

State of the State's HOUSING 2017

Twin Cities Region

March 2017

Minnesota Housing Partnership

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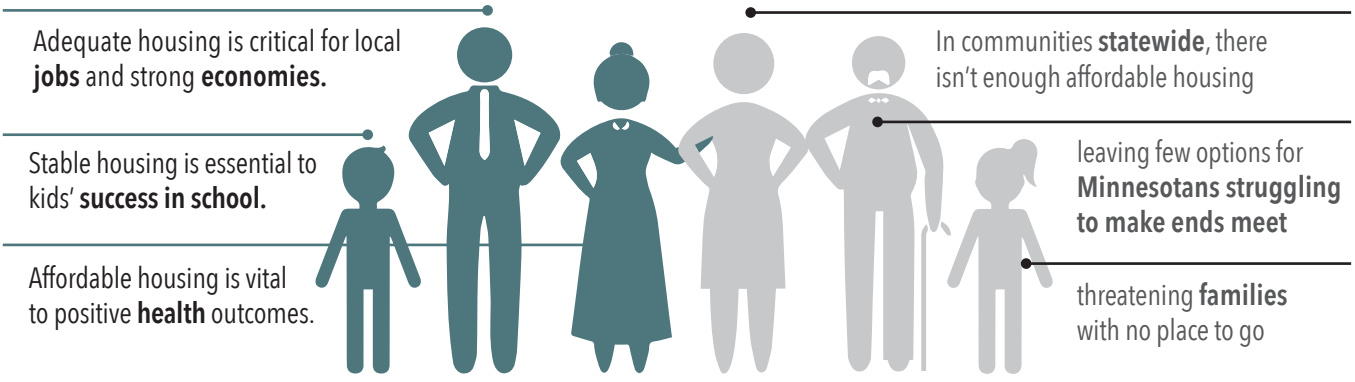
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Carolyn Szczepanski, MHP Research and Communications Director, designed and edited the report, including graphics and tables. Erin Olson, Research Strategist at RealTime Talent, provided fact checking and data analysis support.

Why does the state of Minnesota's housing matter?



Where we live impacts every aspect of our lives.

Where we call home affects the groceries we buy, where we send our kids to school and how we thrive in our community. At every stage of life, where we live is the foundation for our health, education, safety, and economic wellbeing.

That's why housing affordability must be a priority at all levels of government and to all Minnesotans. To make our communities strong, we must ensure that all Minnesota families are able to find, afford and maintain safe, healthy housing.

In 2017, that is not the case in any area of the state. In fact, from racial disparities to cost burden, many trends are going in the wrong direction.

Minnesota is recognized as a national leader for its commitment to helping families with affordable ownership and rental homes. But while significant progress has been made in areas like homelessness, housing is still becoming too costly for a growing numbers of Minnesotans — especially low- to moderate-income families and households of color.

Building on our County Profiles, released each year since 2009, MHP created the *State of the State's Housing* to continue to benchmark progress at the state, region and county levels in critical areas, including cost burdened households paying at least 30 percent of their income on housing; a comparison of what common jobs pay relative to what renting and owning actually costs; changes in rent and home values; construction of multi- and single-family homes; and trends in homelessness.

Data for the *State of the State's Housing* is gathered from a variety of sources including the American Community Survey (ACS) from the U.S. Census Bureau, the U.S. Department of Housing and Urban Development (HUD), the Bureau of Labor Statistics, Minnesota Department of Employment and Economic Development, and the Minnesota Department of Revenue.

Key Findings

MORE THAN 1 IN 4 MINNESOTA HOUSEHOLDS – nearly 550,000 families – pay more than they can afford for housing,* spending more than 30 percent of their income on housing.

MORE THAN HALF OF THE STATE'S SENIOR RENTERS and a quarter of senior homeowners are cost burdened.

MEDIAN RENT HAS RISEN 9 PERCENT SINCE 2000, while the median renter income has fallen 11 percent.

THE HOMEOWNERSHIP GAP between White households and households of color has risen to 37 percent, far above the national average of 25 percent. Large racial disparities also persist in other key areas, with people of color more likely to experience homelessness and pay more than they can afford on rent.

WORKERS IN FOUR OF THE SIX MOST IN-DEMAND JOBS can't afford the rent for a two-bedroom apartment, or the mortgage on a median-priced home.

FOR EVERY 100 EXTREMELY LOW-INCOME FAMILIES, there are only 36 units of available affordable housing.

HOMELESSNESS DECLINED 9 PERCENT from 2012 to 2015 but more than 9,300 Minnesotans – including nearly 3,500 children – were homeless on a given night in 2015.

* In this report, ***paying more than they can afford*** references households that spend more than 30 percent of their income on housing, likely requiring sacrifices in other critical areas like food, medicine and transportation.

2017 State Housing Profile

Minnesota

2,115,337 Households

Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.



Mirroring the national trend, rent continues to rise while renter income declines – putting a modest two-bedroom apartment out of reach for the median-income renter.

RENTER HOUSEHOLDS

590,136 | 28% of all households

Median rent, 2000: $779
Median rent, 2015: $848

↑ rent up +9%

Median renter income, 2000: $36,545
Median renter income, 2015: $32,602

↓ income down -11%

Fair market rent for 2-bedroom apartment **$924**

Median-income renter can afford **$815**

Income for families who own their homes is also on the decline while home values are rising – and homeownership among young families is falling, as well.

OWNER HOUSEHOLDS

1,525,201 | 72% of all households

Median home value, 2000: $168,472
Median home value, 2015: $186,200

↑ home value +11%

Median owner income, 2000: $76,168
Median owner income, 2015: $75,507

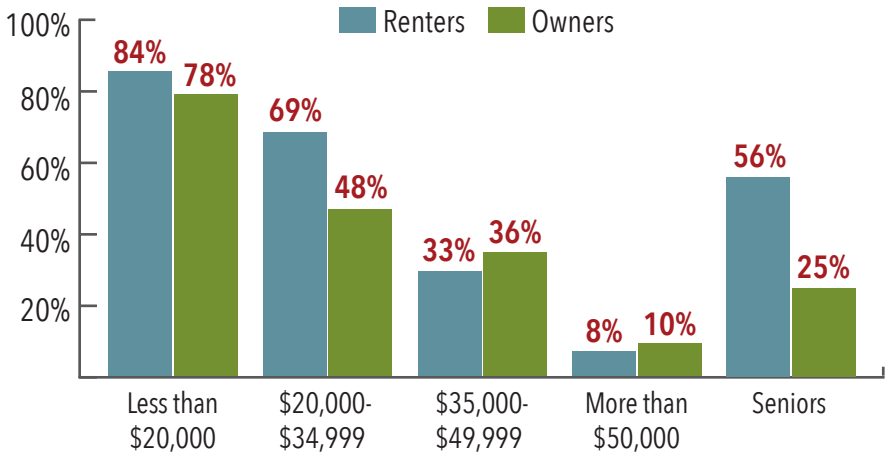
↓ income down -1%

Change in homeownership rate for young householders (35 years old or less), 2000-2015 **-16%**

Statewide, 546,000 households – more than 1 in 4 Minnesota households – pay more than 30 percent of their income on housing costs, putting them at risk of being unable to afford basic needs like food and medicine. This includes nearly 60 percent of seniors who rent, and 84% of renters and 78% of owners who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income on housing



TOTAL NUMBER of cost burdened households **546,213**

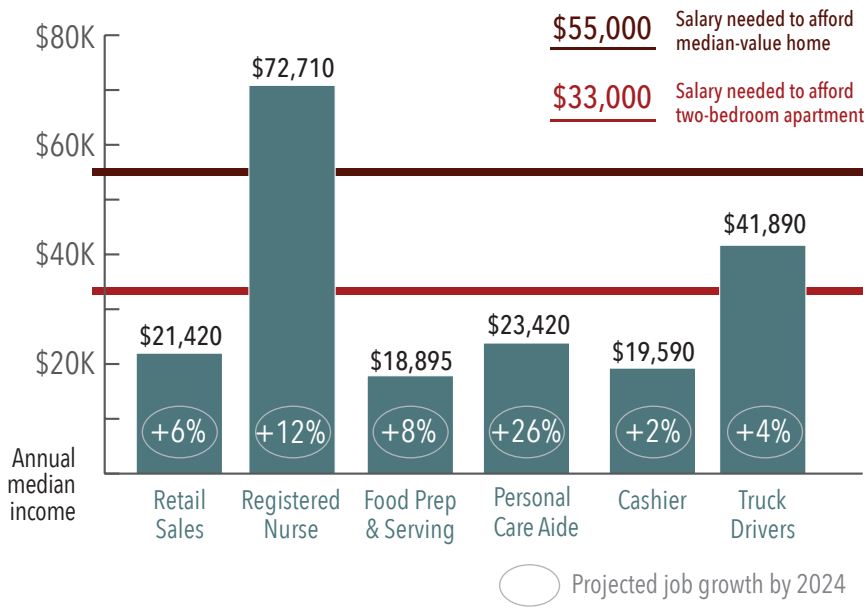
Total # cost burdened RENTER households **272,161**

Total # cost burdened OWNER households **274,052**

Total # cost burdened SENIOR households **151,932**

WAGES: Housing remains a challenge even for Minnesotans who are fully employed. The median earnings for most of the top in-demand and high-growth jobs throughout Minnesota do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages and housing affordability for top in-demand jobs in Minnesota



State median household income **$61,492**

Hours / week minimum wage employee must work to afford a one- bedroom apartment **53**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but too many families, seniors and children are still suffering the devastating consequences of having no place to call home.

of homeless on given night in 2015
9,312

% change in homelessness 2012-2015
-9%



Number of homeless CHILDREN **3,509** homeless SENIORS **843**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low-income households – and the number of people who need them.

POPULATION growth by 2035: **596,464**

New JOB OPENINGS by 2024: **866,970**



% single family homes built before 1960 **33%**

Single-family units permitted in 2015 **10,900**



% rental units built before 1960 **29%**

Multi-family units permitted in 2015 **8,547**

Number of extremely low-income (ELI)* households **168,845**

Available units affordable to ELI households **62,850**

* household of 4 earning less than $23,150 (30% state median income)

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 **1,627,020**

Growth in number of individual seniors by 2035 **93%**

Seniors % of overall population in 2035: **27%**

SOURCES – **Renter households:** *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** *Home value and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden**: U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016

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improving home & community

State of Minnesota's Housing

Despite being recognized as a national leader in affordable housing development and preservation, Minnesota still faces many challenges in providing quality homes for all. In Greater Minnesota, major housing issues include wage stagnation, renter cost burden, and a need for more senior and workforce housing. In the Twin Cities, large percentages of renters and seniors pay more than they can afford for housing — and racial disparities in homeownership are among the highest in the nation. Statewide, renter cost burden and homelessness remain highest among and disproportionately impact people of color.

