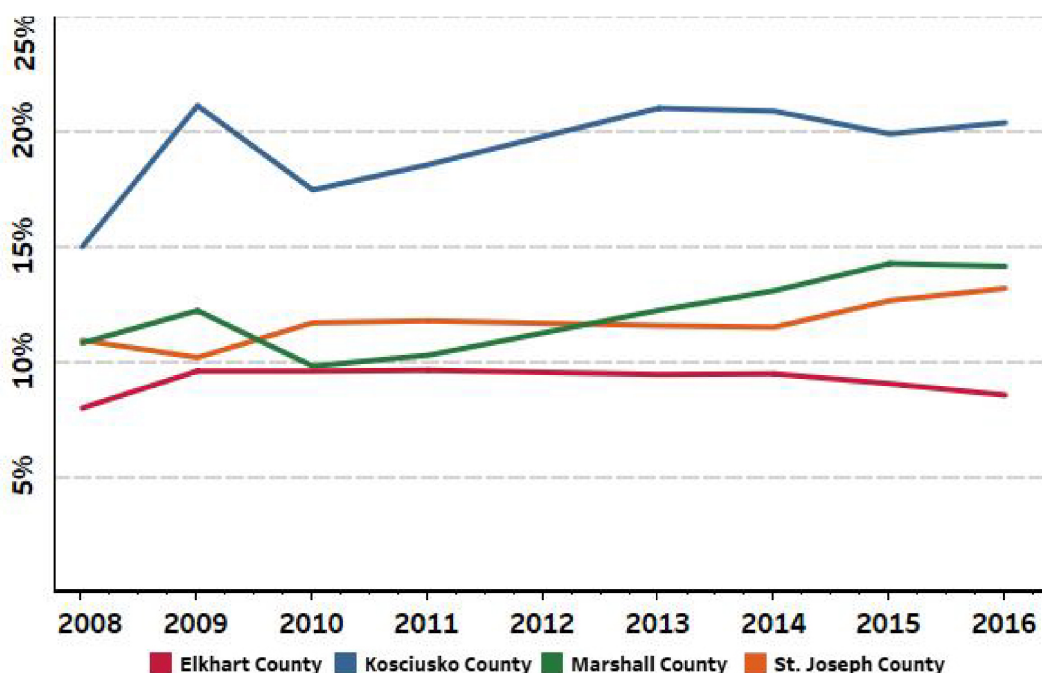
The Great Recession took its toll on a number of economic factors for several years. From 2000 to 2009, there was a decrease of issued residential building permits by 71.84%. Growing into a stronger economic environment since that time, there was an increase in issued permits from 2009 to 2018 of 56.13%. There are initiatives in place by the local communities to address the growing vacant homes and blighted properties. The uptick in new housing could partly be explained by replacing vacant or blighted properties with new residential construction.

Employment

The labor force has been growing since the Great Recession. The region is currently seeing its highest employment rate in history. 2018 was the first year employment had reached and exceeded the 2007 pre-recession records. Figure 2-11 shows the change in employment between 1970 and 2019. The nation has seen several recessions since the Great Depression. The Dot-Com Bubble recession took several years to recover; however, the Great Recession in the 2000's saw drops in employment that hadn't been seen since the recession of the early 1980's.

