



RENTAL TRENDS IN MARION COUNTY (2012–2017)

BACKGROUND

The availability of affordable housing is a predictor of homelessness,^{1,2,3} especially among renters.⁴ Increasing the availability and quality of affordable housing—particularly rentals—is a common strategy to prevent housing instability and eviction. In Marion County, 46 percent of households are renter-occupied—higher than both the state (31 percent) and national rates (36 percent). Given the relatively large renter population in Marion County, this report examines two trends related to housing instability among renters—rent burden and stagnant income—and how those trends may be informed by other issues.

APPROACH

This brief uses data from the 2017 U.S. Census Bureau’s American Community Survey to assess local trends in renter occupancy and cost. We show trends by census tracts and townships since housing-related issues also occur at the township level (e.g. evictions, property taxes). Because race and ethnicity are also predictors of evictions and rental-related outcomes, we assessed renter-related trends among black and Hispanic/Latino residents. Lastly, we conducted statistical correlations to assess the association between key rental-related trends.

MARION COUNTY RENTERS

Among Marion County renters, the majority live in Center, Wayne, and Washington townships. Center Township also has the highest proportion of renters; more than half of its households are renter-occupied (Table 1). Although only 9 percent of all Marion County renters live in Pike Township, 48 percent of the

KEY FINDINGS

- Marion County has a higher proportion of renter-occupied households than both Indiana and the United States.
- Center Township has the highest proportion of renters, while Pike Township has the highest proportion of black and Hispanic/Latino renters.
- Nearly half of renter-occupied households in Marion County are rent-burdened.
 - Marion County renters experience housing cost burden at twice the rate of homeowners.
 - Areas with more black and Hispanic/Latino renters tend to have higher rent burdens.
 - Areas with more white renters tend to have lower rent burdens.
- From 2012 to 2017, the median household income did not change substantially across Marion County while rent increased.
- During the five-year period, only Washington Township experienced an increase in median household income that exceeded its increase in rental costs.

households within that township are renter-occupied. Pike Township also has the largest proportion of black renter-occupied households (56 percent) and Wayne Township has the largest proportion of Hispanic/Latino renter-occupied households.

TABLE 1. Occupied housing characteristics (2017)

	RENTER-OCCUPIED HOUSEHOLDS	WHITE RENTER-OCCUPIED HOUSEHOLDS	HISPANIC/LATINO RENTER-OCCUPIED HOUSEHOLDS	BLACK RENTER-OCCUPIED HOUSEHOLDS	PROPORTION OF MARION COUNTY RENTERS
Center Township	59%	55%	7%	39%	20%
Decatur Township	31%	81%	5%	14%	3%
Franklin Township	25%	85%	5%	8%	3%
Lawrence Township	41%	42%	9%	52%	12%
Perry Township	44%	78%	7%	10%	11%
Pike Township	48%	31%	11%	56%	9%
Warren Township	42%	43%	9%	54%	11%
Washington Township	46%	56%	7%	35%	14%
Wayne Township	50%	44%	17%	41%	18%
Marion County	46%	55%	9%	39%	100%

Note: Values may not add to 100 percent due to rounding. Individuals who are Hispanic/Latino may identify as any race.

RENT BURDEN

The U.S. Department of Housing and Urban Development (HUD) defines rental cost burden as households paying more than 30 percent of their income toward rental costs. Households paying more than 50 percent of their income are considered severely rent burdened. First, Marion County has a high proportion of rent-burdened households. Forty-nine percent of renting households in Marion County are rent-burdened, while severe rent burden affects 26 percent of renters. Only 21 percent of homeowners experience housing cost burden (30 percent or more of their income on housing costs) and 9 percent experience severe housing cost burden (50 percent or more of their income on housing costs).

Next, rent-burdened households tend to be concentrated in a few areas of Marion County. Renters make up at least 40 percent of the population in all but one of the rent-burdened census tracts in Marion County. As shown in Figure 1, Center Township has the most rent-burdened areas, followed by Wayne, Warren, and Lawrence townships.