OVERALL COST BURDEN

One of the key metrics to assess housing affordability is housing cost burden. A household is considered cost burdened when it spends more than 30 percent of its annual income on housing. At 27 percent of all households, the rate of housing cost burden in Minnesota is relatively low compared to the national average of 33 percent. Still, Minnesota has yet to fully recover from a significant increase from 2000 to 2007, when housing cost burden increased by 47 percent, impacting 1 in 3 households by 2007. In 2012, cost burden began to fall across state. Today, 1 in 4 — or approximately 546,000 — households in Minnesota experience housing cost burden.



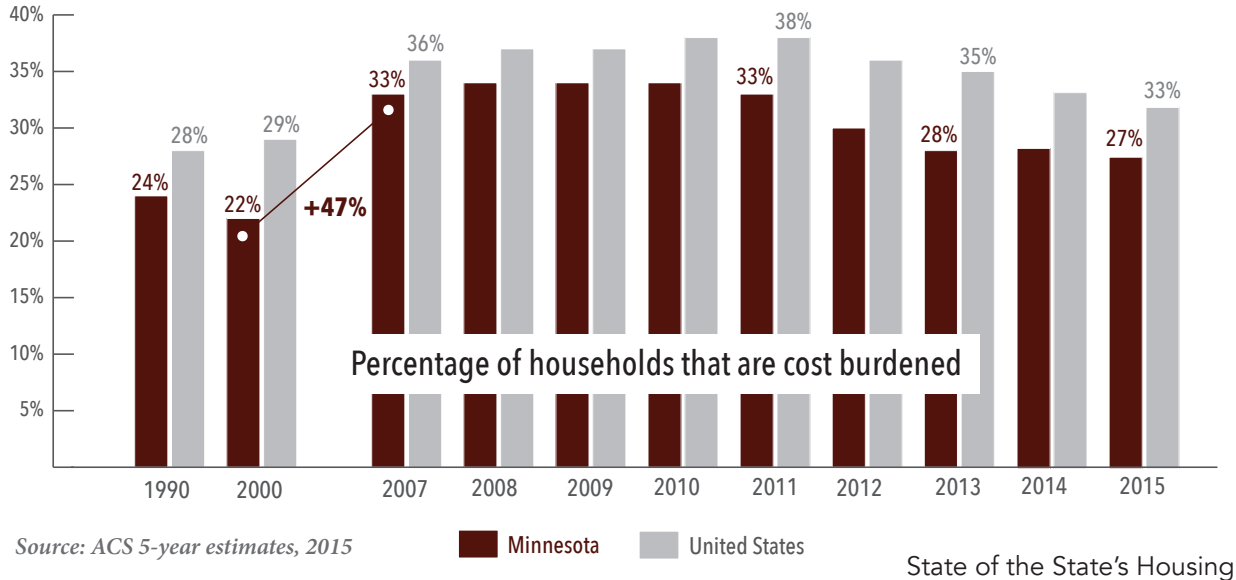
COST BURDEN

A household is cost burdened when it spends **more than 30% of its income on housing.** Families spending more than 30% often have inadequate resources to pay for other necessities like food and medicine.

RENTERS

Minnesota has one of the largest renter populations in the Upper Midwest[1] with approximately 590,000 renter households. Of these households, almost half experience housing cost burden and nearly a quarter experience severe housing cost burden — meaning they pay more than 50 percent of their income on rent. Renter housing cost burden is highest among households of color at 53 percent, compared to only 43 percent of White renter households. Compared to other states in the Upper Midwest, renter housing cost burden is 15 percent higher. While many housing trends vary by region, renter housing cost burden is an issue in almost every county in Minnesota.

1 We use "Upper Midwest" to refer to Minnesota, North Dakota, South Dakota, Iowa, and Wisconsin.



Source: ACS 5-year estimates, 2015

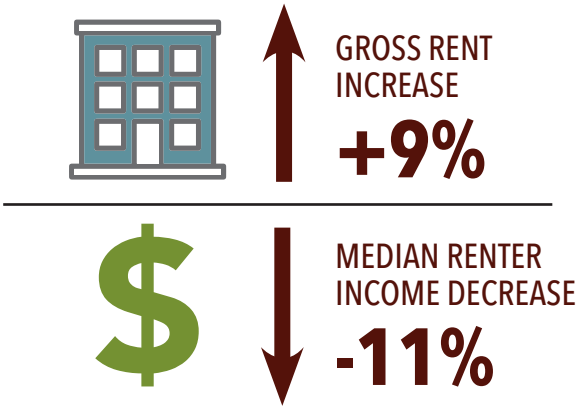
WAGES VS RENT[2]

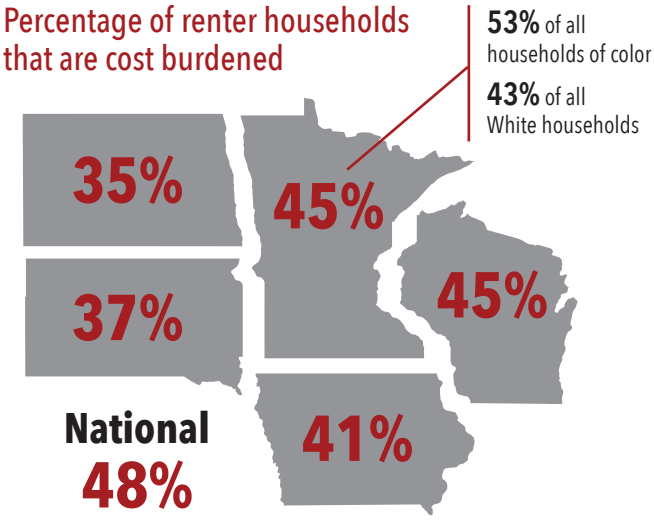
In part, many renters experience housing cost burden because, for more than a decade, their wages have decreased relative to housing costs. Between 2000 and 2015, the median renter wage in Minnesota decreased by 11 percent, yet the median gross rent for the state increased by 9 percent. These trends are largely in line with national trends, which show an 11 percent decrease in the median renter income and a 12 percent increase in the median gross rent. The only Upper Midwest state that saw a similar divergence was Wisconsin, where median renter income has dropped by 19 percent since 2000 and housing costs have increased by 4 percent.

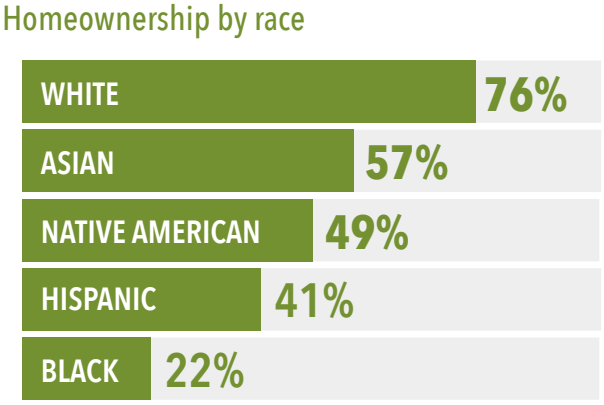
OWNERS

In 2015, there were 1.5 million owner households in Minnesota and nearly 1 in 5 of these households experienced housing cost burden. While housing costs are higher in Minnesota, this rate of owner cost burden is 20 percent higher than the average rate of housing cost burden in all other states in the Upper Midwest. Minnesota also had the second highest rate of severe owner cost burden in the Upper Midwest with nearly 10 percent of all owner households paying more than 50 percent of their income on housing.

Racial disparities in homeownership rates — widely referred to as the homeownership gap — remain a major issue in Minnesota. While 76 percent of all White households own their home, only 57 percent of Asian, 49 percent of Native American, 41 percent of Hispanic and 22 percent of Black households own their homes. In total, only 2 in 5 households of color own their home in Minnesota. Nationally, the homeownership gap is 25 percent; in Minnesota it is far wider at 37 percent.







Source for above graphics: ACS 5-year estimates, 2015

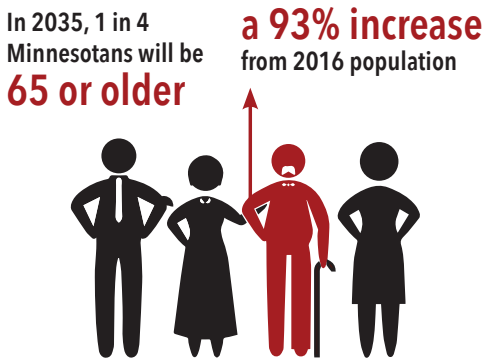
2 Wages and rent adjusted for inflation

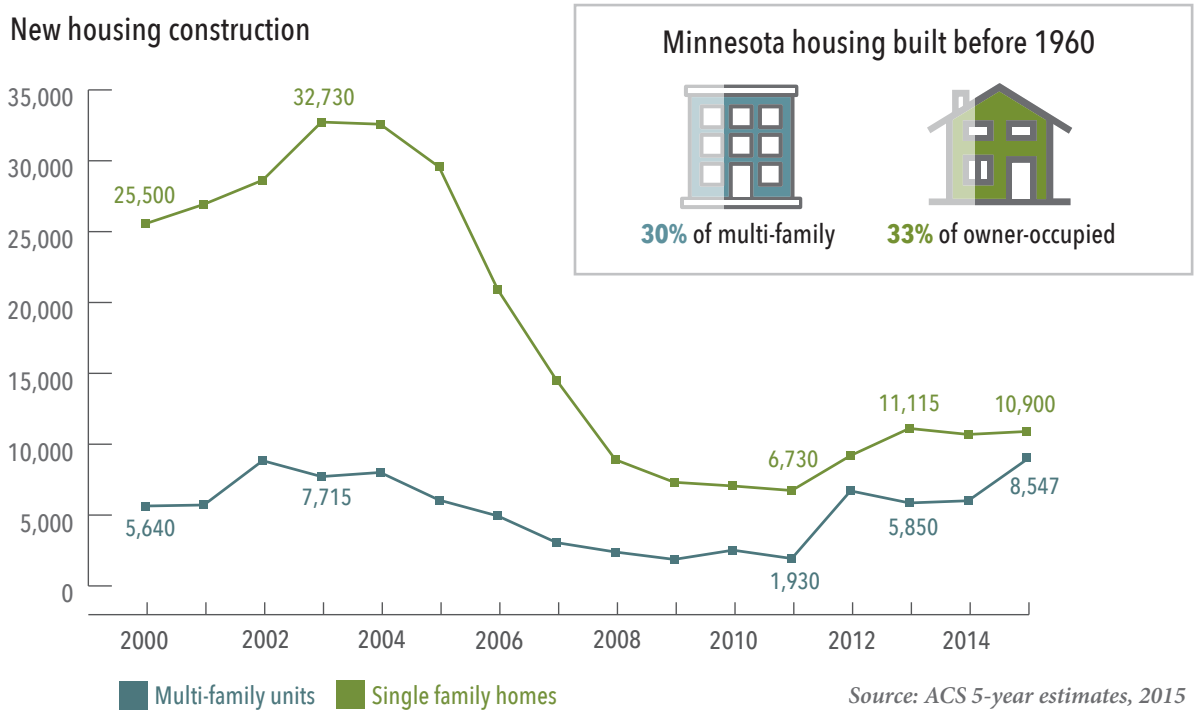
HOUSING DEVELOPMENT

Projected population increases coupled with the tight and competitive housing market indicate the need for new housing development. Housing built before 1960 comprises one-third of owner-occupied homes and 30 percent of rental units across the state, with nearly 500,000 aging owner-occupied homes and nearly 175,000 aging rental units. After dipping to historic lows during the Great Recession, multi-family development has continued to rise across the state. From 2011 to 2015, multi-family development more than tripled, rising to 8,547 new multi-family units developed in 2015. In contrast, single family development only increased by 54 percent – well under the 340 percent increase in multi-family development.