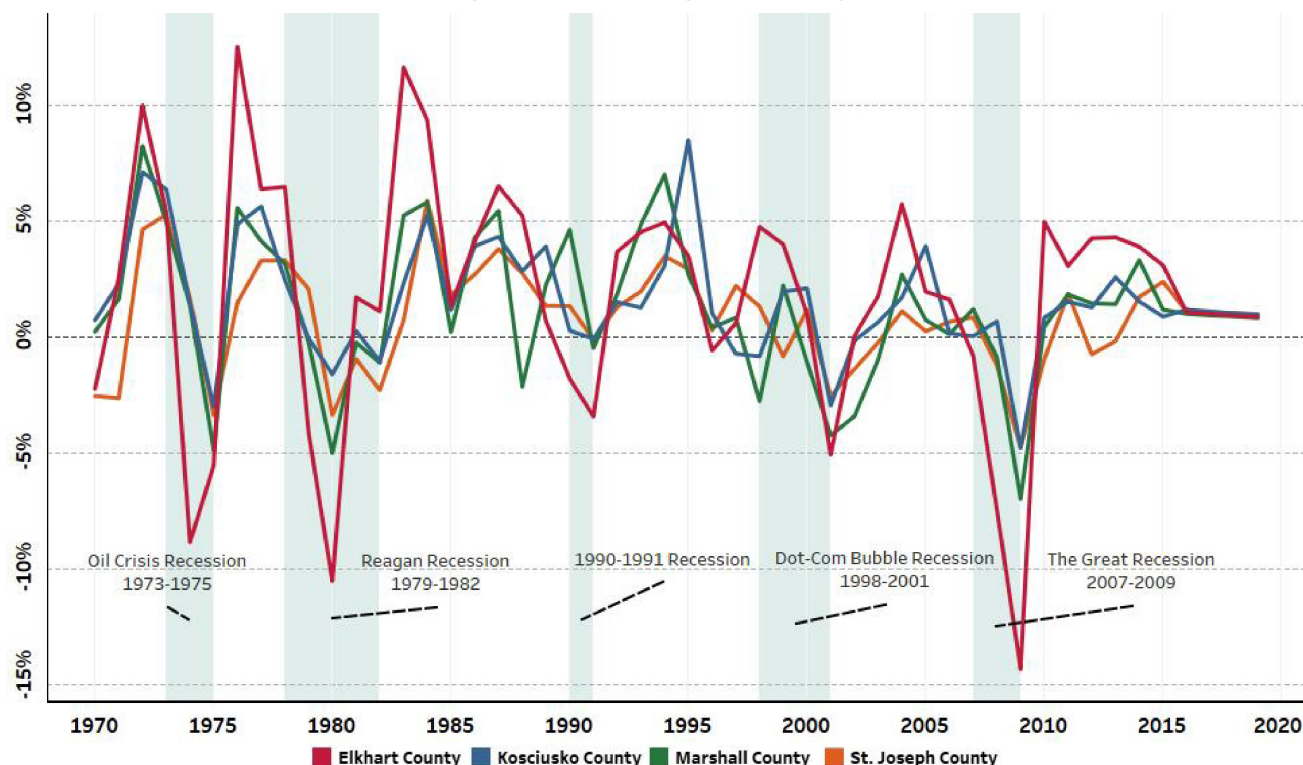
The largest change in employment since the 1980's occurred in 2009 during the national

Figure 2-10: Housing Supply, Percent Vacant Homes



Source: 2008-2012 & 2013-2017 American Community Survey 5-year Estimates

Figure 2-11: Change in Employment



Source: 2017 Woods & Poole Economics

Great Recession. The Michiana area experienced a higher job loss than the nation and the state. Elkhart County lost nearly 15% of their employment opportunities that year.

Regional employment has increased 11% since 2009. Elkhart County saw the most growth at 20%, or 36,299 jobs. The region has seen more employment growth than Indiana and the U.S., though their employment decline was also greater during the recession. St. Joseph County has not recovered like the other counties, with employment falling nearly 5% during the recession and only rising 6% from 2009 to 2018.

