Out of Reach Minnesota 2018

THE STATEWIDE CRISIS IN WORKFORCE HOUSING

Minnesota Housing Partnership
in partnership with the National Low Income Housing Coalition

A productive workforce requires safe, stable housing. Yet, too many Minnesotans laboring in the most in-demand jobs must pay too much for housing, forcing them to forgo groceries, medicine and other critical daily needs to make ends meet. While **workforce housing** often focuses on modest-income households, **Out of Reach Minnesota 2018** reveals that the crisis in housing hits hardest for the workforce that is still the backbone of our communities; jobs like retail sales, food preparation and housekeeping. It also foreshadows challenges ahead, as jobs with the most projected growth, like home health aides, don't make enough to pay the rent, either. Building on the annual report produced by the **National Low Income Housing Coalition**, this report tracks the growing gap between wages and rent, not just in urban areas, like the Twin Cities, but across Greater Minnesota.

Key findings for 2018 include:

A full-time minimum wage earner can't afford a one-bedroom apartment in any of Minnesota's 87 counties.

The median-income renter would have to earn $3,000 more annually to afford rent on a two-bedroom apartment.

Over the next decade, the five positions with the most projected job openings earn median incomes less than $25,000 per year – $5,000 below the income necessary to afford a one-bedroom apartment and $14,000 below the income necessary to afford a two-bedroom apartment.



MINNESOTA RENTER INCOME

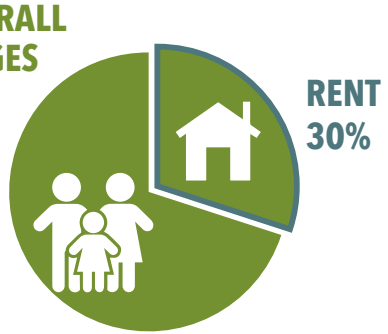
Housing wage: **$14.82 / hour** (to afford 1 bedroom) | **$18.82 / hour** (to afford 2br)
Renter median wage: **$17.43 / hour** | **$36,250 / year**
Renter average wage: **$14.84 / hour** | **$30,870 / year**
Minimum wage: **$9.65 / hour** | **$20,070 / year**

KEY TERMS

Fair Market Rent: The federal government standard for a "fairly" priced apartment. It is calculated as the 40th percentile of gross rents for typical, non-substandard rental units in a local housing market. In this report, we use the term "modest" one- or two-bedroom apartments to denote fair market rent.

Housing Wage: The hourly wage workers need to earn to afford rent without spending more than 30 percent of their income.

Affordability: Any household that spends more than 30 percent of their income on housing will likely have to sacrifice on daily necessities, like food and medicine.

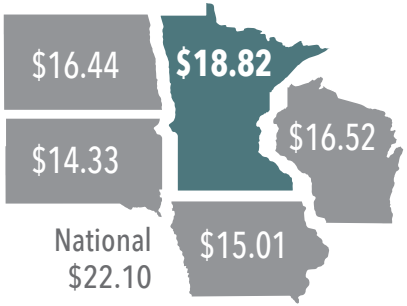


All figures in this report are adjusted for inflation



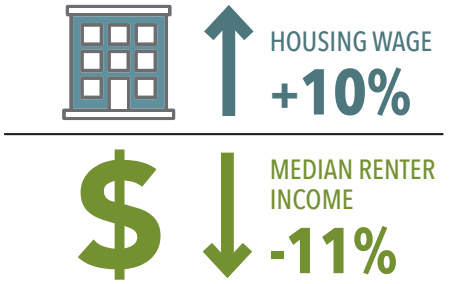
Nearly 30 percent of Minnesota residents – more than 609,000 households – live in a rental home.

From 2000 to 2016, the state gained more than 127,000 renter households, and the percentage of Minnesotans that are **renters rose by 12 percent** – so the high cost of rental housing affects a growing number of Minnesotans **throughout** the state.



Minnesota ranks #22 in the nation for the highest wages required to afford a modest two-bedroom apartment.

The wage required to afford a modest two-bedroom apartment in **Minnesota is more expensive than 29 other states** – including $2.30 higher than Wisconsin, and $3.80 higher than Iowa. Since 2012, Minnesota has climbed from #24 to #22 among most expensive states.



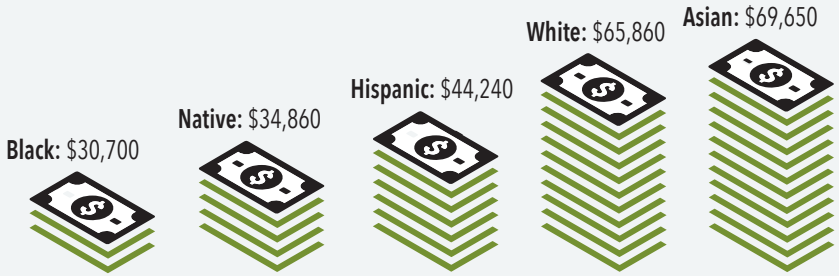
While households' earnings have remained stagnant or declined, the housing wage has risen sharply.

Adjusting for inflation, Minnesota's housing wage – the wage necessary to afford a two-bedroom apartment – has jumped 10 percent over the past decade alone. Meanwhile, as housing costs have climbed, median renter income declined 11 percent from 2000 to 2016.

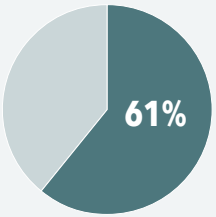
Communities of color are disproportionately impacted

The growing gap between wages and rent has a disproportionate impact on communities of color. While only 24 percent of white households are renters, **61 percent of households of color are renters**. Statewide, the median wages[1] earned by **Black and Native American workers are barely half that of white and Asian workers**. In the Twin Cities, these disparities are particularly stark. For instance, in Hennepin and Ramsey counties, the median income for a household of color is, on average, 64 percent less than the median income for a white household. (Source: American Community Survey 2016)

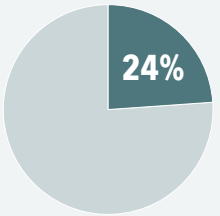
MINNESOTA MEDIAN INCOME BY RACE[1]



MINNESOTA RENTER HOUSEHOLDS BY RACE

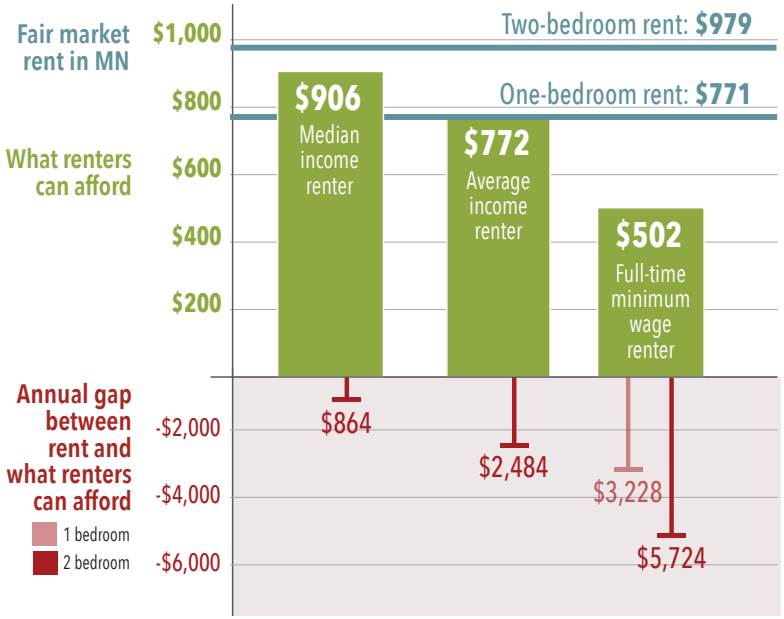


Percent of MN **households of color** that are renters



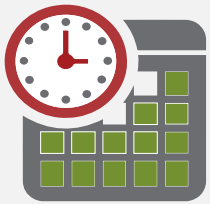
Percent of MN **white households** that are renters

1- Median income is for all households; not disaggregated by renters and owner households



Renter households don't earn enough to pay the rent – and make ends meet.