SENIOR HOUSING

Senior housing need is also a growing issue in Minnesota. By 2035, nearly 1 in 4 Minnesotans will be 65 or older, representing a 93 percent increase in the current senior population. Across the state, more than half of all senior renters and one-quarter of all senior homeowners experience housing cost burden. While this is a critical issue across the state, senior renter cost burden is most pronounced in the Twin Cities region, where it impacts more than 3 in 5 senior renters. This issue is likely to grow only more urgent as the region's senior population is expected to grow by 123 percent over the next 20 years — the largest projected increase for any region in the state. With the senior population on the rise and already high rates of senior cost burden, the state will need to ramp up affordable housing options for seniors in the coming years.





Source: ACS 5-year estimates, 2015

WORKFORCE HOUSING NEED

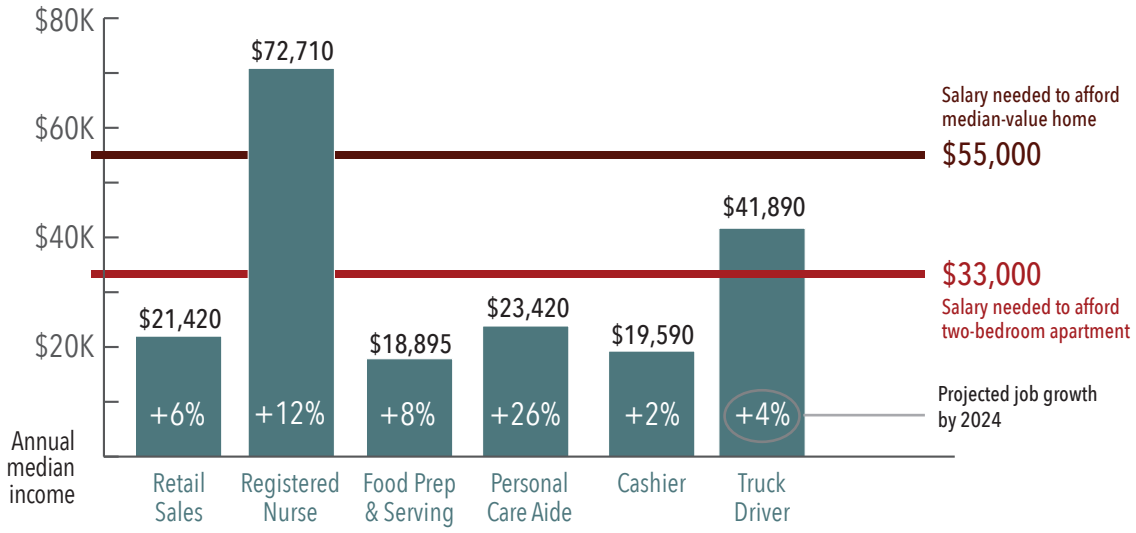
The term "workforce housing" refers to housing that is affordable to workers and in reasonable proximity to the workplace. In both Greater Minnesota and the Twin Cities region, the growth of relatively low-wage jobs is driving the need for workforce housing. The current top six in-demand occupations for the state include retail salespersons, registered nurses, food preparation and serving workers, personal care aides, cashiers, and truck drivers. By 2024, demand for these occupations is expected to grow by an average rate of 9 percent and create nearly 118,000 new job openings, accounting for 15 percent of all projected job openings among in-demand occupations.

However, many of these industries only pay a fraction of what is needed to afford prevailing rents and the cost of a median-value home. For the majority of the top six in-demand occupations the median pay ranges from $19,000 to $23,500 annually. At this income level, workers can afford to spend $475 to $588 on housing per month — well below the average two-bedroom Fair Market Rent[3] for the state ($924) and the median gross rent ($848). Registered nurses and truck drivers are the only top six in-demand occupations with a median income adequate to afford these rent amounts. However, truck drivers still fall well short of the $55,000 annual income needed to afford the median-value home. In addition, lack of new construction in Greater Minnesota has created a shortage of housing even for those in relatively high-wage jobs.

HOMELESSNESS

Although these trends all indicate the need for continued investments in affordable housing, a statewide decrease in homelessness points to the positive impact that affordable housing can bring to communities. In line with the 10 percent decrease in homelessness nationwide from 2012 to 2014, the number of people experiencing homelessness in Minnesota decreased by 9 percent from 2012 to 2015. Still, homelessness remains highest among children and people of color. In 2015, children under the age of 17 accounted for 38 percent of all people experiencing homelessness and people of color accounted for 60 percent of the homeless population over the age of 18.

Wages and housing affordability for top in-demand jobs in Minnesota



3 Fair Market Rent is 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.

Twin Cities Region

COUNTIES: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, Washington

The Twin Cities region is the most populous and diverse region in the state with more than 2.9 million residents and 75 percent of the Minnesota's non-white population. Over the next 20 years, suburban counties are expected to grow from 13 to 20 percent in total population, while urban counties — Hennepin and Ramsey — are only projected to grow by 10 and 9 percent. Much of this growth will be driven by people of color, who are projected to make up 40 percent of the total Twin Cities region population by 2040.

Although the region saw a modest 8 percent decrease in homelessness from 2012 to 2015, significant racial disparities persist in housing, a high percent of senior renters and homeowners pay more than they can afford for housing, and extremely low-income families face dramatic challenges in finding affordable housing. Of all the regions in the state, the Twin Cities metro area has the highest rate of cost burdened renters and, given that the fastest growing jobs pay only a fraction of what is needed to afford housing, this burden will affect a growing number of households in coming years if supply does not shift to meet the demand for more affordable housing options.

RENTAL HOUSING

With more than 1.1 million households, the Twin Cities region comprises more than 30 percent of the state's total household population and 60 percent of the state's total renter household population. The counties with the highest proportions of renter households are Hennepin and Ramsey, where renters account for 2 in 5 households. In suburban communities, the proportion of renter households is slightly lower with only 16 to 25 percent of the total population living in rental units.

Minneapolis and St. Paul

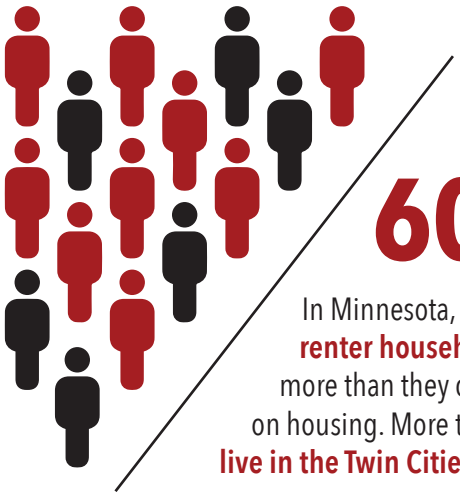
Within the boundaries of the City of Minneapolis, the majority of households – 52 percent – are renters. This is also true in the City of St. Paul, where 51 percent of households are renters.

Median gross rent is highest within the city boundaries for Minneapolis, at $869, with St. Paul close behind at $838. Of the 87,460 renter households in Minneapolis, 42 percent are cost burdened – paying more than 30 percent of their income on housing. For renters with incomes less than $20,000 per year, cost burden rises to 84 percent. For St. Paul, 50 percent of all renters are cost burdened, and 83 percent of renters with incomes less than $20,000 are cost burdened.

Between 2000 and 2015, renter income dropped in Minneapolis by 11 percent, falling further in St. Paul where it dropped by 16 percent. In contrast, homeowner incomes increased in both cities, growing by 10 percent in Minneapolis and 3 percent in St. Paul.

The Twin Cities region has the second highest rate of renter cost burden in the state with 46 percent all renter households experiencing housing cost burden. Anoka and Ramsey counties have some of the highest rates of housing cost burden with roughly half of all renters experiencing housing cost burden and one-quarter of all renters experiencing severe housing cost burden. While

these are not significantly higher than elsewhere in the state, it is important to note that, in total, the region accounts for 3 in 5 of the 272,000 cost burdened renter households in Minnesota.



60%

In Minnesota, **272,000 renter households** pay more than they can afford on housing. More than **60% live in the Twin Cities region.**

TWIN CITIES REGION

34,000	102,100
# of units affordable and available to extremely low-income households	# of extremely low-income households

For extremely low-income households[1], which have the highest levels of housing cost burden, the shortage of affordable housing is severe. In 2015, the region had 102,100 extremely low-income households, but only 34,000 rental units that were available and affordable to these households. This shortage speaks to the difficulties that low-income renters face in the Twin Cities' consistently tight and increasingly expensive renter market. With more than 27,000 new moderate- and high-income households entering the rental market since 2010, low-income households must now compete with moderate-income renters for sparsely available units.

The Twin Cities housing squeeze is particularly problematic for households of color who continue to trail White households in a number of economic measures. Across the region, households led by people of color earn 28 percent less than White households; in Hennepin and Ramsey, the percentage widens to 41 and 42 percent, respectively. As the Twin Cities renter market continues to add more high-income renters, households of color will disproportionately struggle to find affordable and adequate housing.

OWNER-OCCUPIED HOMES

The Twin Cities region includes more than 784,000 homeowner households, accounting for nearly 70 percent of the region's entire household population and more than 50 percent of Minnesota's total owner household population. While Hennepin and Ramsey counties have the lowest rates of homeownership in the state with roughly 60 percent of households in owner-occupied units, they account for nearly 30 percent of the Minnesota's total owner household population. In contrast, suburban counties see at least 75 percent of their households in owner-occupied units.

