About MAC
Six of Indianapolis’ oldest and most important anchor institutions, with their community partners, have formed the Midtown Anchor Coalition: Butler University, Butler-Tarkington Neighborhood Association, Christian Theological Seminary, Citizens Energy Group, Crown Hill Heritage Foundation, Indianapolis Museum of Art, International School of Indiana, and Midtown Indianapolis, Inc. Together, these organizations employ over 2,000 people, own 1,100 acres of land and over three million square feet of facilities, spend over $117 million annually on goods and services, and attract 1.1 million visitors annually. While they share a common geography northwest of downtown Indianapolis, more importantly, this Coalition shares a commitment to enhancing the collective assets of Midtown as a premier destination to live, work, visit, and learn in the Central Indiana Region.

Anchor institutions have a significant stake in the health of their surrounding neighborhoods. Given the scale and scope of their operations, they also have the resources to make a difference. Anchors can include universities, hospitals, schools, museums, libraries, cemeteries, performing arts facilities, locally-focused philanthropies, faith-based institutions, military installations, and, in some cases large corporations. For-profit businesses such as financial institutions, media companies, utilities, pharmaceutical and technology companies, and sports franchises can also serve as anchors in their community. A defining characteristic, however, is the locally-serving nature of non-profits such as hospitals, universities or museums which means that jobs are not subject to corporate relocation. They are place-based, having significant ties to a geographic location. Anchors earn their name by reason of mission, capital investment, history and/or long-standing relationships to their community.

Economic trends related to globalization, such as the decline of the traditional manufacturing base and the rise of the service sector, has led to the growing importance of anchor institutions to local economies. Anchor institutions, such as hospitals, colleges, universities, and cultural institutions are now the largest employers in 66 of the top 100 inner cities, including Indianapolis. As cities like Cleveland, Cincinnati, Baltimore and Detroit have found, the economic engine of anchor institutions can be more effectively leveraged, contributing to the community in new and significant ways.
Helping employees live close to where they work

A housing incentive program for employees can be a unique tool to attract and retain talent in an anchor institution. Further, as opposed to a higher salary or bonus, a housing incentive program has the added benefit of being a multiplier by impacting the neighborhood surrounding the anchor institution with a new household. An employee living closer to work can open up more options for transportation; transit, walking or biking. As transportation is the second largest expense of the average household, mobility options can reduce annual transportation costs which can help drive more discretionary spending and the local economy.

COSTS AND BENEFITS

The direct cost of incentivizing employees to live close to where they work can be significant, depending on the goals of the anchor institution and the degree to which that anchor institution can access matching funds from other sources. However, the anchor institution should frame those costs relative to the costs of employee hiring and retention.

Estimates of the cost of employee turnover are as much as 150 percent of annual salary for higher salaried employees and lower for hourly or lower salaried employees. There are some direct costs, like advertising or hiring an outside recruiter to fill a position, but most of the true cost is internal and hidden in lower productivity, overworked remaining staff, lost institutional knowledge, internal recruiting costs, interviewing costs, and training costs.

An employee can benefit directly from the financial incentives to purchase, repair or rent a home. In addition, a program can offer flexible underwriting standards and lower interest rate loans, financial or homeownership counseling, as well as access to professional assistance from mortgage lenders, REALTORS, and contractors.

PROFILE OF MIDTOWN ANCHOR COALITION EMPLOYEES

<table>
<thead>
<tr>
<th>LOCATION</th>
<th>EMPLOYEES (EST.)</th>
<th>SHARE</th>
<th>AVERAGE WAGE (EST.)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nearby: 46208 and 46228</td>
<td>227</td>
<td>11%</td>
<td>$52,645</td>
</tr>
<tr>
<td>Rest of Marion County</td>
<td>1,081</td>
<td>52%</td>
<td>$44,048</td>
</tr>
<tr>
<td>Outside Marion County</td>
<td>779</td>
<td>37%</td>
<td>$39,174</td>
</tr>
</tbody>
</table>

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<tr>
<th>NEW INVESTMENT IN MIDTOWN</th>
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<tbody>
<tr>
<td>Higher-paid employees tend to live nearby, with the presence of many middle- to upper-class neighborhoods. Providing a range of housing options will be important to making sure there are quality options for employees of all income levels.</td>
</tr>
</tbody>
</table>

Approximately 800, or 40 percent, of the Midtown Anchor Coalition employees live outside Marion County. An incentive program to attract those employees to live close to work would provide a tangible benefit to the employee, encourage employee retention, support the stability of the neighborhood, and add to the Marion County property and income tax base.
MARKET OPPORTUNITIES IN MIDTOWN

Demographic and consumer preference trends drive housing demand. With the location, amenities, and quality of life assets of the neighborhoods surrounding the Midtown Anchor Coalition, four target market segments provide demand for new housing options in the Midtown Anchor Coalition study area.

SINGLES AND COUPLES WITHOUT CHILDREN

- Smaller, childless households of all ages in the Midtown Anchor Coalition study area: 3,401
- Often willing or required to rent, and sacrifice space for neighborhood amenities
- Walkability and safety are two important neighborhood factors
- With some apartment options, new construction around Tarkington Park can provide better amenities

LOW-INCOME HOUSEHOLDS

- Households making less than $35,000/year in the Midtown Anchor Coalition study area: 2,757
- These households need quality, affordable homes, often subsidized
- Access to jobs, education, and support services is important
- These households are often “transit-dependent”: 70% of IndyGo riders earn less than $25,000 a year
- Illinois Place (pictured) is one example of affordable housing development nearby

FAMILIES WITH CHILDREN

- Households with children under 18, whether related or not, with parents that may or may not be married in the Midtown Anchor Coalition study area: 2,465
- Generally attracted to single family, detached homes, with more space and bedrooms
- School quality and choice is paramount to attracting this group, and is often cited as the reason for leaving
- Many neighborhoods have appropriate housing options and good schools, but access to those schools is often limited either by tuition or space

RETIREES

- Households with householders over 65 in the Midtown Anchor Coalition study area: 1,191
- Interested in smaller, low-upkeep homes, both for-rent and for-sale
- About 60% of seniors will change housing type between the ages of 65 and 85, and surveys indicate that Baby Boomers want “safe urbanism,” walkability, and proximity to “third places”
- More housing is needed for empty nesters interested in downsizing or moving back from the suburbs

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