Finally, rent burden may be associated with race and ethnicity. As seen in Figure 2, 57 percent of rent-burdened census tracts are occupied by majority-

FIGURE 1. Percentage of renters experiencing rent burden in Marion County, by census tract (2017)

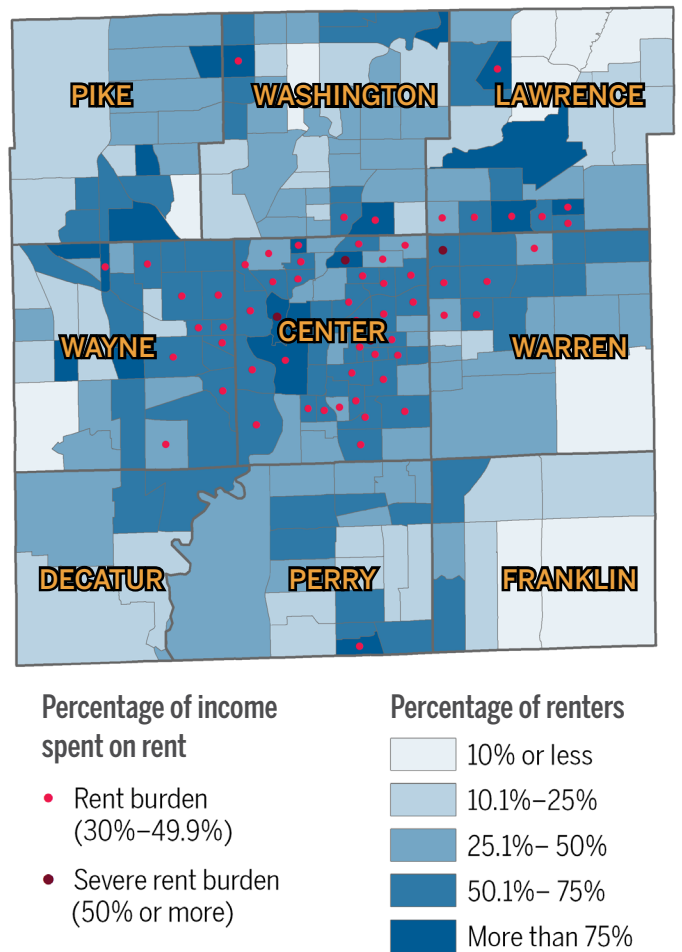
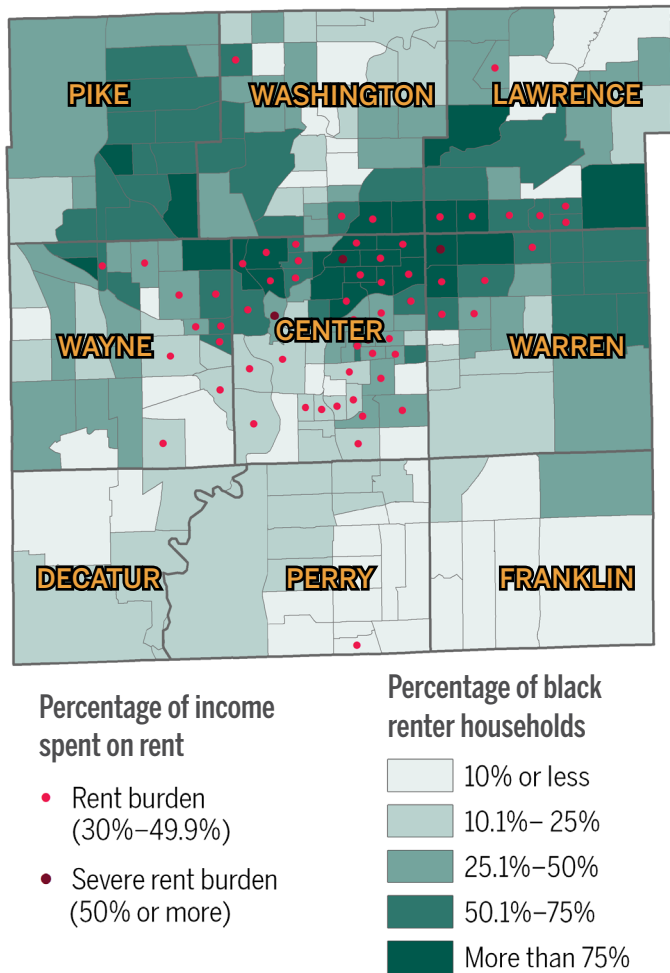


