

Population Growth Cools in Many Indiana Communities

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After finally snapping a stretch of six consecutive years of declining annual population growth in 2013, Indiana saw its rate of population change take another step back in 2014 (see Figure 1), according to population estimates released in March by the U.S. Census Bureau.

The state added roughly 26,140 residents in 2014—a 0.4 percent increase over the previous year. By comparison, Indiana added 33,100 residents in 2013, and grew by an average of nearly 40,000 per year between 2000 and 2010. Indiana ranked as the 29th fastest-growing state last year and its growth rate outpaced each of its neighboring states. With nearly 6.6 million residents in 2014, Indiana is the nation's 16th most populous state.

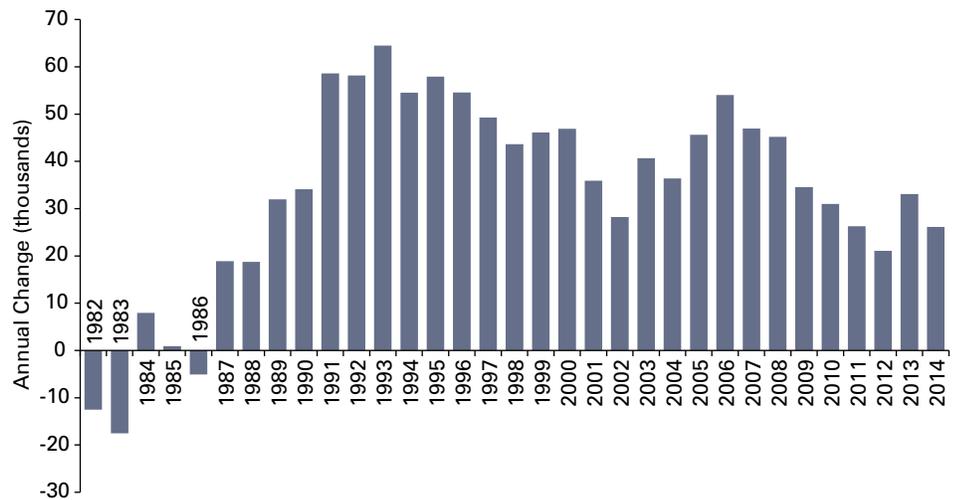
Population Change around the State

Suburban communities in the Indianapolis metro area claimed the top three spots among all Indiana counties for pace of growth (see Figure 2). Boone County was the state's fastest-growing county with a 2.3 percent increase, followed by Hamilton County (2.0 percent) and Hendricks County (1.6 percent). These three held the top spots in 2013, as well, but each of them saw slightly slower rates of growth in 2014.

Southwestern Indiana's Daviess County and Clark County in the Louisville metro area—each with 1.3 percent growth—rounded out the state's top five fastest-growing counties in 2014. Both of these communities bucked the statewide trend and posted stronger growth in 2014 than they did the previous year.

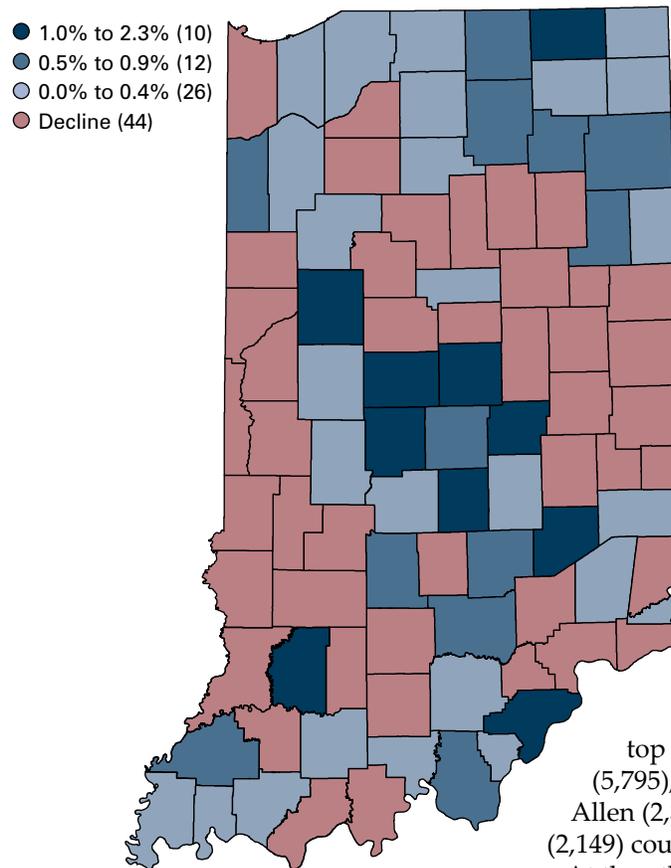
The next five fastest-growing counties were Hancock (1.2 percent growth), Johnson (1.2 percent),