Minimum wage earners have to pay **$3,228 more than they can afford** per year to cover the rent for a one-bedroom apartment and **$5,724 more than they can afford** for a two-bedroom. Those are dollars taken away from other critical needs. For instance, for an individual with one child in Minnesota the cost of **food is $5,900 per year and healthcare is $3,340 per year**. (Source: MN DEED)



61 hrs for 1 bedroom

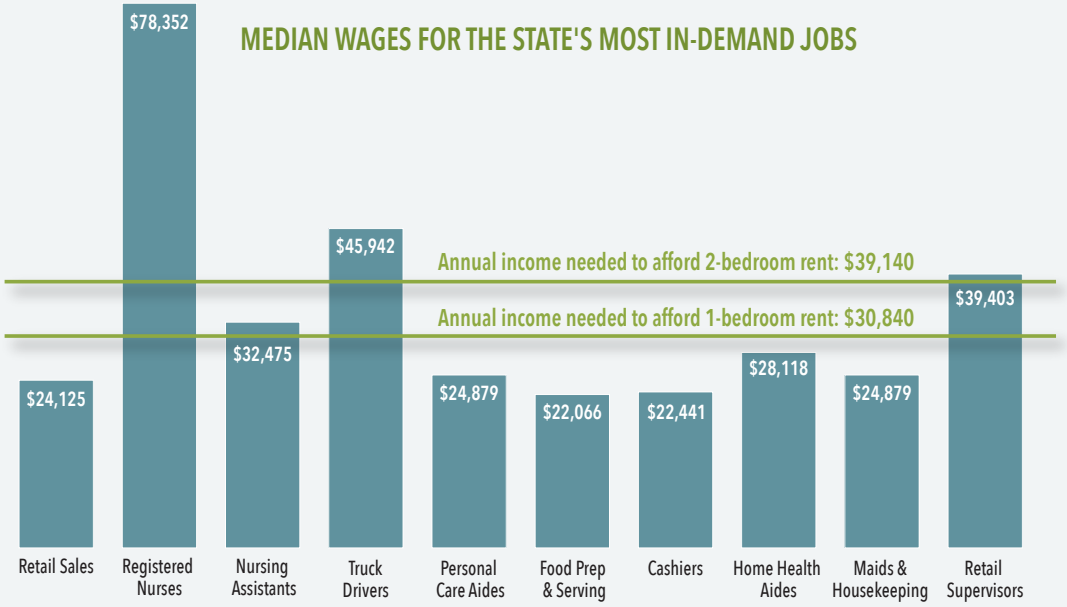
78 hrs for 2-bedroom

Minimum wage earners must work close to two full jobs

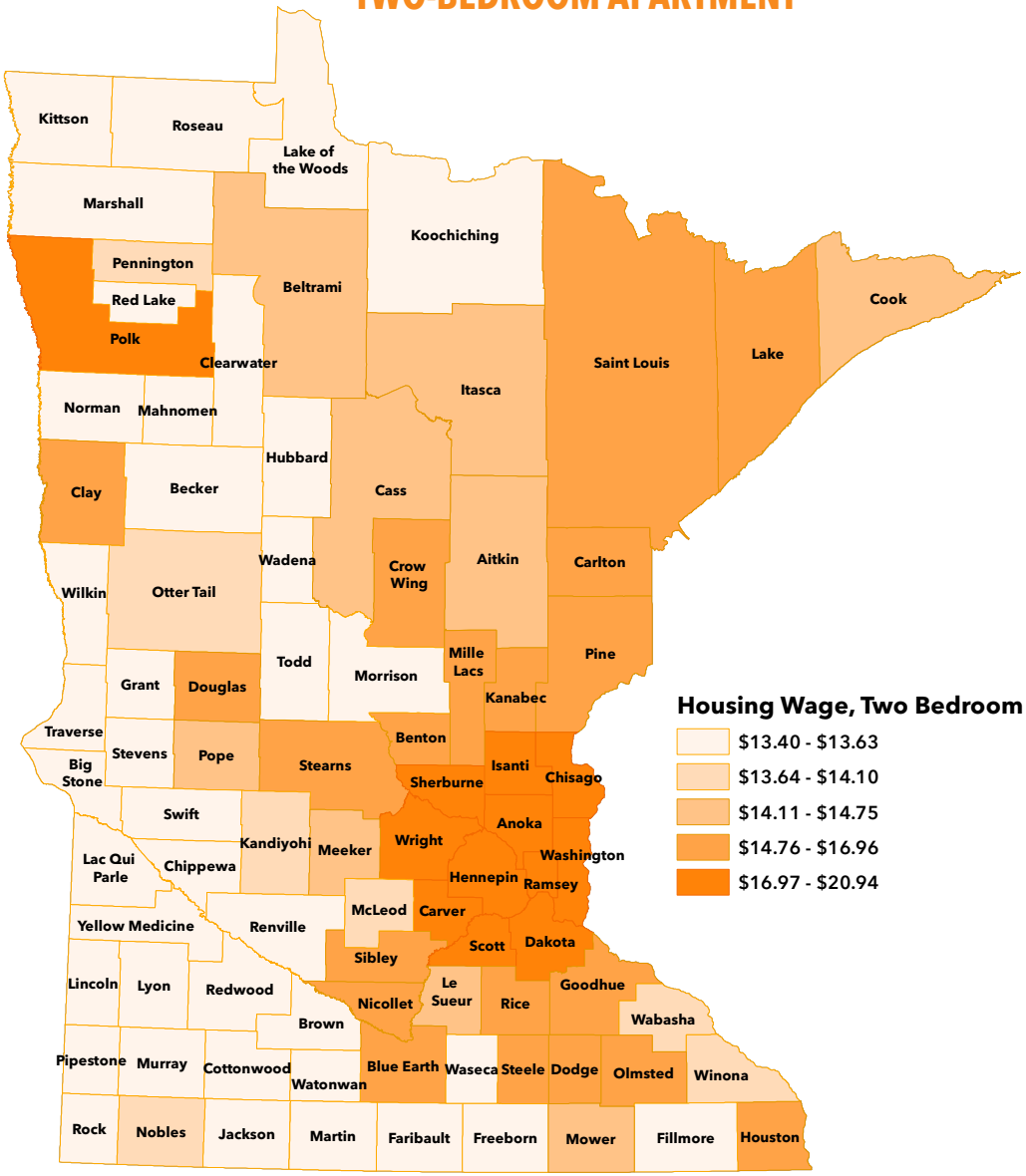
For those earning the state minimum wage ($9.65), even a **one-bedroom apartment is out of reach in all Minnesota counties**. To afford a one-bedroom apartment, a minimum wage worker must work 61 hours per week and must work 78 hours per week to afford a two-bedroom.

Occupations projected to grow can't afford even a one-bedroom apartment.