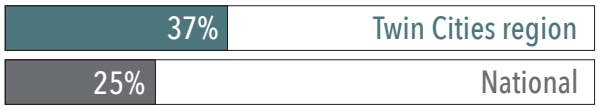
The region has the second highest rate of homeowner cost burden in the state with 20 percent of owner households paying more than 30 percent of their income on housing. Unlike rates of homeownership, which vary by county, owner housing cost burden consistently affects 1 in 5 homeowner households across the region.

1 Extremely low-income households earn less than 30% of the area median income; approximately $26,000 per year for a household of four in the Twin Cities

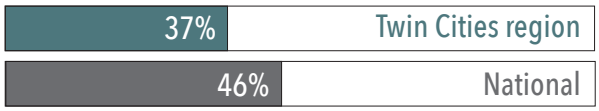
On average, the homeownership rate for households of color in the Twin Cities region is 37 percent lower than that of White households. In 2015, the rate of ownership for households of color was 37 percent, compared to 75 percent for White households. African-American households had the lowest rate of homeownership at 25 percent.

During the recession, the homeownership gap in the region ballooned from 31 percent in 2008 to nearly 40 percent by 2011. While the Twin Cities' homeownership gap has narrowed in recent years, it remains above historic levels and well above the average homeownership gap for the nation.

Homeownership gap



% of households of color who own their home



SENIOR HOUSING NEED

By 2035, the number of seniors in the Twin Cities region will more than double, rising to more than 862,000 individuals. The projected growth rate is the highest for the state at 123 percent — 30 percent higher than the average growth rate for the state (93 percent). These trends both stand to exacerbate current senior housing issues unless the region adds more affordable senior housing.

Of the 52,500 senior renter households in the Twin Cities region, 61 percent experience housing cost burden – 13 percent higher than the rate for all senior renters in Minnesota.

Compared to all other regions in the state, the Twin Cities also has the highest rate of senior renter cost burden. Of the 52,500 senior renter households, 61 percent experience housing cost burden — 13 percent higher than the rate of housing cost burden for all senior renters in Minnesota. While the region contains the smallest proportion of renter households that are seniors (14 percent), it has the largest number of senior renter households at roughly 52,500.

Senior homeowners in the Twin Cities have high rates of cost burden, as well, with the region ranking second only to the Central region. Of the 170,500 senior homeowner households, more than 46,000 (27 percent) experience housing cost burden. These rates are highest in Hennepin and Scott counties, which see 29 percent of senior owners experiencing housing cost burden.

HOUSING AFFORDABILITY BY OCCUPATION

In the Twin Cities region, the majority of median-income renter households can't afford median gross rent. While median gross rent ranges from $865 in Ramsey County to $1,144 in Washington County, the median income renter can only afford ranges from $792 in Ramsey County to $1,088 in Washington County. At these levels, median-income renters in only half of the region's counties can afford a modest two-bedroom apartment.

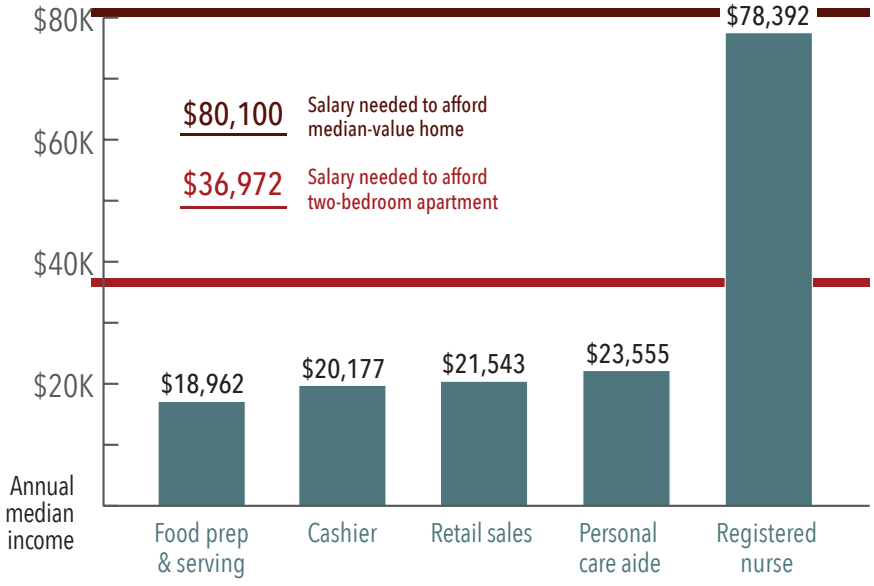
The top five in-demand occupations for the region include retail sales persons, registered nurses, personal care aides, food preparation and serving workers, and cashiers. By 2024, these occupations are expected grow by an average rate of 16 percent. The median annual incomes for these top occupations range from $18,962 (food preparation and serving worker) to $78,392 (registered nurse), leaving employees between $474 to $1,960 to put toward housing without spending more than 30 percent of their income. That means four of the top five in-demand jobs ***do not*** earn a salary that can afford the rent for a two-bedroom apartment in ***any*** county in the Twin Cities region. Only registered nurses can afford homeownership — and even they are priced out of a median-value home in Carver County.

HOMELESSNESS

The Twin Cities region saw homelessness drop by 8 percent between 2012 and 2015, mirroring the 9 percent decrease across state. In Hennepin County, which accounts for 60 percent of all homeless persons in the region, homelessness dropped by 15 percent, giving the county its smallest homeless population since 2006. In contrast, Ramsey County experienced a 14 percent increase in homelessness and Anoka, Carver, and Scott counties experienced increases in homelessness, as well.

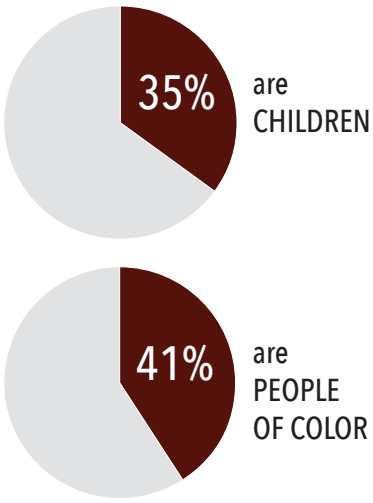
The groups that are most likely to experience homelessness are children and households of color. In 2015, of the 6,200 homeless individuals in the region, 2,300 (35 percent) were children and 2,580 (41 percent) were people of color.

Wages & housing affordability for top in-demand jobs in CARVER COUNTY



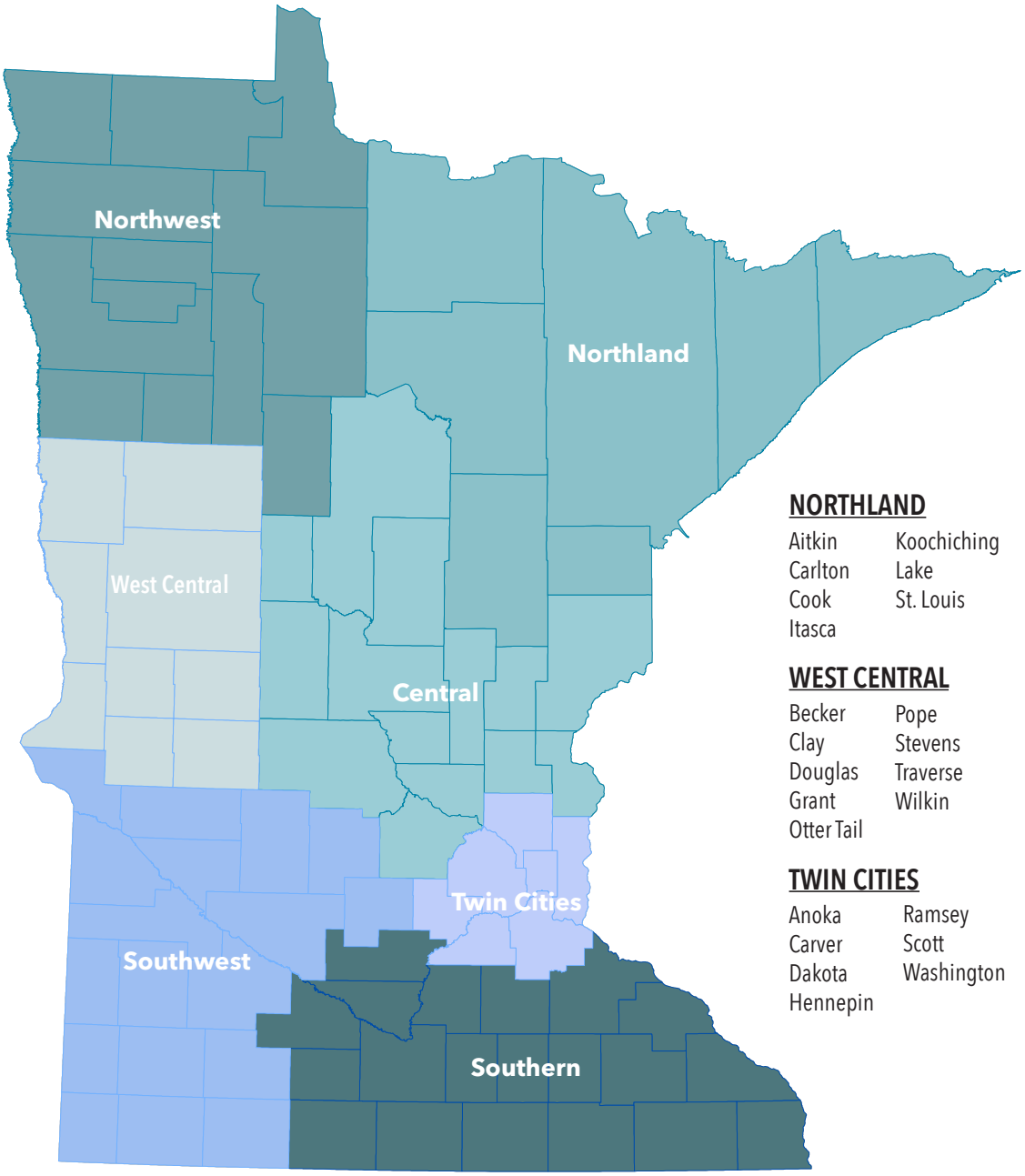
Unlike other counties in the region, the salary needed to afford a median-value home in Carver County exceeds even the pay of a registered nurse.