FIGURE 1: Indiana Annual Population Change



Source: U.S. Census Bureau

FIGURE 2: Percent Change in Population by County, 2013 to 2014



Source: U.S. Census Bureau

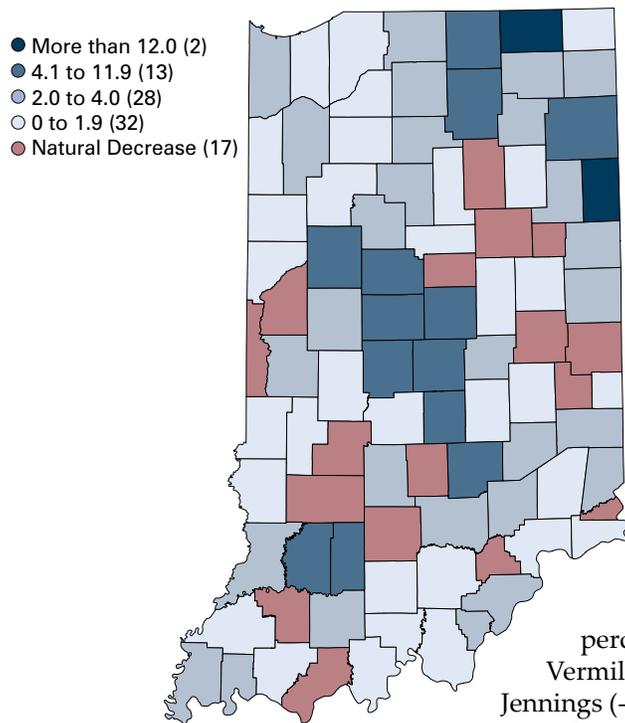
Tippecanoe (1.2 percent), Decatur (1.0 percent) and LaGrange (1.0 percent) counties.

For the third consecutive year, Marion County had the state's largest numeric gain with an increase of 5,894 residents in 2014. For Marion County—which has seen stronger-than-usual growth over the previous few years—the 2014 increase was its smallest one-year gain since 2007. Indiana's other

top gainers were Hamilton (5,795), Hendricks (2,412), Allen (2,322) and Tippecanoe (2,149) counties.

At the other end of the spectrum, many Indiana communities

FIGURE 3: Natural Increase per 1,000 Residents, 2014



Source: U.S. Census Bureau

lost population in 2014. Lake County (Gary/Hammond) had the state's largest population decline in 2014 with a loss of 1,175 residents. Grant County (Marion) had the state's second-largest drop at 475 residents, followed by Fayette County (Connersville) with a decline of 371 residents.

In terms of the pace of decline, Fayette County had the state's highest rate of population loss last year with a 1.6 percent decline. Fountain (-1.2 percent), Tipton (-1.1 percent), Vermillion (-1.0 percent) and Jennings (-1.0 percent) counties also posted significant population losses.

Components of Population Change

In all, 44 of Indiana's 92 counties lost population in 2014. A net out-migration of residents was

the primary driver of decline in nearly all of these communities, although 17 Indiana counties also posted a natural decrease of the population—meaning the county recorded more deaths over the year than births.

As **Figure 3** shows, many of the Indiana counties with a natural decline in 2014 are rural or mid-sized communities. With rates of natural decrease at roughly two residents per every 1,000 in population,

Vermillion (Newport), Blackford (Hartford City) and Fayette (Connersville) counties registered the greatest relative

declines through this process in 2014. The largest communities with a natural decrease in 2014 were Grant (Marion) and Wayne (Richmond) counties.

Among the 75 Indiana counties with a natural increase in 2014, LaGrange and Adams counties—both communities with significant concentrations of Amish residents—had the greatest relative gains in this measure with both around 13 per 1,000 residents. Hamilton, Marion and Elkhart counties rounded out the top five with each posting rates at a little more than 7 per 1,000 residents.

In terms of migration in 2014, Hamilton County had the state's largest net in-migration in absolute numbers at 3,298 residents, followed by Hendricks County at 1,594 residents and Clark County at 1,085 residents. Looking at net outflow, Lake County led the way with a net loss of 1,977 movers. Marion (-827) and Dearborn (-373) counties had the next-largest net out-migrations in 2014.

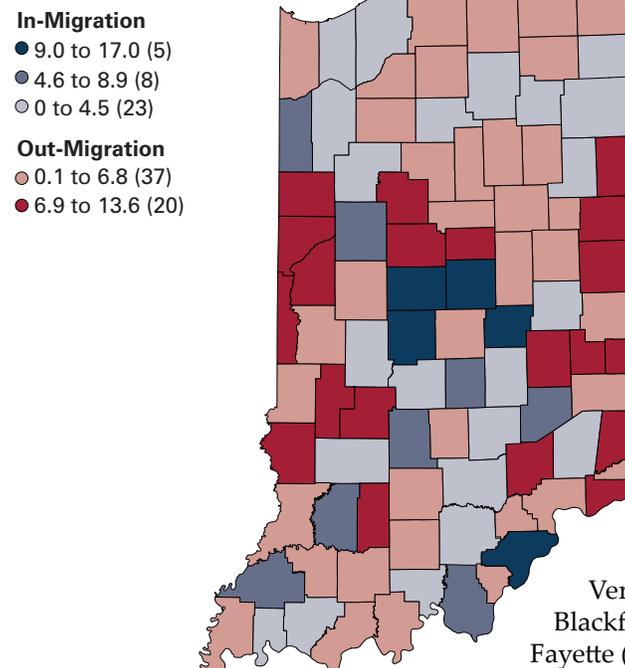
In terms of the rate of migration, Boone County outperformed its suburban Indianapolis-area peers with a net migration rate of 17 residents per 1,000 in 2014 (see **Figure 4**). Fayette County had the greatest rate of net out-migration last year at nearly 14 per 1,000, followed by Jennings (-11.7) and Randolph (-11.2) counties.