Currently, only three of the top 10 most in-demand jobs in Minnesota pay enough for a full-time worker to afford two-bedroom rent, while six of the top 10 jobs pay less than is needed to afford even a one-bedroom apartment. Over the next decade, the top five positions with the most projected job openings all earn median incomes less than $25,000 per year – and collectively, these positions are projected to gain nearly 135,000 employees. When examining top projected growth rate, the top two jobs (Home Health Aides and Personal Care Aides) earn median incomes under $28,200 annually. (Source: MN DEED)



"HOUSING WAGE" – WAGE NECESSARY TO AFFORD A TWO-BEDROOM APARTMENT



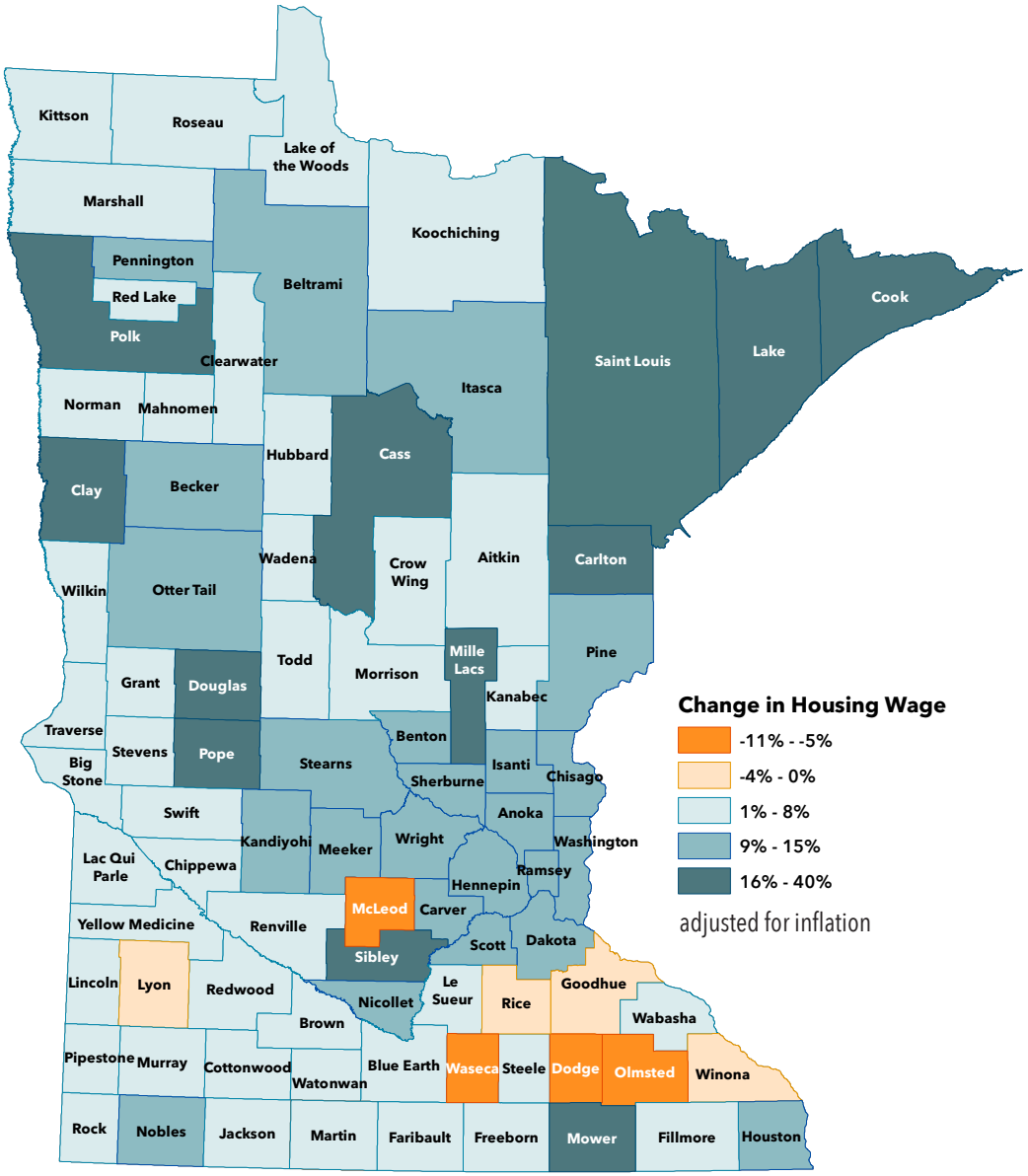
The housing wage is what Minnesota workers need to earn to afford rent without paying more than 30 percent of their income on housing. In 2018, the income needed to afford a modest two-bedroom apartment in Minnesota is $39,140 per year – nearly $3,000 more than the median renter earns per year. With housing wage at $18.82 per hour for a modest two-bedroom apartment and $14.83 for a modest one-bedroom apartment, rent is out of reach for workers in the vast majority of Minnesota counties.

From 2017 to 2018, the state **housing wage increased by 1 percent** – a slower rate of change from the 5 percent increase from 2016 to 2017.

Compared to the state average of $18.82, the housing wage in **non-metro areas is nearly $5 less per hour** at $14.30 for a two-bedroom apartment.

The **highest housing wage** in the state is located in the counties within the Minneapolis / St. Paul metro area, at $20.94 per hour – or $43,560 annually – to afford a modest two-bedroom apartment.

INCREASE IN HOUSING WAGE FROM 2008 TO 2018



Across the state, the housing wage has increased significantly over the past decade. In 2008, the housing wage for a modest two-bedroom apartment in Minnesota was $14.69. Ten years later, the wage has risen to $18.82 – a 10 percent increase when adjusted for inflation. However, from 2017 to 2018, the state housing wage increased at a slower rate of 1 percent – a lower rate of change than the 5 percent increase from 2016 to 2017.