Homelessness in the region



Regions

Regions based on the delineations used by the Minnesota Housing Finance Agency



NORTHLAND

Aitkin
Carlton
Cook
Itasca
Koochiching
Lake
St. Louis

WEST CENTRAL

Becker
Clay
Douglas
Grant
Otter Tail
Pope
Stevens
Traverse
Wilkin

TWIN CITIES

Anoka
Carver
Dakota
Hennepin
Ramsey
Scott
Washington

NORTHWEST

Beltrami
Clearwater
Hubbard
Kittson
Lake of the Woods
Mahnomen
Marshall
Norman
Pennington
Polk
Red Lake
Roseau

CENTRAL

Benton
Cass
Chisago
Crow Wing
Isanti
Kanabec
Mille Lacs
Morrison
Pine
Sherburne
Stearns
Todd
Wadena
Wright

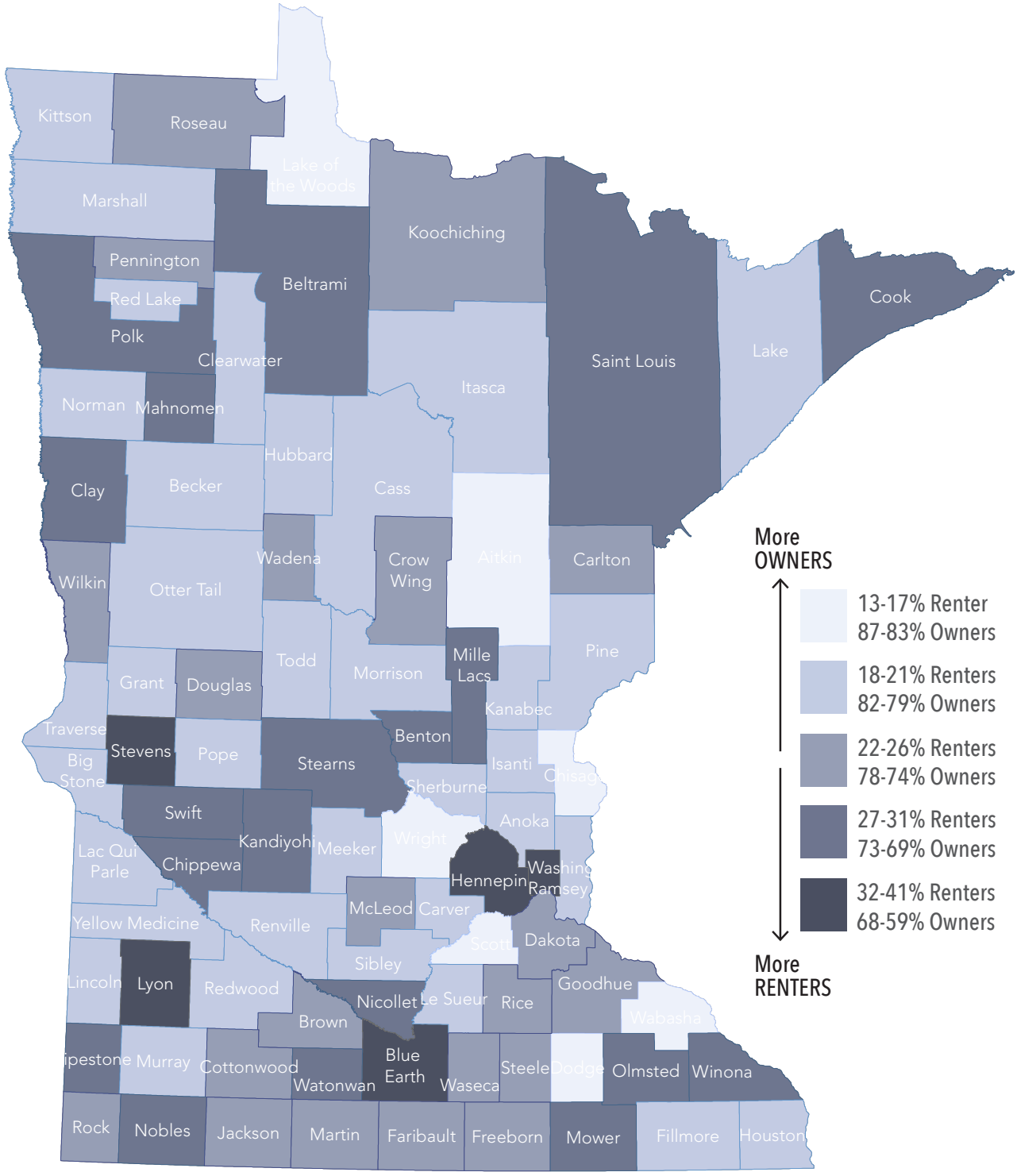
SOUTHWEST

Big Stone
Chippewa
Cottonwood
Jackson
Kandiyohi
Lac qui Parle
Lincoln
Lyon
McLeod
Meeker
Murray
Nobles
Pipestone
Redwood
Renville
Rock
Swift
Yellow Medicine

SOUTHERN

Blue Earth
Brown
Dodge
Faribault
Fillmore
Freeborn
Goodhue
Houston
Le Sueur
Martin
Mower
Nicollet
Olmsted
Rice
Sibley
Steele
Wabasha
Waseca
Watonwan
Winona

RENTAL VS OWNERSHIP:
Percentage of households that are renting / owning in 2015



Increase in Median Gross Rent* by County, 2000 to 2015 (adjusted for inflation to 2015 dollars)

Rank	Region	% change in rent 2000-2015	Median gross rent, 2015
1	Northwest	18%	$582
2	Central	18%	$731
3	West Central	17%	$611
4	Northland	15%	$594
5	Southwest	15%	$649
6	Southern	14%	$658
7	Twin Cities	8%	$982
	STATE	**9%**	**$848**

Rank	County	Region	% change in rent 2000-2015	Median gross rent, 2015
1	Big Stone	Southwest	60%	$508
2	Cottonwood	Southwest	43%	$607
3	Lake of the Woods	Northwest	36%	$634
4	Becker	West Central	34%	$671
5	Mower	Southern	33%	$697
6	Pope	West Central	30%	$652
7	Mille Lacs	Central	30%	$734
8	Cass	Central	30%	$665
9	Martin	Southern	30%	$613
10	Douglas	West Central	29%	$730
11	Hubbard	Northwest	28%	$673
12	Carlton	Northland	27%	$691
13	Pennington	Northwest	26%	$604
14	Clay	West Central	25%	$723
15	Red Lake	Northwest	25%	$484
16	Mahnomen	Northwest	25%	$518
17	Kanabec	Central	24%	$764
18	Marshall	Northwest	24%	$542
19	Wright	Central	24%	$899
20	Fillmore	Southern	24%	$595

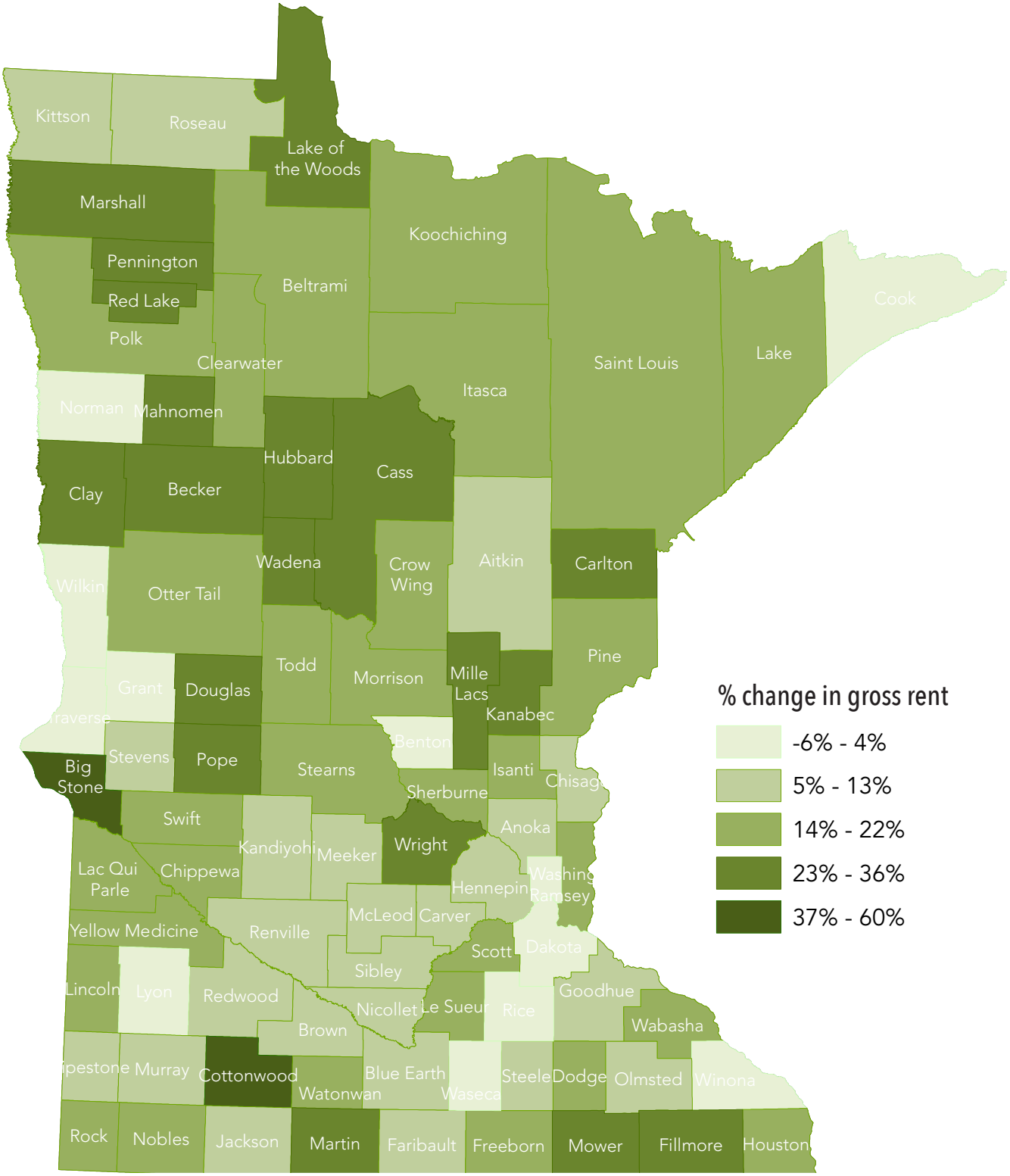
*The U.S. Census Bureau defines "median gross rent" as the contract rent plus the estimated average monthly cost of utilities and fuels.