Major Employers

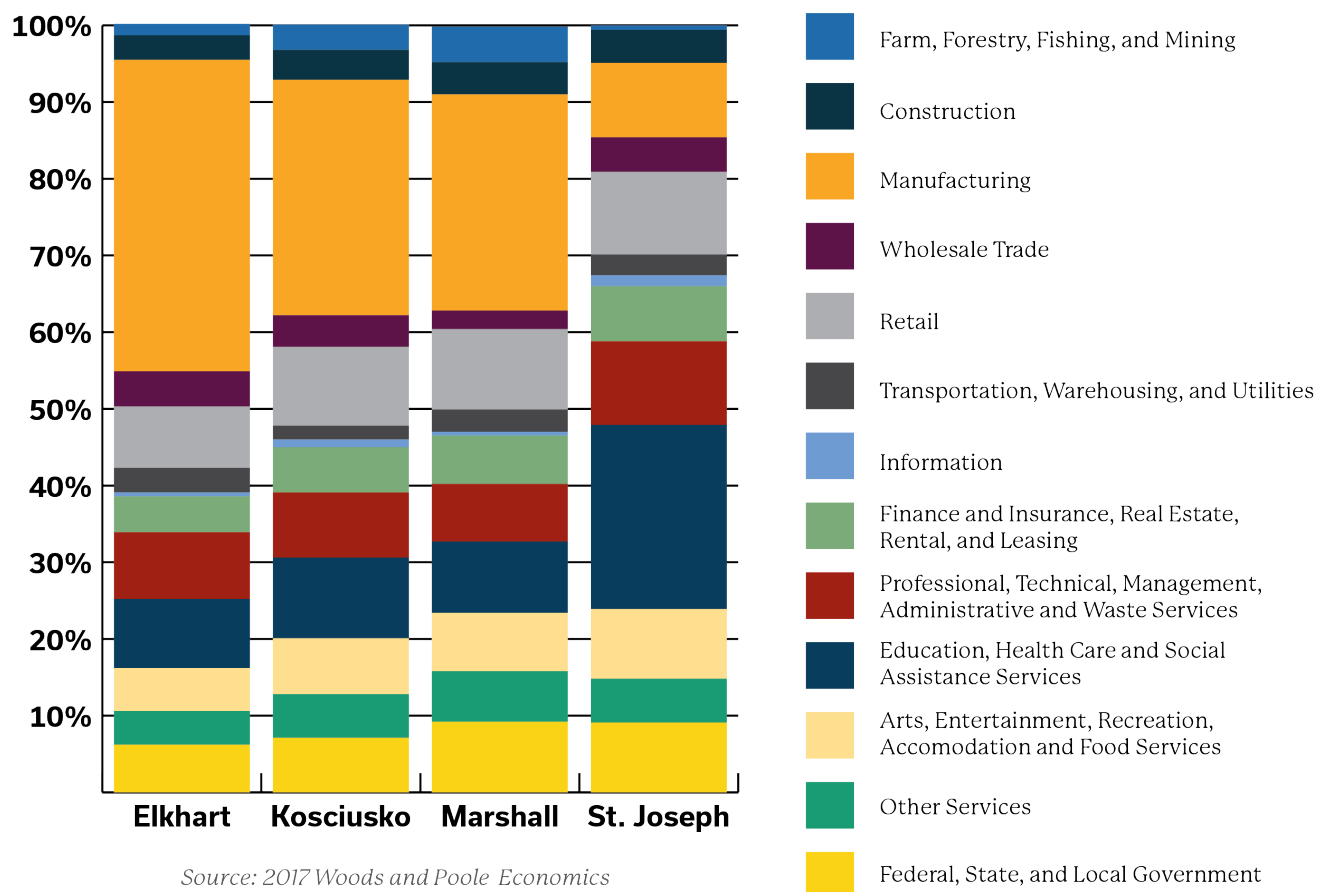
Major employers of the region are in the manufacturing, health, and education sectors. In Elkhart County, the largest employers are Thor Industries, Inc., Forest River, Inc., Lippert Components, Inc., and the Beacon Health System. In Kosciusko County, the three largest are Zimmer Biomet Holdings, Inc., LSC Communications, and Chore Time Brock, Inc. In Marshall County,

the Culver Academies, Nishikawa Standard, and Plymouth Community School Corporation are the largest employers. In St. Joseph County, some of the largest employers are Beacon Health System, the University of Notre Dame, and South Bend School Corporation.