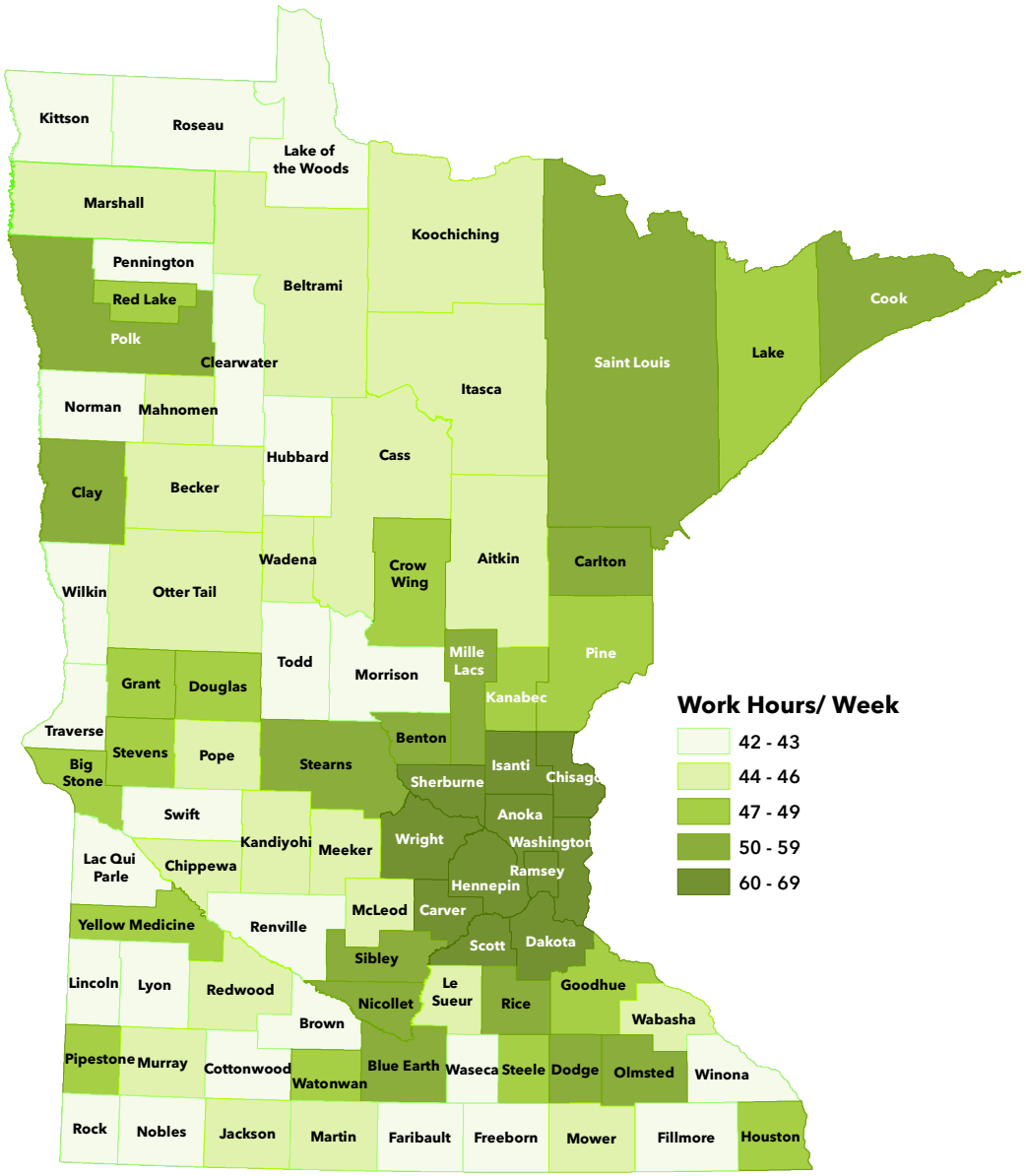
Within Minnesota's **major metro areas** that were included in the 2008 Out of Reach report – Duluth; Fargo; Grand Forks; La Crosse; Minneapolis/St. Paul; Rochester; and St Cloud – the increase in the housing wage for a two-bedroom apartment has been as high as 40 percent in Grand Forks, and 17 percent in Fargo.

Non-metro areas in Minnesota have experienced a more modest increase of 6 percent in the housing wage over the past 10 years.

At the **county level**, Polk County has experienced the steepest increase in the two-bedroom housing wage, jumping 40 percent since 2008. In this county, the hourly wage needed has risen from $11.33 to $18.58.

From 2008 to 2018, the housing wage for a two-bedroom apartment **fell in six southern counties**: Dodge, Olmsted, Martin, Waseca, Winona, Goodhue, Rice and Lyon.

HOURS AT MINIMUM WAGE TO AFFORD 1 BEDROOM APARTMENT

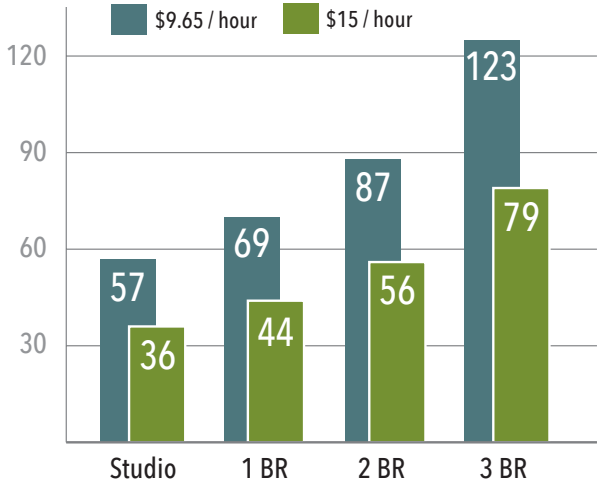


A minimum wage earner in Minnesota must work more than one full-time job in every county in the state to be able to afford rent for even a one-bedroom apartment. Statewide, a one-bedroom apartment costs $3,228 more per year than a minimum wage earner can afford and would require 61 hours of work per week to make the rent.

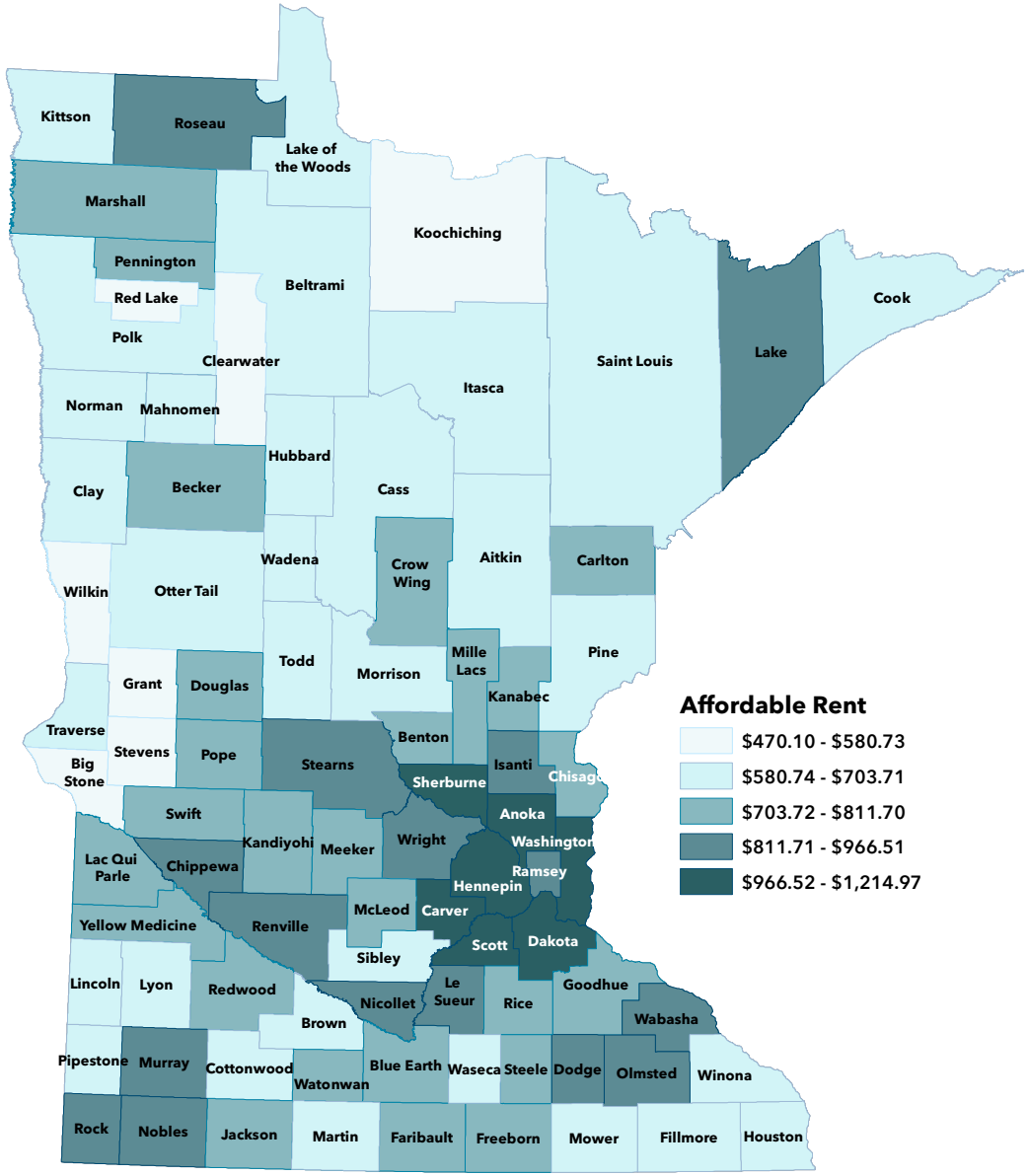
In **non-metro areas**, minimum wage workers must work 45 hours per week to afford a modest one-bedroom apartment, and 59 hours per week for a two-bedroom.