Indiana's Largest Counties

Indiana has six counties with populations greater than 200,000. Marion County is the state's largest with 934,243 residents, which ranked as the nation's 53rd-largest county in 2014 (out of 3,141 counties). Other counties above the 200,000-resident threshold are Lake (490,228), Allen (365,918), Hamilton (302,623), St. Joseph (267,618) and Elkhart (201,971).

Rounding out Indiana's 10 largest counties are Tippecanoe (183,074),

FIGURE 4: Net Migration per 1,000 Residents, 2014



Source: U.S. Census Bureau

“ With a gain of more than 18,100 residents in 2014, the Indianapolis-Carmel-Anderson region accounted for nearly 70 percent of the state’s net growth last year.

Vanderburgh (182,006), Porter (167,076) and Hendricks (156,056).

Indiana’s Metropolitan Areas

The 11-county Indianapolis-Carmel-Anderson metro area continues to be the engine of population growth in the state. With a gain of more than 18,100 residents in 2014, this central Indiana region accounted for nearly 70 percent of the state’s net growth last year. The total population count for the Indy metro now stands at 1.97 million, which represents 30 percent of the Indiana total and ranks as the nation’s 33rd-largest metro area. Among the 15 largest metro areas in the Midwest, the Indy area’s growth rate of 0.9 percent in 2014 ranks as the fifth-fastest in the group (see Figure 5).

With a population of nearly 427,200, the three-county Fort Wayne area is Indiana’s second-largest metro and ranks as the 123rd-largest nationally (out of 381 metro areas). The Fort Wayne metro area posted 0.6 percent growth rate in 2014. Indiana’s other large metro areas can also boast of growing populations last year, including South Bend-Mishawaka (0.2 percent), Evansville (0.2 percent) and Lafayette-West Lafayette (0.9 percent).

In all, 44 of Indiana’s 92 counties belong to a metropolitan area. Combined, these counties account for 78 percent of Indiana’s total population and, as a group, grew at a 0.5 percent rate in 2014. The state’s 48 counties that are not part of a metro area had a combined population loss of 1,339 residents last year—a 0.1 percent decline.

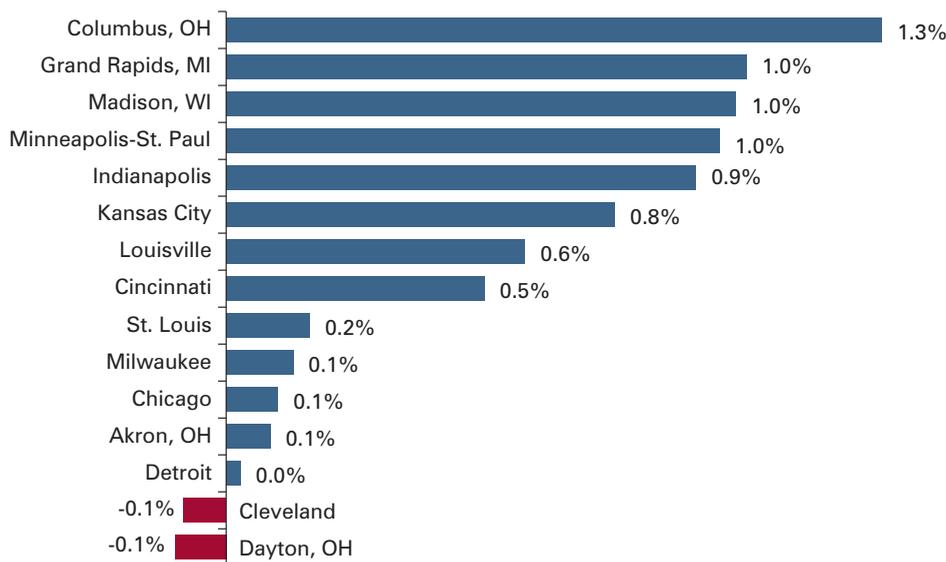
Conclusion

In 2013, Indiana finally snapped a stretch of six consecutive years of declining population growth rates, and the hope was that the state would keep the momentum going in 2014.

However, growth slowed again last year, and Indiana’s annual rate of

growth remains well below its pre-recession norm. While it’s certainly possible that these 2014 numbers are an indication that this period of sluggish growth will continue for a while longer, we believe that this setback will be temporary and that Indiana will slowly begin to see stronger population gains over the next few years. □

FIGURE 5: Population Growth Rates for Largest Midwest Metro Areas, 2013 to 2014



Source: U.S. Census Bureau