FIGURE 2. Percentage of black renter households experiencing rent burden in Marion County, by census tract (2017)



black renter populations. The percentage of black and Hispanic/Latino renters is each significantly and positively associated with the percentage of income spent on rent. That means, the more black and Hispanic/Latino renters in a census tract, the higher the rent burden in that area—with the opposite relationship for areas with large concentrations of white renters. In other words, more white renters in a census tract are associated with a lower rent burden in that area.

STAGNANT INCOME

National trends indicate that wages have not increased despite rises in rental costs. Marion County has also experienced this trend but it varies by township. A township’s median household income includes both homeowners and renters, but highlights trends that may exist even among those who are more financially stable.

As shown in Figure 3, median household incomes have remained mostly stagnant across Marion County from 2012 through 2017. Franklin Township maintained the highest median household income, while Center Township had the lowest. Franklin, Pike, and Washington townships were the only townships that experienced an increase in median household income of more than \$4,000 during that time.

FIGURE 3. Median household income (2012–2017)

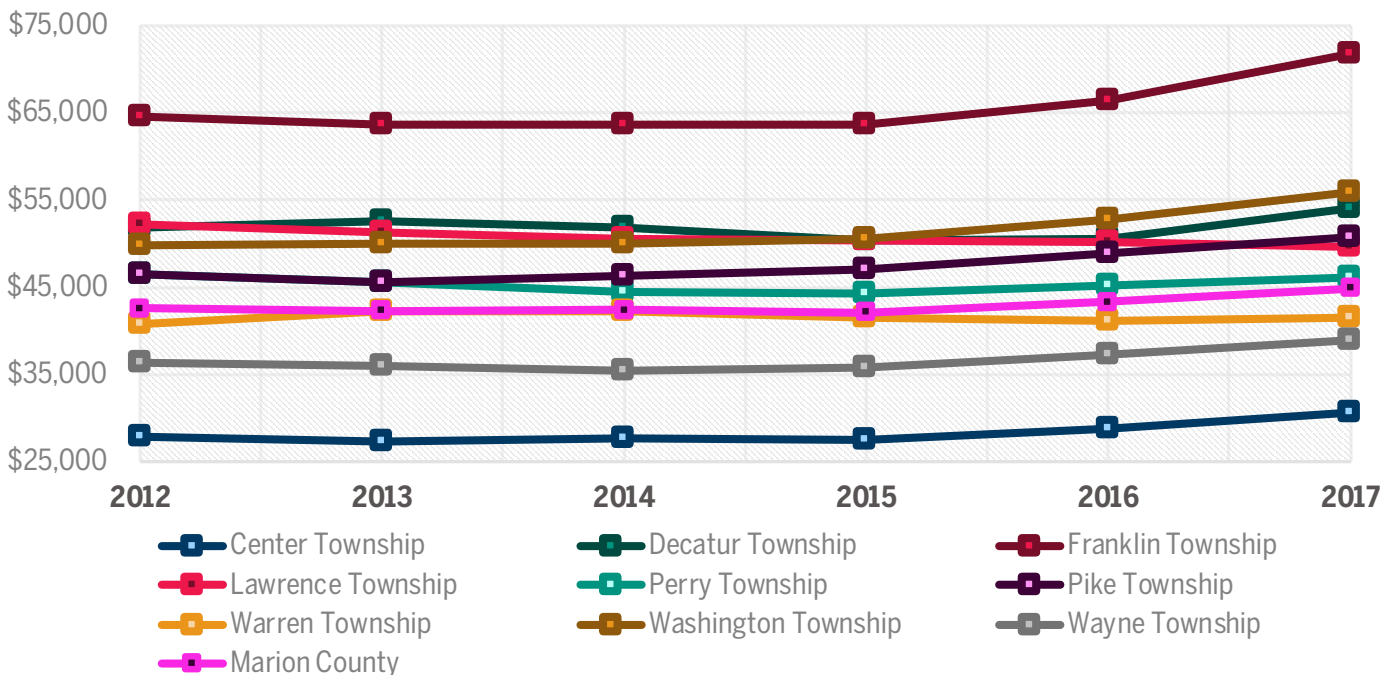


FIGURE 4. Median monthly rental housing cost (2012–2017)