Employment by Sector

The predominant job sector in the region is manufacturing making up one quarter of the working population with 102,126 employees in 2019. Elkhart County is comprised of the greatest concentration of jobs in the manufacturing industry at 63,964, or 43% of all the county's workers. Kosciusko County also has a high rate of manufacturing employees at nearly one third of its workers. All counties also have a high rate of health care and social assistance jobs with St. Joseph having the highest number of jobs at 23,989, or 14% in this sector. Educational services, construction, administrative, professional and technical, state and local government, and retail workers make up a substantial working population in the region

Figure 2-12: Percent of Employment by Sector



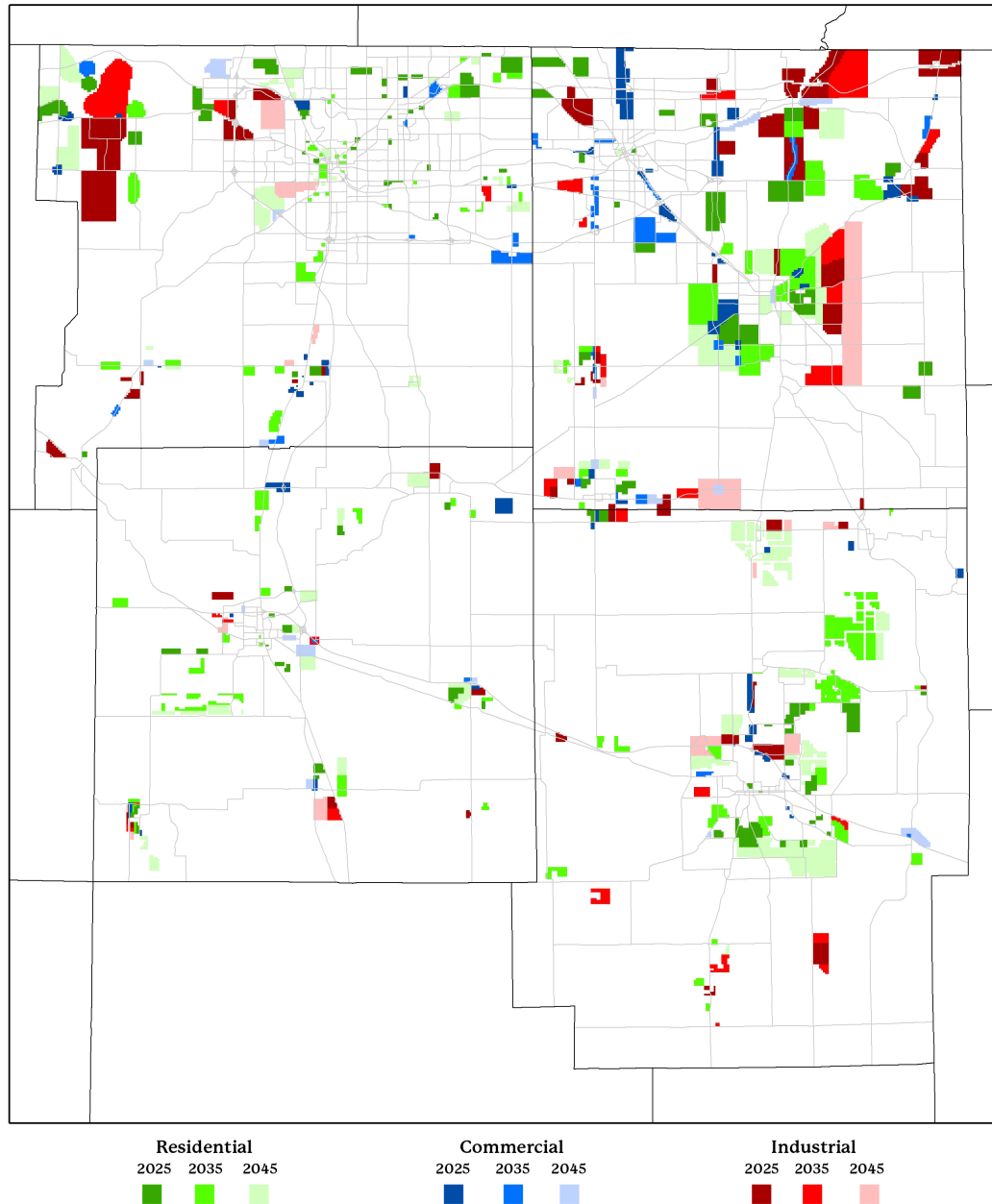
at 175,790 employees. This group consists of nearly 44% of the total worker population in the region.