Rank	County	Region	% change in rent 2000-2015	Median gross rent, 2015
21	Wadena	Central	23%	$569
22	Otter Tail	West Central	22%	$656
23	Watonwan	Southern	22%	$566
24	St. Louis	Northland	20%	$685
25	Pine	Central	20%	$711
26	Dodge	Southern	20%	$635
27	Clearwater	Northwest	19%	$558
28	Todd	Central	19%	$567
29	Washington	Twin Cities	19%	$1,144
30	Freeborn	Southern	18%	$598
31	Sherburne	Central	18%	$925
32	Morrison	Central	18%	$655
33	Lincoln	Southwest	18%	$528
34	Yellow Medicine	Southwest	18%	$578
35	Houston	Southern	18%	$634
36	Nobles	Southwest	17%	$627
37	Wabasha	Southern	17%	$699
38	Koochiching	Northland	17%	$559
39	Beltrami	Northwest	17%	$664
40	Le Sueur	Southern	16%	$694
41	Isanti	Central	16%	$843
42	Swift	Southwest	16%	$579
43	Crow Wing	Central	16%	$730
44	Lac qui Parle	Southwest	16%	$554
45	Itasca	Northland	15%	$642
46	Polk	Northwest	15%	$626
47	Chippewa	Southwest	14%	$630
48	Rock	Southwest	14%	$619
49	Stearns	Central	14%	$742
50	Scott	Twin Cities	14%	$1,024
51	Lake	Northland	14%	$680
52	Meeker	Southwest	13%	$686
53	Steele	Southern	13%	$731
54	Chisago	Central	13%	$785

Rank	County	Region	% change in rent 2000-2015	Median gross rent, 2015
55	Nicollet	Southern	**13%**	**$757**
56	Faribault	Southern	**13%**	**$538**
57	Aitkin	Northland	**12%**	**$633**
58	Redwood	Southwest	**12%**	**$572**
59	Kandiyohi	Southwest	**11%**	**$666**
60	McLeod	Southwest	**11%**	**$710**
61	Stevens	West Central	**11%**	**$587**
62	Brown	Southern	**10%**	**$606**
63	Renville	Southwest	**10%**	**$578**
64	Jackson	Southwest	**10%**	**$540**
65	Anoka	Twin Cities	**9%**	**$971**
66	Pipestone	Southwest	**9%**	**$546**
67	Blue Earth	Southern	**8%**	**$727**
68	Carver	Twin Cities	**8%**	**$950**
69	Murray	Southwest	**8%**	**$555**
70	Olmsted	Southern	**8%**	**$827**
71	Sibley	Southern	**7%**	**$630**
72	Goodhue	Southern	**7%**	**$705**
73	Roseau	Northwest	**6%**	**$646**
74	Hennepin	Twin Cities	**6%**	**$951**
75	Kittson	Northwest	**6%**	**$504**
76	Cook	Northland	**4%**	**$655**
77	Winona	Southern	**4%**	**$608**
78	Ramsey	Twin Cities	**4%**	**$865**
79	Grant	West Central	**4%**	**$512**
80	Waseca	Southern	**3%**	**$571**
81	Traverse	West Central	**3%**	**$530**
82	Norman	Northwest	**2%**	**$527**
83	Rice	Southern	**1%**	**$722**
84	Lyon	Southwest	**-1%**	**$605**
85	Benton	Central	**-2%**	**$648**
86	Dakota	Twin Cities	**-2%**	**$971**
87	Wilkin	West Central	**-6%**	**$437**

Source: ACS 5-year estimates, 2015

Increase in Median Rent by County, 2000 to 2015 (adjusted for inflation to 2015 dollars)



GROWING GAP BETWEEN RENT AND INCOME:
Counties with the largest gap between change in rent and income, 2000-2015

Rank	Region	% change gross rent 2000-2015	% change median renter income	GAP
1	Southern	14%	**-14%**	**28%**
2	Northland	15%	**-10%**	**25%**
3	Central	18%	**-6%**	**24%**
4	Southwest	15%	**-8%**	**23%**
5	Northwest	18%	**-2%**	**20%**
6	West Central	17%	**0.7%**	**17%**
7	Twin Cities	8%	**-7%**	**16%**
	STATE	**9%**	**-11%**	**20%**

Rank	County	Region	% change gross rent 2000-2015	% change median renter income	GAP
1	Big Stone	Southwest	**60%**	**-26%**	**85%**
2	Cottonwood	Southwest	**43%**	**-11%**	**54%**
3	Mower	Southern	**33%**	**-12%**	**45%**
4	Fillmore	Southern	**24%**	**-20%**	**44%**
5	Steele	Southern	**13%**	**-28%**	**41%**
6	Kanabec	Central	**24%**	**-16%**	**40%**
7	Mahnomen	Northwest	**25%**	**-15%**	**40%**
8	Houston	Southern	**18%**	**-18%**	**36%**
9	Martin	Southern	**30%**	**-4%**	**34%**
10	Red Lake	Northwest	**25%**	**-8%**	**33%**
11	Pennington	Northwest	**26%**	**-7%**	**32%**
12	Pine	Central	**20%**	**-12%**	**32%**
13	Carlton	Northland	**27%**	**-5%**	**32%**
14	Lake of the Woods	Northwest	**36%**	**+4%**	**32%**
15	Koochiching	Northland	**17%**	**-15%**	**32%**
16	Wabasha	Southern	**17%**	**-15%**	**32%**
17	Benton	Central	**-2%**	**-33%**	**31%**
18	Pipestone	Southwest	**9%**	**-22%**	**31%**
19	Cass	Central	**30%**	**0%**	**30%**
20	Goodhue	Southern	**7%**	**-23%**	**30%**

Source: ACS 5-year estimates, 2015

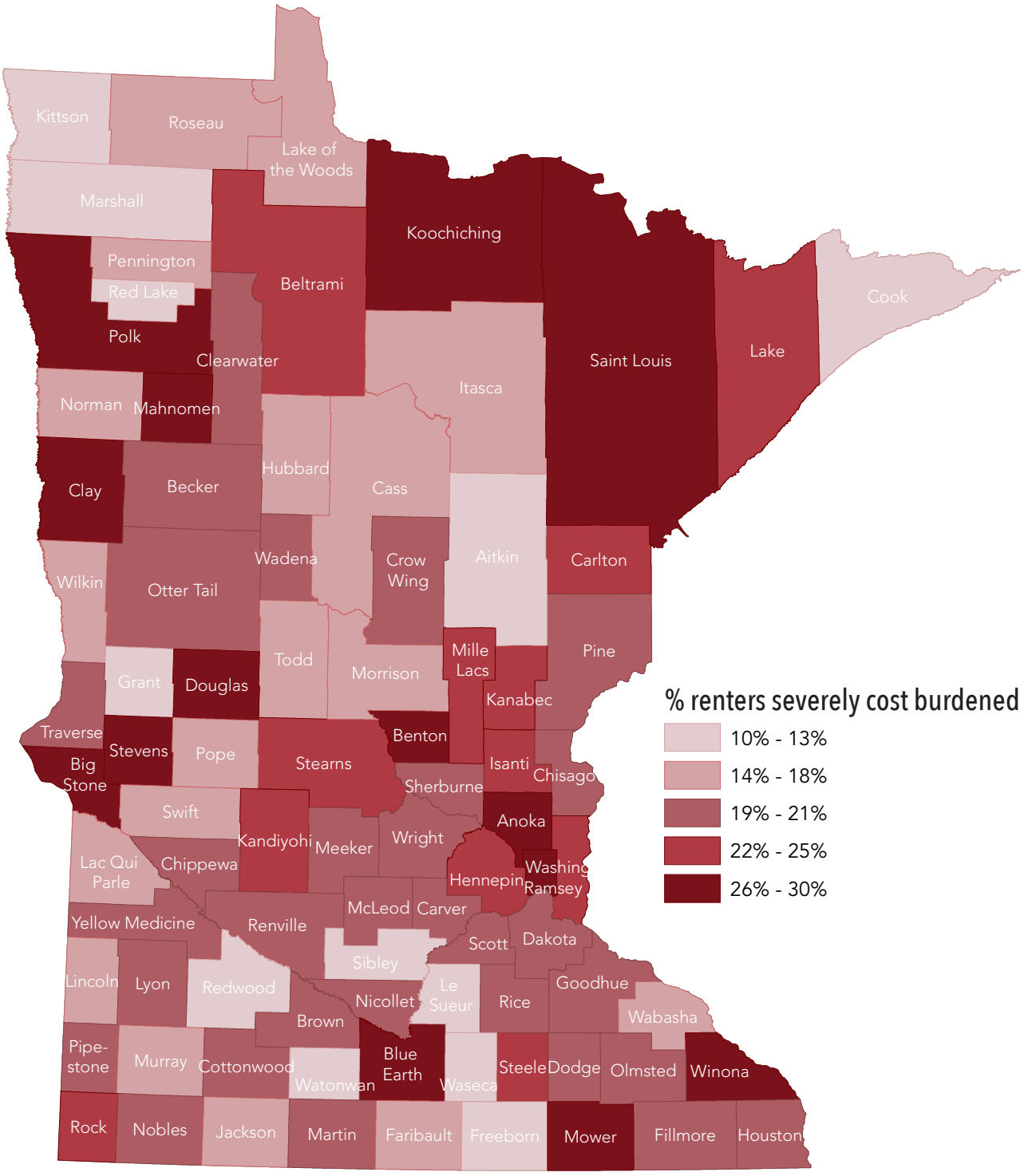
SEVERE RENTER COST BURDEN:
Percentage of renter households paying half or more of income for housing in 2015

Rank	Region	% of renters
1	Northland	25%
2	Twin Cities	24%
3	West Central	24%
4	Southern	22%
5	Central	21%
6	Northwest	20%
7	Southwest	20%
	STATE	**23%**