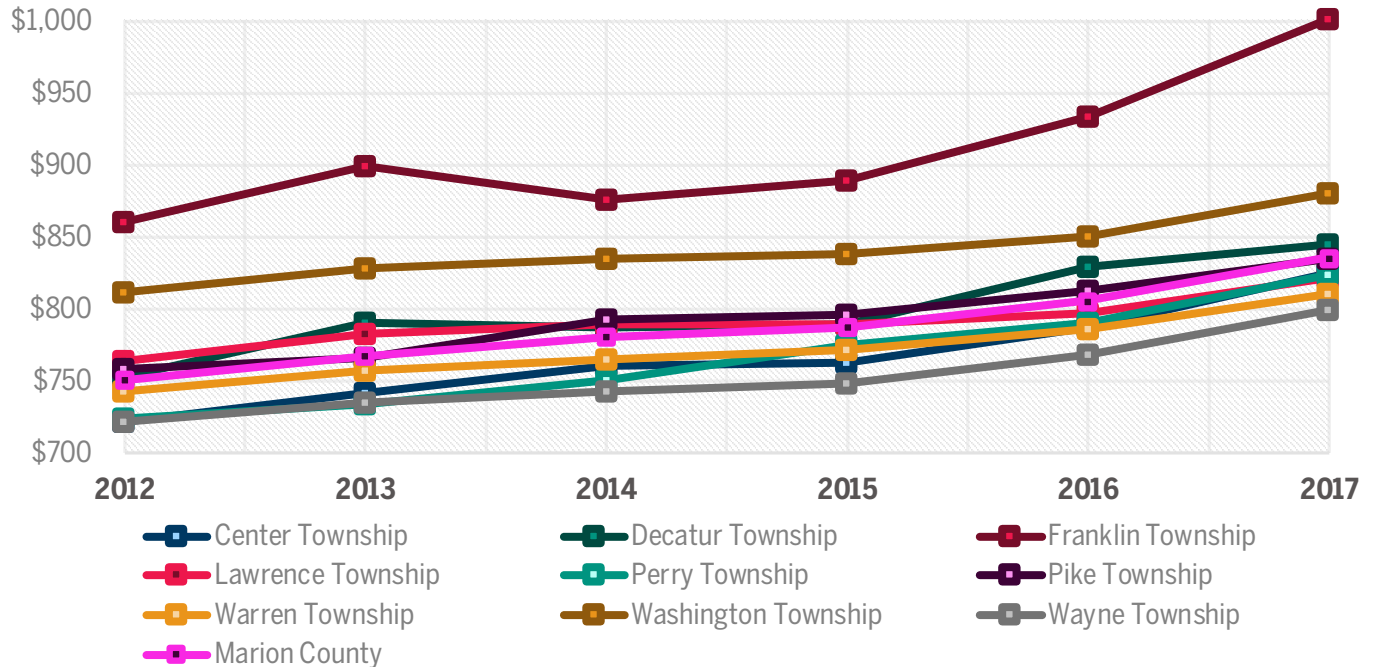
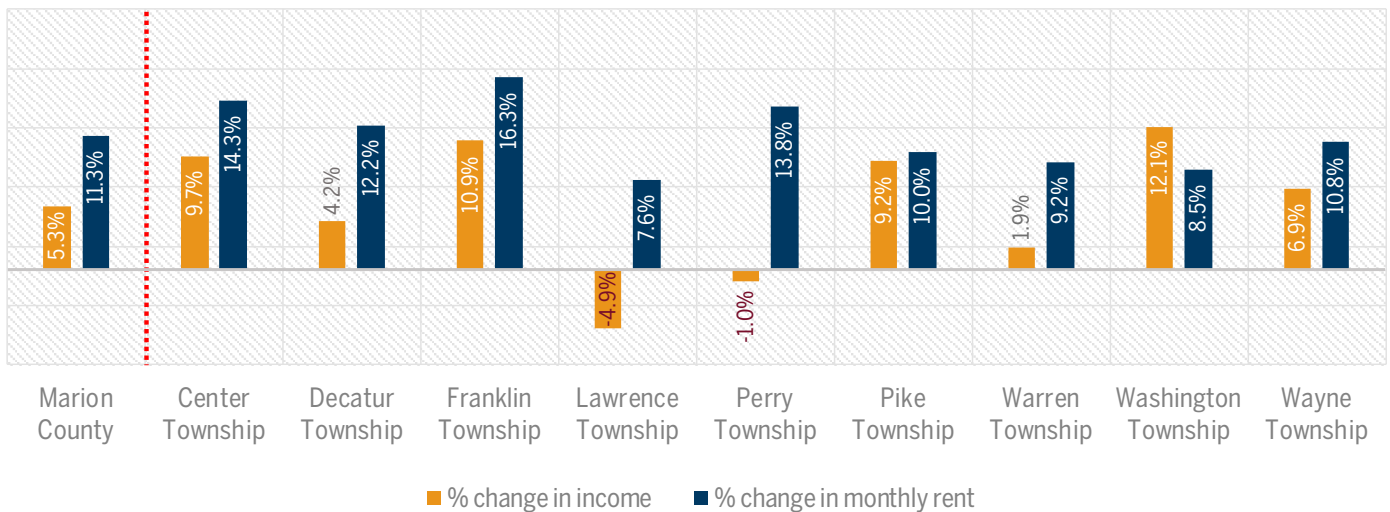