Land Use Development Patterns

Land use and transportation influence each other. Intense land uses demand transportation services while transportation facilities are capable of being catalysts for development. Automobile travel is encouraged by development patterns that are low-density with separate land uses, and in return, new development is designed around that mode of transportation.

The Land-Based Classification Standards, developed by the American Planners Association in coordination with six federal agencies, is a flexible land use classification system to provide a more comprehensive view of land use than traditional classifications. MACOG uses the “Activity” dimension to classify residential, shopping and business, industrial, social and institutional, travel, mass assembly of people, leisure, natural resources, and unclassifiable land uses.

Figure 2-13: Planning Projected Land Use Changes 2025-45

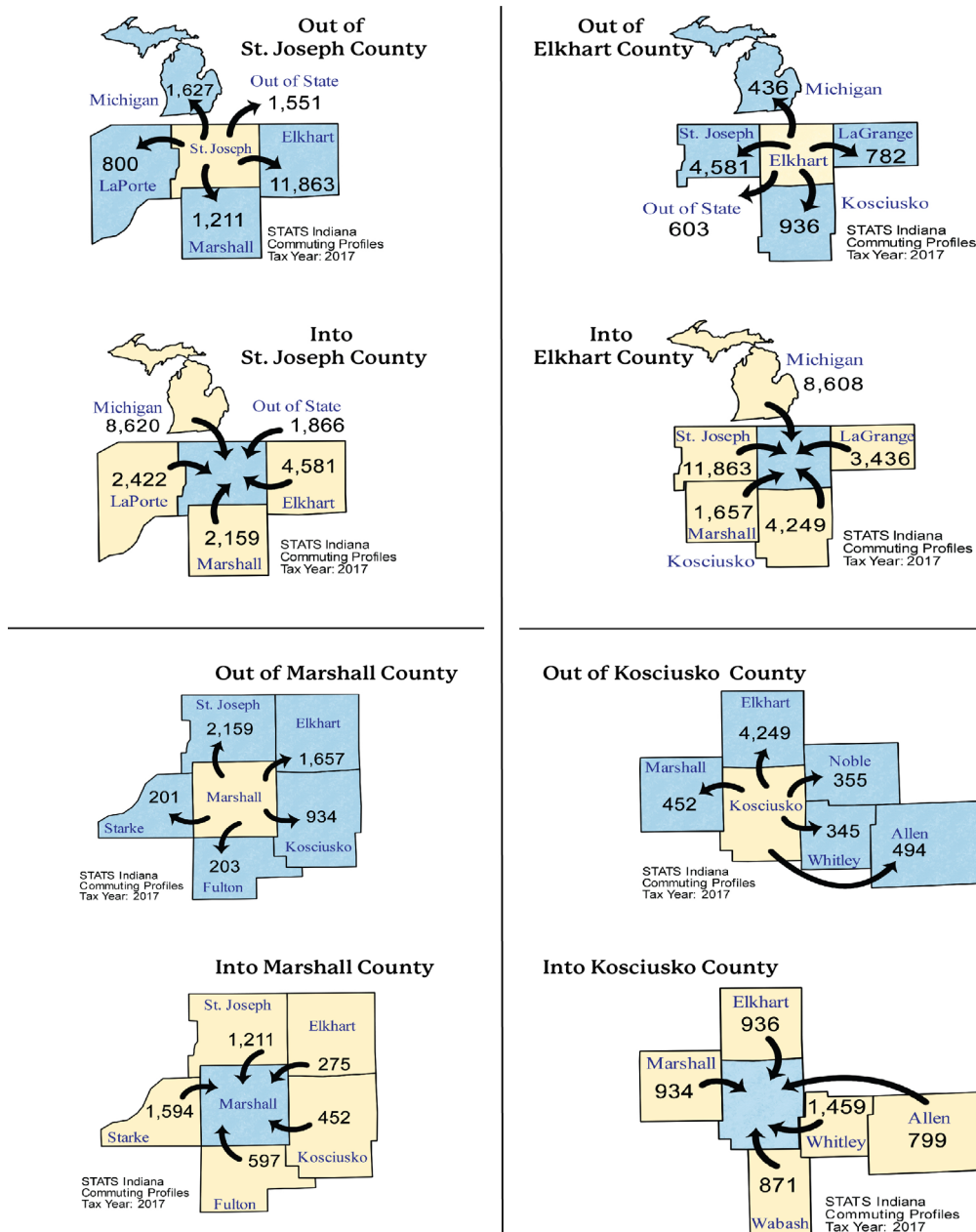


During the development of Michiana on the Move: 2045 Transportation Plan, several sessions were held with stakeholders throughout the MACOG region. Many of these meetings were held with high-ranking officials from municipalities and communities; such as, Mayors, community economic development organization directors, city planners and parties interested in community investment. During the first meeting, a plan was developed to guide the attendee's in developing a strategy for locating where growth would occur in their respective areas. From that meeting MACOG digitized a

location map highlighting growth over the decade leading to 2025, the time between then and 2035 and finally what would be built up by 2045.

This meeting generated population densities through projected residential growth areas as well as commercial and industrial goals from the stakeholders for development of land over the same times periods. Figure 2-13 shows the outcome of how those stakeholders envision growth in the MACOG region to develop over the next 20 years.

Figure 2-14: Commuting Flows



Commuting Flows