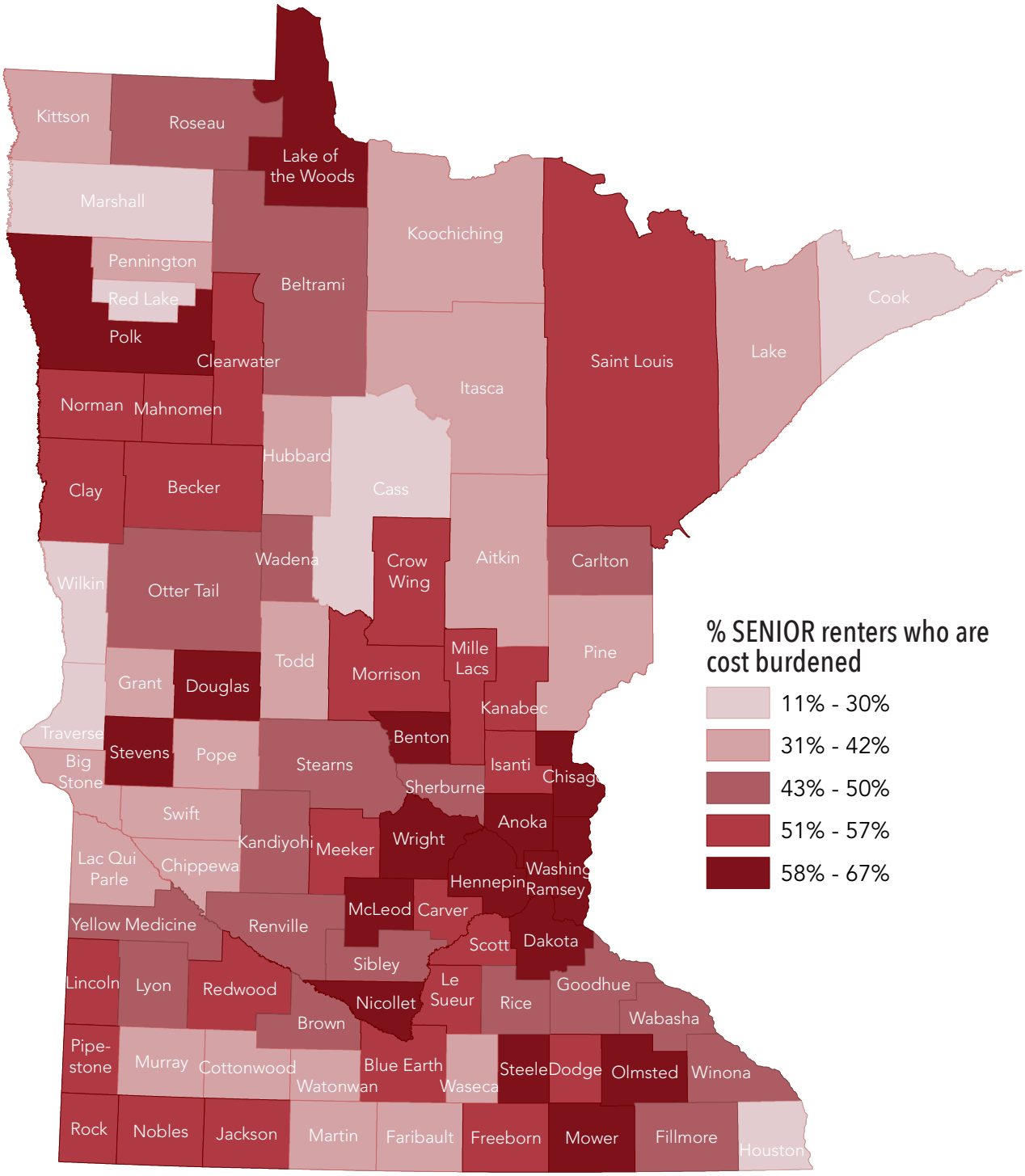
Rank	County	Region	% of renters
1	Winona	Southern	30%
2	Mahnomen	Northwest	30%
3	Blue Earth	Southern	30%
4	Stevens	West Central	29%
5	Clay	West Central	28%
6	Douglas	West Central	27%
7	St. Louis	Northland	27%
8	Benton	Central	27%
9	Mower	Southern	26%
10	Big Stone	Southwest	26%
11	Polk	Northwest	26%
12	Ramsey	Twin Cities	26%

Source: ACS 5-year estimates, 2015

SEVERE RENTER COST BURDEN:
Percentage of renter households paying half or more of income for housing in 2015



SENIOR RENTER COST BURDEN:
Senior renter households paying 30% or more of income for housing in 2015



AGING HOUSING STOCK:
Percentage of single and multi-family housing built before 1960, 2015

Rank	Region	% of housing stock built before 1960
1	Southwest	**50%**
2	Southern	**44%**
3	West Central	**39%**
4	Northland	**35%**
5	Northwest	**34%**
6	Central	**24%**
7	Twin Cities	**21%**
	STATE	**32%**

Rank	County	Region	% of housing stock built before 1960
1	Faribault	Southern	**64%**
2	Watonwan	Southern	**62%**
3	Lac qui Parle	Southwest	**61%**
4	Mower	Southern	**59%**
5	Yellow Medicine	Southwest	**59%**
6	Traverse	West Central	**58%**
7	Jackson	Southwest	**57%**
8	Pipestone	Southwest	**56%**
9	Freeborn	Southern	**56%**
10	Cottonwood	Southwest	**55%**

Source: ACS 5-year estimates, 2015

NEW HOUSING CONSTRUCTION:
Units permitted and percentage of units permitted that were multi-family*, 2015

Rank	County	Multi-family units permitted	Total # of units permitted	% units that are multi-family	Region
1	Hennepin	2,757	4,376	63%	Twin Cities
2	Olmsted	1,110	1,622	68%	Southern
3	Ramsey	1,025	1,304	79%	Twin Cities
4	Blue Earth	528	681	78%	Southern
5	Stearns	394	693	57%	Central
6	St. Louis	368	703	52%	Northland
7	Dakota	366	1,306	28%	Twin Cities
8	Clay	308	581	53%	West Central
9	Washington	275	888	31%	Twin Cities
10	Carver	210	729	29%	Twin Cities
11	Douglas	138	298	46%	West Central
12	Crow Wing	118	447	26%	Central
13	Freeborn	112	138	81%	Southern
14	Beltrami	93	193	48%	Northwest
15	Benton	88	165	53%	Central
16	Itasca	88	170	52%	Northland
17	Scott	88	489	18%	Twin Cities

Counties with fewer than 50 multi-family units permitted in 2015

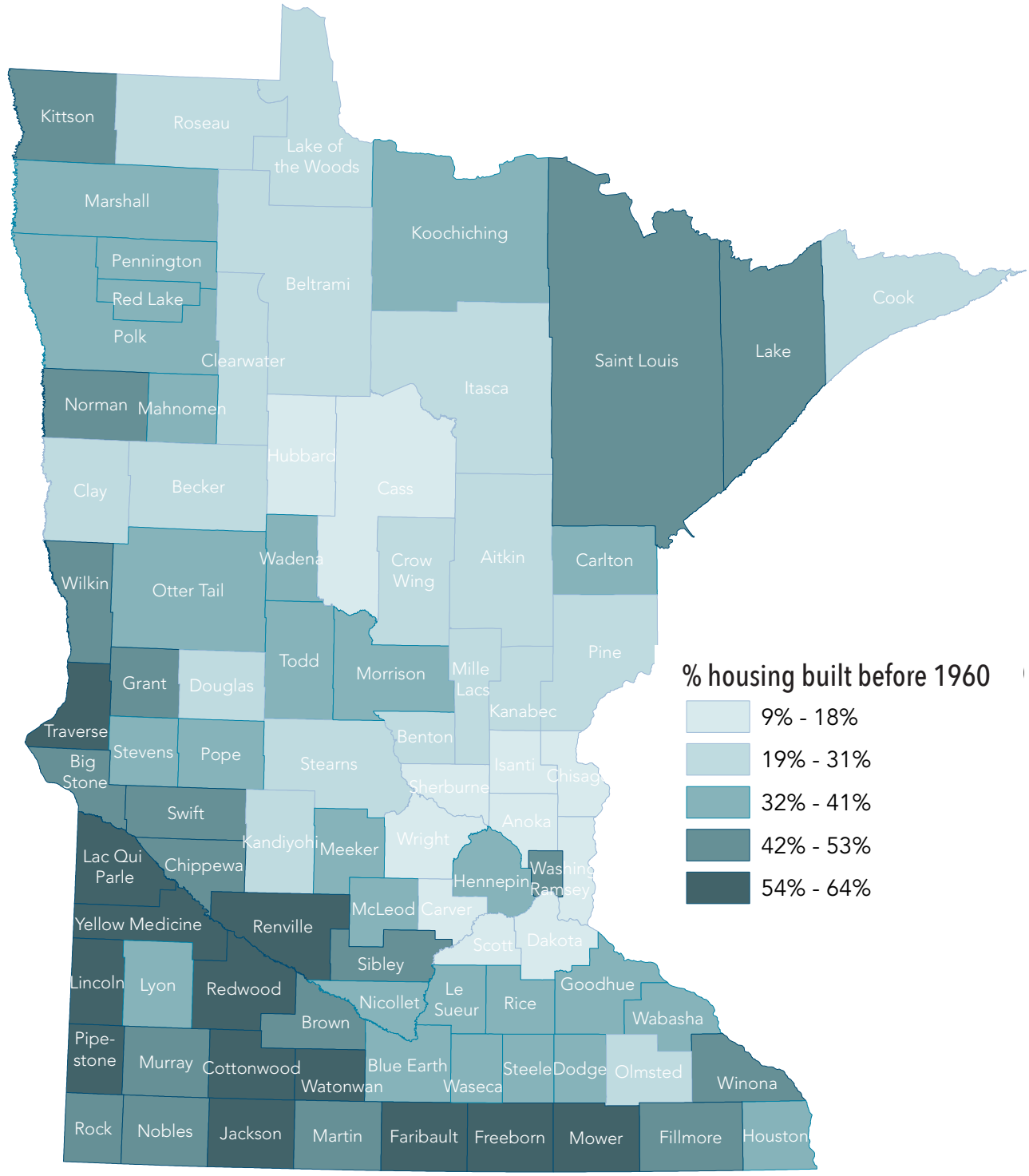
Anoka, Cass, Houston, Isanti, Jackson, Lyon, Mille Lacs, Morrison, Nicollet, Otter Tail, Pine, Rice, Roseau, Sherburne, Sibley, Steele, Stevens, Winona

Counties with 0 multi-family units permitted in 2015

Aitkin, Becker, Big Stone, Brown, Carlton, Chippewa, Chisago, Clearwater, Cook, Cottonwood, Dodge, Faribault, Fillmore, Goodhue, Grant, Hubbard, Kanabec, Kandiyohi, Kittson, Koochiching, Lac qui Parle, Lake, Lake of the Woods, Le Sueur, Lincoln, McLeod, Mahnomen, Marshall, Martin, Meeker, Mower, Murray, Nobles, Norman, Pipestone, Polk, Pope, Red Lake, Redwood, Renville, Rock, Swift, Todd, Traverse, Wabasha, Wadena, Waseca, Watonwan, Wilkin, Wright, Yellow Medicine

* In this report, we define multi-family as any building permitted with three or more units.