FIGURE 5. Change in income compared to monthly rent (2012–2017)



In contrast, median rental housing costs (Figure 4) have trended upward during the same five years. Franklin Township had the highest monthly rental costs of all townships, while Wayne Township primarily had the lowest monthly rental costs from 2012 to 2017.

Rental costs may offset even modest increases in median household income, but only Washington Township experienced an increase in household income that exceeded its increases in rental costs.

As seen in Figure 5, Franklin Township experienced the largest percent change (16 percent) and dollar amount increase (\$140) in median monthly rent during the five-year period.

Washington Township had the highest percent increase in income from 2012 to 2017. Lawrence Township experienced the largest percent decrease in income (4.9 percent). Both Lawrence and Perry townships experienced a percent decrease in income and a percent increase in monthly rent costs.

IMPLICATIONS

Overall, affordable renting may be difficult for residents in Marion County due to high rent burdens, stagnant incomes, and increasing rental costs. These trends are compounded by race and ethnicity, where black and Hispanic/Latino renters may find renting to be less affordable based on where they live.

These findings suggest additional research is needed to better contextualize instability and eviction trends. For example, Wayne Township has the lowest rental costs, but the highest eviction rates. It also contains one of the most diverse renter populations among Marion County townships. The role of race/ethnicity should be explored more closely in these trends. Specifically, the concentration of minority renters suggests structural factors influence why areas in which they live bear a greater financial burden related to renting.

Finally, Marion County residents may benefit from more opportunities for better-paying jobs and affordable rental units. Even though stagnant wages and higher rent are national trends, there disparities exist even within townships. Efforts to

address differences in income and rent requires support and strategies from employers across the county and region and among property owners and organizations involved in providing affordable housing opportunities.

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101 West Ohio Street, STE 400
Indianapolis, Indiana 46204

Phone: (317) 278-1327
Email: IUCRISP@iu.edu
go.iu.edu/CRISP

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PREPARED BY

Breanca Merritt, Ph.D., *Founding CRISP Director*
Karla Camacho-Reyes, *Graphic Design*
Elle Yang, *Program Analyst*
Kelsie Stringham-Marquis, *Research Coordinator*