Traffic flow commuting profiles can be used as one way to understand how traffic moves throughout Elkhart, Kosciusko, Marshall, and St. Joseph County. Understanding traffic flows between counties is important for planning future transportation needs. Elkhart County and St. Joseph County are major employment centers for the region, attracting 29,813 and 19,648 commuters respectively. Based on Indiana IT-40 2017 Tax returns, a little over 82% of Elkhart and St. Joseph County workers have jobs

located within their county of residence. Of the remaining 18%, generally 16,444 workers, or 30%, travel between Elkhart and St. Joseph County to work. The remaining workers commute to Michigan and the surrounding counties including LaGrange, Kosciusko, Marshall, and LaPorte Counties.

Marshall and Kosciusko County exhibit different travel patterns, with a slightly higher percentage of workers commuting to other counties. In both, there are more commuters traveling outside the county to work than those traveling into

the county to work. In Marshall County, 83% of workers stay in the county for work. The majority of the remaining workers commute to St. Joseph, Elkhart, and Kosciusko Counties. Kosciusko County retains 86% of workers, while 14% of their workers travel to the surrounding counties with the majority of these workers commuting to Elkhart County. See Figure 2-14 for the maps of the regions commuting patterns.

Households and Vehicles

The majority of the region's households have one or two vehicles available to household members. 86,485 households have two vehicles available, and 70,346 households have only one vehicle available. 45,691 households have three or more vehicles available, while 17,419 households have no vehicle available.

The mean household income was \$52,449 for Elkhart County, \$57,190 for Kosciusko County, \$51,869 for Marshall County, and \$45,012 for St. Joseph County. The Federal Highway Administration's publication, 'The Next Generation of Travel Statistical Analysis,' shows the higher a household's income, the higher the number of daily trips. Those trips are also related to automobile access and ownership.