Minimum wage workers in the **Twin Cities metropolitan area** must work 69 hours per week to afford a modest one-bedroom apartment and 87 hours per week for a two-bedroom – the highest for major metropolitan areas in the state. If the minimum wage were $15, that would drop to 44 hours to afford a one-bedroom and 56 hours to afford a two-bedroom apartment.

Hours of work at minimum wage to afford rent in the Twin Cities



RENT AFFORDABLE TO MEDIAN-INCOME RENTER



Even for median-income renters, housing costs far exceed income. For the median-income renter household in Minnesota, an affordable rent – one that does not exceed 30 percent of a household's monthly income – is $906 per month. That's $73 less per month than is required to afford a modest two-bedroom apartment ($979). At the state level, Minnesota median-income renter households would need an 8 percent raise to afford rent for a modest two-bedroom apartment.

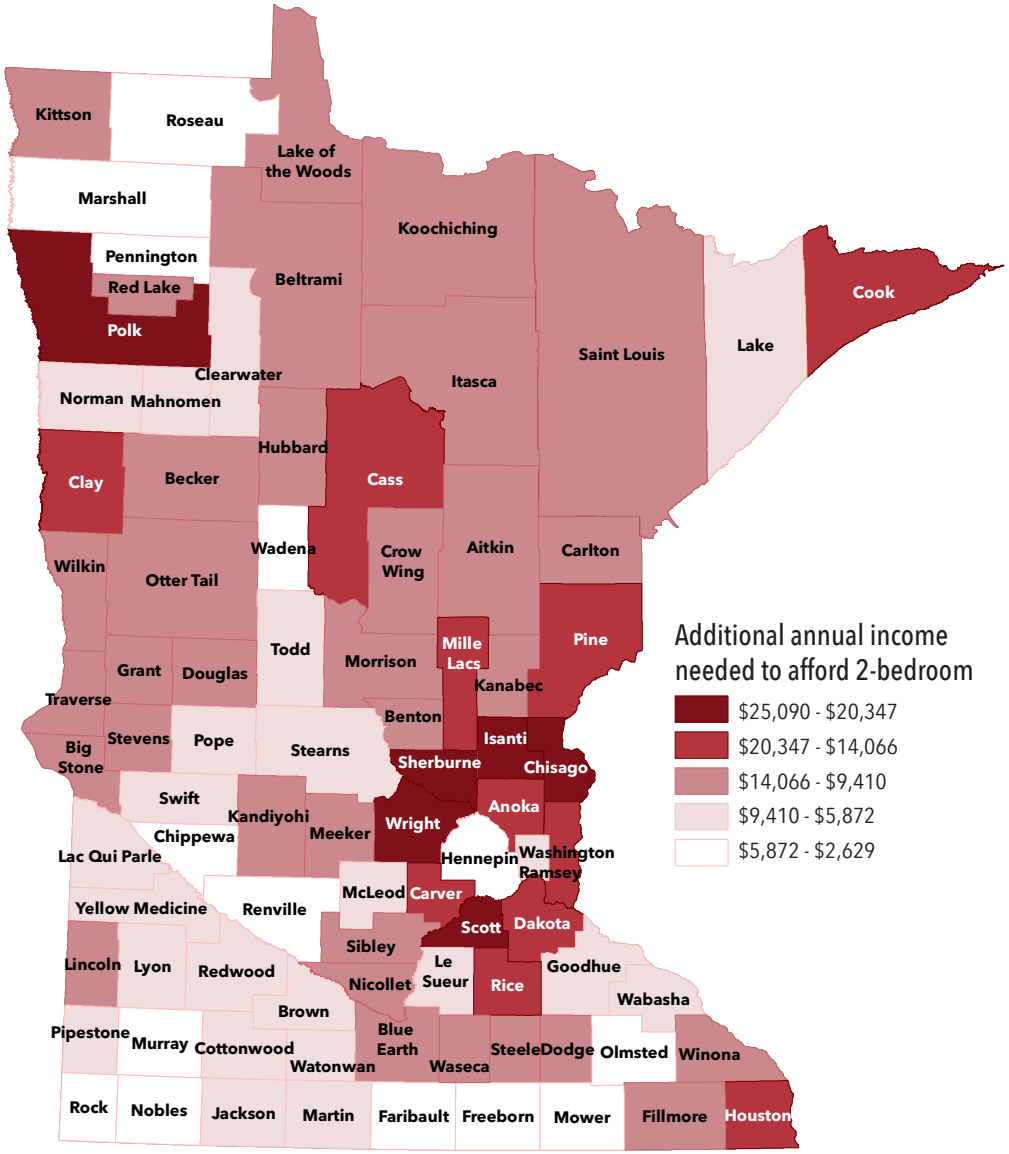
Median-income renters in Washington County can **afford the highest rent** in the state at $1,215 per month.

Median-income renters in Koochiching County can only afford $470 per month, the **lowest level** in the state.

In contrast to the $906 affordable to the median-income renter at the statewide level, the median-income renter household in **non-metro Minnesota** can afford far less – just $712 per month.

The **highest median-renter incomes** are isolated to three counties of the Twin Cities region, with the highest in Washington, Carver and Dakota counties; the fourth is Sherburne County, in the Central region of the state.

HOW MUCH MORE THE AVERAGE WORKER WOULD NEED TO EARN TO AFFORD A 2-BEDROOM APARTMENT

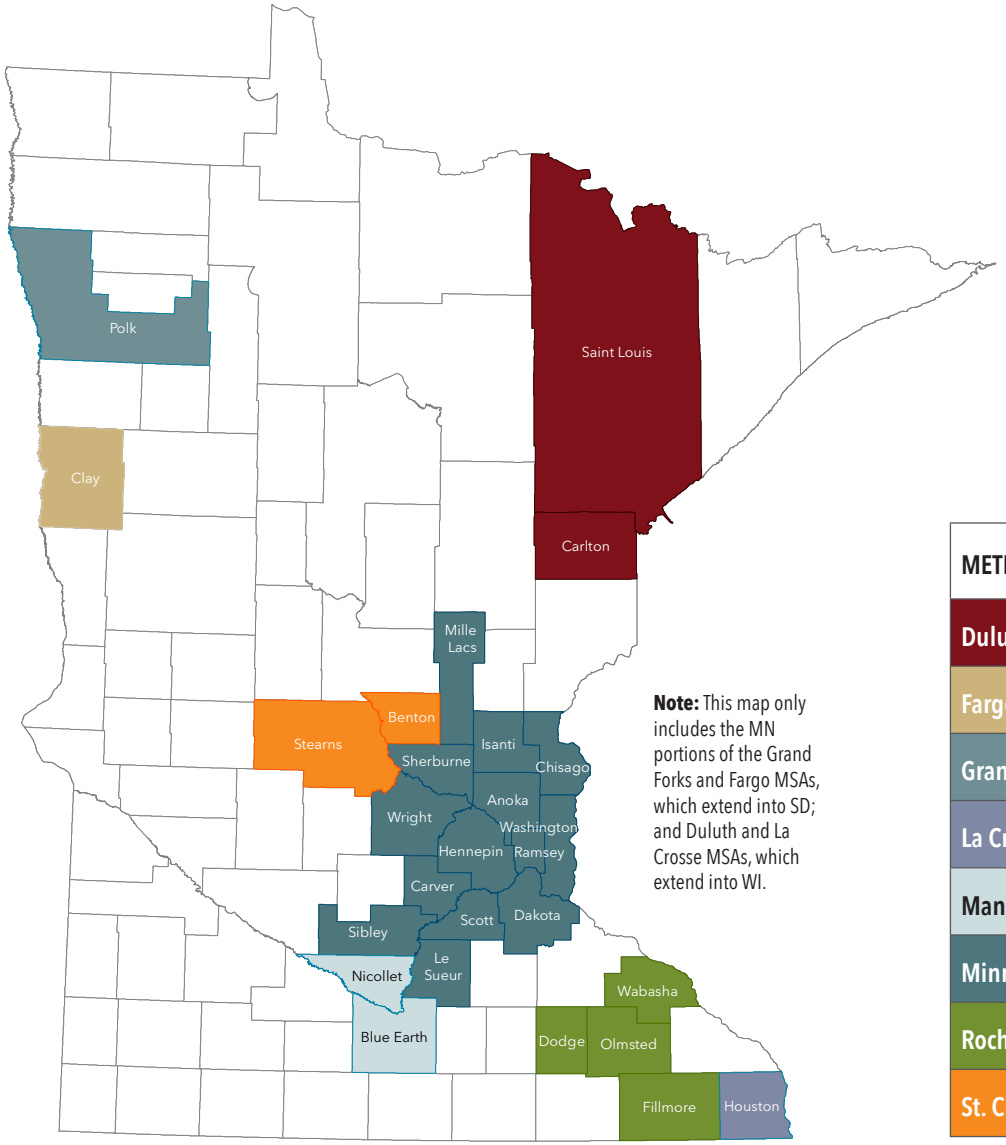


In every county in the state, the average renter would need to earn at least $2,600 – and as much as $25,000 – more per year to afford a two-bedroom apartment. Nearly half of all counties (47%) have an annual gap exceeding $10,000 between what average renter incomes are and what they would need to be to afford a two-bedroom apartment. While two-bedroom apartments are out of reach in all Minnesota counties, even one-bedroom apartments are out of reach to the average income renter in 41% of counties.

In the **counties with the largest gap**, renters need to earn an additional $20,000 to $25,000 annually to afford a two-bedroom apartment. These counties with the most extreme gap include Saint Louis (which includes Duluth), Polk, Isanti, Chicago, Wright and Scott counties (which include Minneapolis-Saint Paul). In Chisago county, an average renter would need to pay $9,970 more than they can afford per year for a one-bedroom apartment, as well.

The counties with the **smallest annual gaps** are primarily in the southern areas of the state and the far northwest, where the average renter would need to earn an additional $3,645 to afford a two-bedroom apartment.

MOST METRO AREAS UNAFFORDABLE TO AVERAGE INCOME RENTERS AND MINIMUM WAGE WORKERS



Note: This map only includes the MN portions of the Grand Forks and Fargo MSAs, which extend into SD; and Duluth and La Crosse MSAs, which extend into WI.

In many metro areas, the gap between wages and rent is particularly pronounced. While attention often centers on the Twin Cities, other Minnesota cities have equal, if not more intense, challenges.

Grand Forks has the largest gap between what an average renter can afford and the cost of one-bedroom rent, at $3,612 more per year. **Duluth** has the second highest number of renters after Minneapolis-Saint Paul, and the second largest gap between rent and median renter income. At just $7.59 per hour, **La Crosse-Onalaska** has the lowest average renter wage in the state, and average income renters have to pay $4,775 more per year than they can afford for a two-bedroom apartment.

METRO AREA	1 bedroom rent	2 bedroom rent	Min wage can afford	Average renter can afford	Median renter can afford
Duluth	$662	$848	$502	$538	$641
Fargo	$643	$810	$502	$408	$686
Grand Forks	$745	$966	$502	$444	$633
La Crosse-Onalaska	$596	$793	$502	$395	$692
Mankato	$661	$829	$502	$541	$756
Minneapolis-St Paul	$864	$1,089	$502	$879	$1,004
Rochester	$655	$860	$502	$753	$909
St. Cloud	$651	$800	$502	$613	$807

	FY18 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTERS				
	Hourly wage necessary to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR[3]	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2012-2016)	% of total households (2012-2016)	Estimated hourly mean renter wage (2018)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Minnesota	$18.82	$979	$39,141	2.0	$84,726	$2,118	$25,418	$635	609,699	29%	$14.84	$772	1.3
Combined Nonmetro Areas	$14.30	$744	$29,745	1.5	$67,006	$1,675	$20,102	$503	118,739	24%	$10.01	$520	1.4
Metropolitan Areas													
Duluth MSA	$16.31	$848	$33,920	1.7	$71,400	$1,785	$21,420	$536	27,683	28%	$10.35	$538	1.6
Fargo MSA	$15.58	$810	$32,400	1.6	$82,000	$2,050	$24,600	$615	6,956	30%	$7.85	$408	2.0
Fillmore County HMFA	$13.40	$697	$27,880	1.4	$70,100	$1,753	$21,030	$526	1,803	21%	$7.72	$402	1.7
Grand Forks MSA	$18.58	$966	$38,640	1.9	$78,100	$1,953	$23,430	$586	3,417	27%	$8.53	$444	2.2
La Crosse-Onalaska MSA	$15.25	$793	$31,720	1.6	$72,400	$1,810	$21,720	$543	1,534	19%	$7.59	$395	2.0
Le Sueur County HMFA	$14.58	$758	$30,320	1.5	$76,500	$1,913	$22,950	$574	2,028	19%	$11.47	$597	1.3
Mankato-North Mankato MSA	$15.94	$829	$33,160	1.7	$75,000	$1,875	$22,500	$563	12,707	34%	$10.40	$541	1.5
Mille Lacs County HMFA	$16.54	$860	$34,400	1.7	$61,100	$1,528	$18,330	$458	2,594	26%	$8.97	$466	1.8
Minneapolis-St. Paul-Bloomington HMFA	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	389,647	31%	$16.90	$879	1.2
Rochester HMFA	$16.54	$860	$34,400	1.7	$90,500	$2,263	$27,150	$679	16,666	25%	$14.48	$753	1.1
Sibley County HMFA	$13.48	$701	$28,040	1.4	$70,500	$1,763	$21,150	$529	1,311	22%	$11.22	$583	1.2
St. Cloud MSA	$15.38	$800	$32,000	1.6	$70,600	$1,765	$21,180	$530	22,842	31%	$11.80	$613	1.3
Wabasha County HMFA	$13.73	$714	$28,560	1.4	$72,100	$1,803	$21,630	$541	1,772	20%	$9.48	$493	1.4
Counties													
Aitkin County	$14.33	$745	$29,800	1.5	$56,200	$1,405	$16,860	$422	1,327	17%	$9.17	$477	1.6
Anoka County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	25,232	20%	$13.55	$704	1.5
Becker County	$13.63	$709	$28,360	1.4	$66,500	$1,663	$19,950	$499	2,833	21%	$9.06	$471	1.5
Beltrami County	$14.73	$766	$30,640	1.5	$58,900	$1,473	$17,670	$442	5,259	31%	$9.94	$517	1.5
Benton County	$15.38	$800	$32,000	1.6	$70,600	$1,765	$21,180	$530	4,866	31%	$10.43	$543	1.5

1: BR = Bedroom
2: FMR = Fiscal Year 2018 Fair Market Rent.
3: This calculation uses the higher of the state or federal minimum wage. Local minimum wages are not used.
4: AMI = Fiscal Year 2018 Area Median Income
5: "Affordable" rents represent the generally accepted standard of spending not more than 30% of gross income on gross housing costs.