Responses to income and travel trip questions

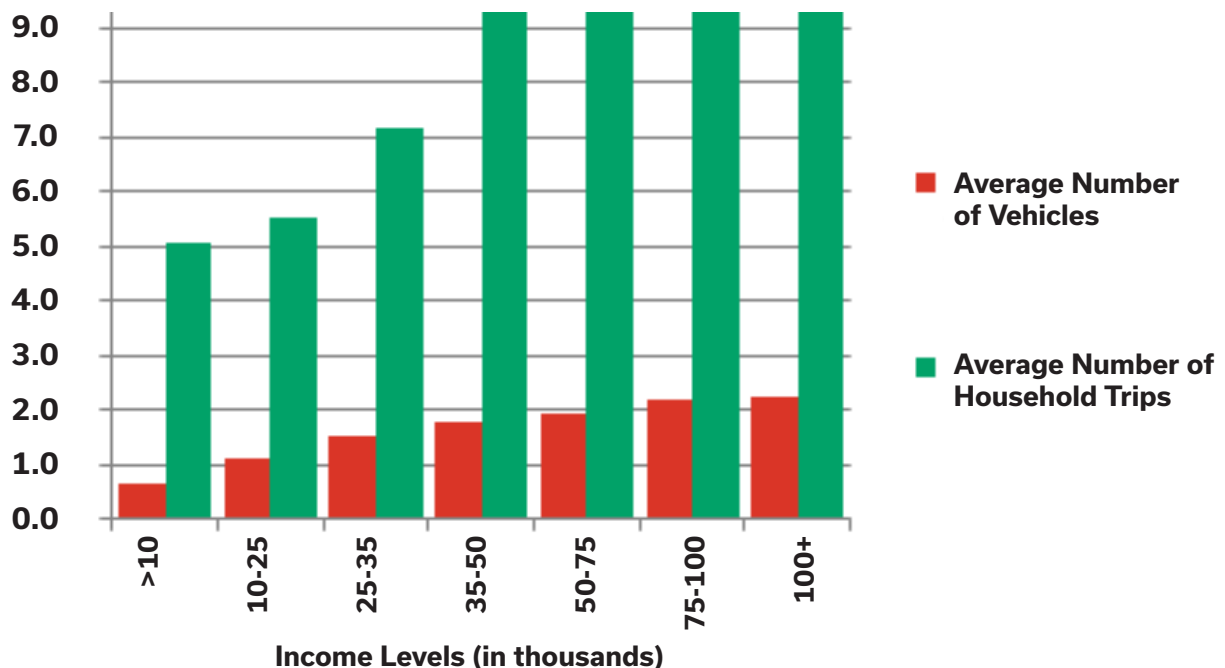
from the Michiana Area Travel Study are shown in Figure 2-15. According to the study, in the Michiana Area car ownership increases as income increases, as expected and number of trips generally increases as well. Households with incomes more than \$35,000 a year take approximately the same number of trips, 9.4 trips per day.

Connectivity & Accessibility

Quality of life is greatly impacted by connectivity of a transportation network and how accessible residential neighborhoods, commercial areas, and recreational facilities are to each other. Providing a variety of routes for different modes of transportation can enhance the network by making it last longer and be more reliable and efficient.

The Michiana area falls at a crossroads providing excellent accessibility to larger regional cities including Chicago, Indianapolis, Detroit, Toledo, and Fort Wayne. All of these locations can be traveled to within 3 hours via interstates and highways such as I-80/I-90, US 31, and US 30. This crossroads location not only provides local residents with convenient routes for longer travel, it also is a benefit for manufacturers and warehouses wanting to transport goods to other parts of the country.

Figure 2-15: Household Income vs Household Trips and Vehicles



The region also exhibits a strong local road network; demonstrating commute times lower than the national mean travel time of 25.4 minutes. Within the region, the large majority of commuters experienced a commute of 24 minutes or less. Elkhart County has the shortest mean travel time to work at 19.4 minutes. St. Joseph County had the 2nd lowest mean travel time at 19.9. These commute times correlated to the Michiana Area Travel Study that was conducted in the fall of 2013, where an average commute drive time was found to be 19.6 minutes. For the rural counties, mean travel time to work was slightly higher, 20.5 minutes for Kosciusko County and 21.6 minutes for Marshall County.

Even though the mean travel time was lower in Elkhart and St. Joseph Counties, the largest percentage of workers having a commute time less than 10 minutes were in Kosciusko and Marshall Counties. The largest percentage of workers in Elkhart and St. Joseph has a commute time between 15 and 19 minutes.