	FY18 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTERS				
	Hourly wage necessary to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR[3]	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2012-2016)	% of total households (2012-2016)	Estimated hourly mean renter wage (2018)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Big Stone County	$13.40	$697	$27,880	1.4	$64,500	$1,613	$19,350	$484	473	21%	$8.38	$436	1.6
Blue Earth County	$15.94	$829	$33,160	1.7	$75,000	$1,875	$22,500	$563	9,290	37%	$10.41	$541	1.5
Brown County	$13.40	$697	$27,880	1.4	$70,300	$1,758	$21,090	$527	2,252	21%	$9.17	$477	1.5
Carlton County	$16.31	$848	$33,920	1.7	$71,400	$1,785	$21,420	$536	2,798	21%	$10.52	$547	1.6
Carver County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	7,077	20%	$12.79	$665	1.6
Cass County	$14.52	$755	$30,200	1.5	$56,900	$1,423	$17,070	$427	2,472	19%	$7.13	$371	2.0
Chippewa County	$13.40	$697	$27,880	1.4	$67,600	$1,690	$20,280	$507	1,436	29%	$11.45	$595	1.2
Chisago County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	2,958	15%	$8.88	$462	2.4
Clay County	$15.58	$810	$32,400	1.6	$82,000	$2,050	$24,600	$615	6,956	30%	$7.85	$408	2.0
Clearwater County	$13.40	$697	$27,880	1.4	$56,800	$1,420	$17,040	$426	733	21%	$9.97	$519	1.3
Cook County	$14.73	$766	$30,640	1.5	$67,600	$1,690	$20,280	$507	693	26%	$6.94	$361	2.1
Cottonwood County	$13.40	$697	$27,880	1.4	$59,600	$1,490	$17,880	$447	1,044	22%	$9.20	$479	1.5
Crow Wing County	$15.33	$797	$31,880	1.6	$64,600	$1,615	$19,380	$485	6,557	25%	$10.26	$534	1.5
Dakota County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	40,564	26%	$14.18	$737	1.5
Dodge County	$16.54	$860	$34,400	1.7	$90,500	$2,263	$27,150	$679	1,284	17%	$10.42	$542	1.6
Douglas County	$15.65	$814	$32,560	1.6	$71,600	$1,790	$21,480	$537	3,608	23%	$10.15	$528	1.5
Faribault County	$13.40	$697	$27,880	1.4	$61,500	$1,538	$18,450	$461	1,510	24%	$11.84	$616	1.1
Fillmore County	$13.40	$697	$27,880	1.4	$70,100	$1,753	$21,030	$526	1,803	21%	$7.72	$402	1.7
Freeborn County	$13.40	$697	$27,880	1.4	$62,700	$1,568	$18,810	$470	3,188	24%	$12.14	$631	1.1
Goodhue County	$15.40	$801	$32,040	1.6	$77,700	$1,943	$23,310	$583	4,642	24%	$11.45	$595	1.3
Grant County	$13.40	$697	$27,880	1.4	$65,100	$1,628	$19,530	$488	507	20%	$7.36	$383	1.8
Hennepin County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	186,566	38%	$19.19	$998	1.1
Houston County	$15.25	$793	$31,720	1.6	$72,400	$1,810	$21,720	$543	1,534	19%	$7.59	$395	2.0
Hubbard County	$13.40	$697	$27,880	1.4	$63,000	$1,575	$18,900	$473	1,612	18%	$8.59	$447	1.6
Isanti County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	2,697	19%	$10.74	$558	2.0
Itasca County	$14.75	$767	$30,680	1.5	$59,500	$1,488	$17,850	$446	3,789	20%	$9.41	$490	1.6

	FY18 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTERS				
	Hourly wage necessary to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR[3]	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2012-2016)	% of total households (2012-2016)	Estimated hourly mean renter wage (2018)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Jackson County	$13.40	$697	$27,880	1.4	$68,200	$1,705	$20,460	$512	973	22%	$10.05	$522	1.3
Kanabec County	$15.29	$795	$31,800	1.6	$59,700	$1,493	$17,910	$448	1,218	19%	$10.25	$533	1.5
Kandiyohi County	$14.10	$733	$29,320	1.5	$68,900	$1,723	$20,670	$517	4,585	27%	$9.41	$489	1.5
Kittson County	$13.40	$697	$27,880	1.4	$70,900	$1,773	$21,270	$532	352	18%	$8.36	$435	1.6
Koochiching County	$13.40	$697	$27,880	1.4	$61,200	$1,530	$18,360	$459	1,187	21%	$7.53	$392	1.8
Lac qui Parle County	$13.40	$697	$27,880	1.4	$68,200	$1,705	$20,460	$512	615	20%	$9.65	$502	1.4
Lake County	$15.42	$802	$32,080	1.6	$63,900	$1,598	$19,170	$479	1,009	19%	$11.73	$610	1.3
Lake of the Woods County	$13.40	$697	$27,880	1.4	$65,800	$1,645	$19,740	$494	242	16%	$8.59	$447	1.6
Le Sueur County	$14.58	$758	$30,320	1.5	$76,500	$1,913	$22,950	$574	2,028	19%	$11.47	$597	1.3
Lincoln County	$13.40	$697	$27,880	1.4	$67,900	$1,698	$20,370	$509	513	21%	$8.71	$453	1.5
Lyon County	$13.40	$697	$27,880	1.4	$75,000	$1,875	$22,500	$563	3,254	32%	$9.90	$515	1.4
McLeod County	$13.92	$724	$28,960	1.4	$71,700	$1,793	$21,510	$538	3,393	23%	$10.94	$569	1.3
Mahnomen County	$13.40	$697	$27,880	1.4	$52,000	$1,300	$15,600	$390	559	28%	$10.09	$525	1.3
Marshall County	$13.40	$697	$27,880	1.4	$69,800	$1,745	$20,940	$524	753	19%	$11.13	$579	1.2
Martin County	$13.40	$697	$27,880	1.4	$65,800	$1,645	$19,740	$494	2,241	26%	$9.80	$510	1.4
Meeker County	$14.73	$766	$30,640	1.5	$71,200	$1,780	$21,360	$534	1,864	20%	$9.00	$468	1.6
Mille Lacs County	$16.54	$860	$34,400	1.7	$61,100	$1,528	$18,330	$458	2,594	26%	$8.97	$466	1.8
Morrison County	$13.40	$697	$27,880	1.4	$65,800	$1,645	$19,740	$494	2,801	21%	$7.44	$387	1.8
Mower County	$14.63	$761	$30,440	1.5	$67,800	$1,695	$20,340	$509	4,198	27%	$12.07	$628	1.2
Murray County	$13.40	$697	$27,880	1.4	$70,700	$1,768	$21,210	$530	717	19%	$11.71	$609	1.1
Nicollet County	$15.94	$829	$33,160	1.7	$75,000	$1,875	$22,500	$563	3,417	27%	$10.40	$541	1.5
Nobles County	$13.79	$717	$28,680	1.4	$63,400	$1,585	$19,020	$476	2,296	29%	$12.46	$648	1.1
Norman County	$13.40	$697	$27,880	1.4	$65,300	$1,633	$19,590	$490	503	19%	$9.35	$486	1.4
Olmsted County	$16.54	$860	$34,400	1.7	$90,500	$2,263	$27,150	$679	15,382	26%	$14.70	$764	1.1
Otter Tail County	$14.04	$730	$29,200	1.5	$68,900	$1,723	$20,670	$517	5,115	21%	$9.15	$476	1.5
Pennington County	$13.81	$718	$28,720	1.4	$68,500	$1,713	$20,550	$514	1,589	27%	$11.64	$605	1.2

	FY18 HOUSING WAGE	HOUSING COSTS			AREA MEDIAN INCOME (AMI)				RENTERS				
	Hourly wage necessary to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR[3]	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2012-2016)	% of total households (2012-2016)	Estimated hourly mean renter wage (2018)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Pine County	$15.42	$802	$32,080	1.6	$56,400	$1,410	$16,920	$423	2,445	22%	$7.03	$365	2.2
Pipestone County	$13.40	$697	$27,880	1.4	$61,200	$1,530	$18,360	$459	962	24%	$9.04	$470	1.5
Polk County	$18.58	$966	$38,640	1.9	$78,100	$1,953	$23,430	$586	3,417	27%	$8.53	$444	2.2
Pope County	$14.42	$750	$30,000	1.5	$70,600	$1,765	$21,180	$530	953	20%	$11.60	$603	1.2
Ramsey County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	84,941	41%	$17.58	$914	1.2
Red Lake County	$13.40	$697	$27,880	1.4	$69,400	$1,735	$20,820	$521	326	19%	$7.45	$388	1.8
Redwood County	$13.40	$697	$27,880	1.4	$64,200	$1,605	$19,260	$482	1,297	21%	$10.30	$536	1.3
Renville County	$13.40	$697	$27,880	1.4	$67,000	$1,675	$20,100	$503	1,287	21%	$11.42	$594	1.2
Rice County	$16.96	$882	$35,280	1.8	$78,100	$1,953	$23,430	$586	5,859	26%	$10.01	$521	1.7
Rock County	$13.40	$697	$27,880	1.4	$66,300	$1,658	$19,890	$497	1,020	26%	$11.84	$615	1.1
Roseau County	$13.40	$697	$27,880	1.4	$67,300	$1,683	$20,190	$505	1,250	20%	$11.92	$620	1.1
St. Louis County	$16.31	$848	$33,920	1.7	$71,400	$1,785	$21,420	$536	24,885	29%	$10.33	$537	1.6
Scott County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	8,051	17%	$10.86	$565	1.9
Sherburne County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	5,327	17%	$11.16	$580	1.9
Sibley County	$13.48	$701	$28,040	1.4	$70,500	$1,763	$21,150	$529	1,311	22%	$11.22	$583	1.2
Stearns County	$15.38	$800	$32,000	1.6	$70,600	$1,765	$21,180	$530	17,976	31%	$12.08	$628	1.3
Steele County	$15.58	$810	$32,400	1.6	$77,100	$1,928	$23,130	$578	3,438	24%	$10.22	$532	1.5
Stevens County	$13.40	$697	$27,880	1.4	$75,300	$1,883	$22,590	$565	1,156	32%	$8.14	$423	1.6
Swift County	$13.40	$697	$27,880	1.4	$64,700	$1,618	$19,410	$485	1,214	29%	$10.20	$530	1.3
Todd County	$13.40	$697	$27,880	1.4	$60,300	$1,508	$18,090	$452	1,823	18%	$9.57	$498	1.4
Traverse County	$13.40	$697	$27,880	1.4	$66,900	$1,673	$20,070	$502	277	18%	$8.81	$458	1.5
Wabasha County	$13.73	$714	$28,560	1.4	$72,100	$1,803	$21,630	$541	1,772	20%	$9.48	$493	1.4
Wadena County	$13.40	$697	$27,880	1.4	$55,100	$1,378	$16,530	$413	1,403	25%	$11.59	$603	1.2
Waseca County	$13.40	$697	$27,880	1.4	$73,900	$1,848	$22,170	$554	1,734	24%	$8.88	$462	1.5
Washington County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	17,867	20%	$11.98	$623	1.7
Watonwan County	$13.40	$697	$27,880	1.4	$65,100	$1,628	$19,530	$488	1,170	26%	$10.12	$526	1.3

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	Hourly wage necessary to afford 2 BR[1] FMR[2]	2 BR FMR	Annual income needed to afford 2 BR FMR	Full-time jobs at minimum wage needed to afford 2 BR FMR[3]	Annual AMI[4]	Monthly rent affordable at AMI[5]	30% of AMI	Monthly rent affordable at 30% of AMI	Renter households (2012-2016)	% of total households (2012-2016)	Estimated hourly mean renter wage (2018)	Monthly rent affordable at mean renter wage	Full-time jobs at mean renter wage needed to afford 2 BR FMR
Wilkin County	$13.40	$697	$27,880	1.4	$69,900	$1,748	$20,970	$524	669	23%	$8.60	$447	1.6
Winona County	$13.92	$724	$28,960	1.4	$73,300	$1,833	$21,990	$550	5,638	30%	$9.20	$478	1.5
Wright County	$20.94	$1,089	$43,560	2.2	$94,300	$2,358	$28,290	$707	8,367	18%	$9.72	$505	2.2
Yellow Medicine County	$13.40	$697	$27,880	1.4	$66,000	$1,650	$19,800	$495	906	22%	$9.11	$474	1.5

* A note on average vs median income: Average income calculations reflect the entire range of incomes within a certain area, which can skew these calculations toward outliers. Median income calculations reflect the middle-point of a range of incomes for a certain area, and are less likely to be skewed by outliers. Because there is significant income variation in most communities, with clusters of extremely high- and low-income households at either end of the spectrum, median income calculations represent a more conservative estimate of a typical household's income. In this report, average renter wage comes average weekly wages from the 2016 Quarterly Census of Employment and Wages divided by 40 (hours per work week). This overall wage is adjusted by the national ratio of renter household income to total household income reported in ACS 2012-2016.

CREDITS AND ACKNOWLEDGMENTS

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NATIONAL LOW INCOME HOUSING COALITION

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Out of Reach Minnesota is released jointly by the Minnesota Housing Partnership and the National Low Income Housing Coalition (NLIHC), a Washington, D.C.-based organization dedicated solely to achieving socially just public policy that assures people with the lowest incomes in the United States have affordable and decent homes. Contact Carolyn Szczepanski at carolyn.szczepanski@mhponline.org or (651) 925-5540 for assistance in accessing or analyzing Out of Reach data for any county or metro area of Minnesota. Read the full NLIHC Out of Reach 2018 report at nlihc.org/oor.