AGING HOUSING STOCK:
Percentage of single and multi-family housing built before 1960



LACK OF AFFORDABLE HOUSING: Gap between the available and needed units of housing affordable to extremely low-income renter households*

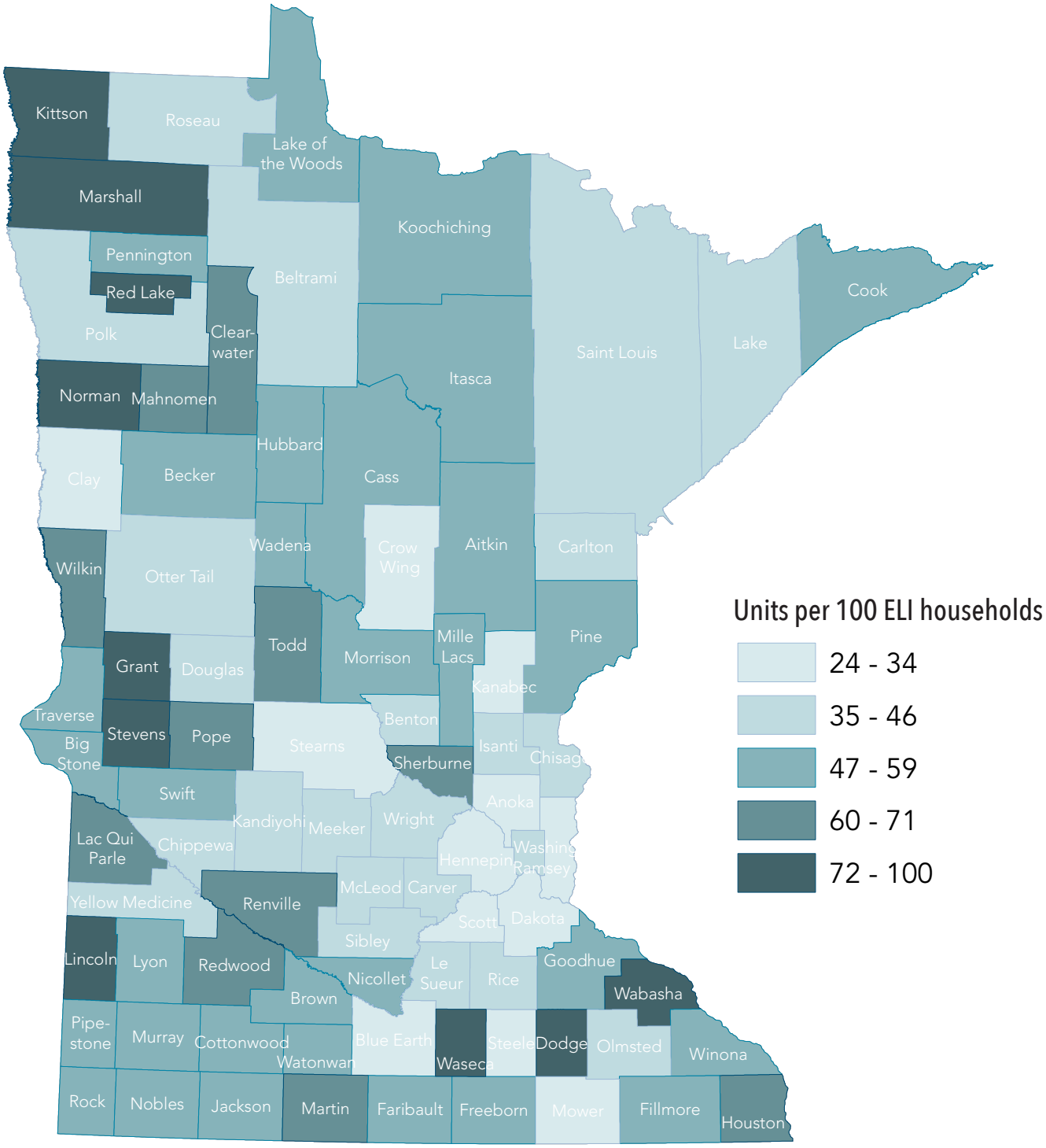
Rank	Region	Available affordable units per 100 extremely low-income renter households
1	Twin Cities	**34**
2	Central	**44**
3	Northland	**45**
4	Southern	**52**
5	Southwest	**55**
6	West Central	**56**
7	Northwest	**62**
	STATE	**36**

Rank	County	Region	Available affordable units per 100 extremely low- income renter households
1	Sherburne	Central	**24**
2	Anoka	Twin Cities	**26**
3	Blue Earth	Southern	**26**
4	Steele	Southern	**29**
5	Mower	Southern	**30**
6	Kanabec	Central	**30**
7	Dakota	Twin Cities	**30**
8	Stearns	Central	**31**
9	Crow Wing	Central	**31**
10	Washington	Twin Cities	**33**

* Defined as earning less than 30 percent of the area median income

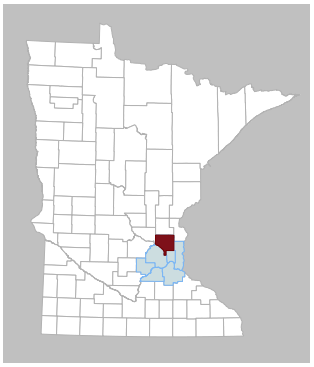
Source: MHP analysis of CHAS data, 2009-2013, using National Low Income Housing Coalition methodology

HOUSING FOR EXTREMELY LOW-INCOME HOUSEHOLDS:
Number of available and affordable rental units per 100 extremely low-income households



2017 County Housing Profile

Anoka County



123,446 households | Twin Cities region

Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

RENTER HOUSEHOLDS

23,568 | 19% of all households

Median rent, 2000: $893
Median rent, 2015: $971

↑ rent up 9%

Median renter income, 2000: $41,704
Median renter income, 2015: $37,457

↓ income down -10%

Fair market rent for 2-bedroom apartment **$1,027**

Median-income renter can afford **$936**

Income for families who own their homes is also on the decline while home values are rising, and ownership for young households has declined significantly since 2000.

OWNER HOUSEHOLDS

99,878 | 81% of all households

Median home value, 2000: $177,556
Median home value, 2015: $187,600

↑ home value 6%

Median owner income, 2000: $86,793
Median owner income, 2015: $81,806

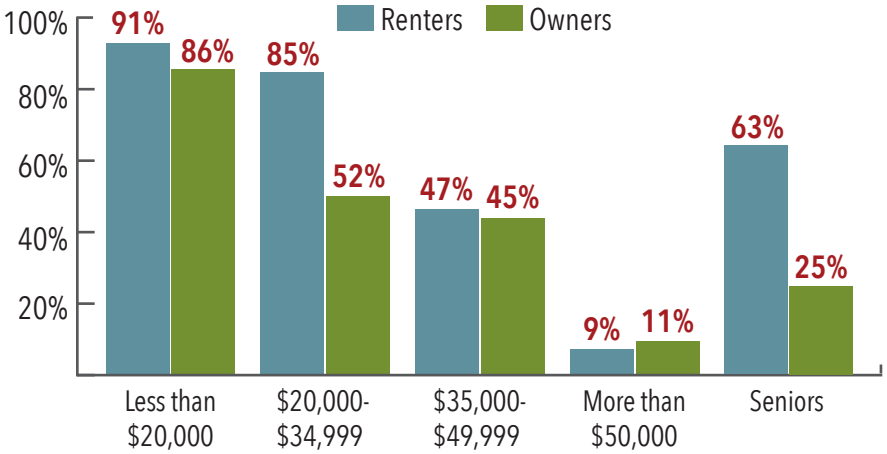
↓ income down -6%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-29%**

Countywide, 30,732 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 63% of seniors who rent and more than 86% of owners and 91% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **30,732**

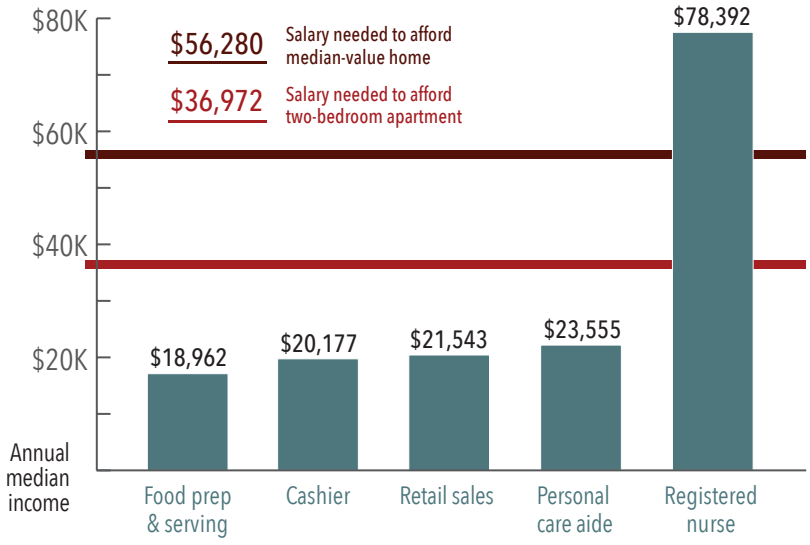
Total # cost burdened RENTER households **11,810**

Total # cost burdened OWNER households **18,922**

Total # cost burdened SENIOR households **7,530**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Anoka County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$70,873**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but in Anoka County the number has increased, meaning more families, seniors and children are suffering the consequences of having no place to call home.

of homeless on given night in 2015
222

% change in homelessness 2012-2015
+9%



Number of homeless CHILDREN **73** homeless SENIORS **17**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **45,958**



% single family homes built before 1960 — **14%**

Single-family units permitted in 2015 — **775**



% rental units built before 1960 — **15%**

Multi-family units permitted in 2015 — **16**

Number of extremely low income (ELI)* households — **6,320**

Available units affordable to ELI households — **1,645**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **107,636**

Growth in number of individual seniors by 2035 — **146%**

Seniors % of overall population by 2035: — **27%**

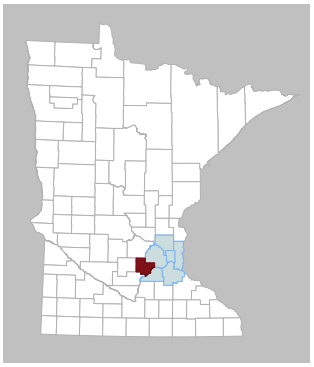
SOURCES – **Renter households:** *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** *Home value and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden**: U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED [Regions: Top In-Demand Jobs based on Economic Development Regions; Job Openings based on Planning Areas] | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016 [Region based on Wilder regions]

mhp
improving home & community

2017 County Housing Profile

Carver County

33,813 households | Twin Cities region



Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

RENTER HOUSEHOLDS

6,350 | 19% of all households

Median rent, 2000: $877
Median rent, 2015: $950

↑ rent up 8%

Median renter income, 2000: $43,315
Median renter income, 2015: $41,599

↓ income down -4%

Fair market rent for 2-bedroom apartment **$1,027** | Median-income renter can afford **$1,040**

Income for families who own their homes is not rising nearly as quickly as home values, and ownership for young households has declined significantly since 2000.

OWNER HOUSEHOLDS

27,463 | 81% of all households

Median home value, 2000: $232,199
Median home value, 2015: $267,000

↑ home value 15%

Median owner income, 2000: $99,800
Median owner income, 2015: $100,115

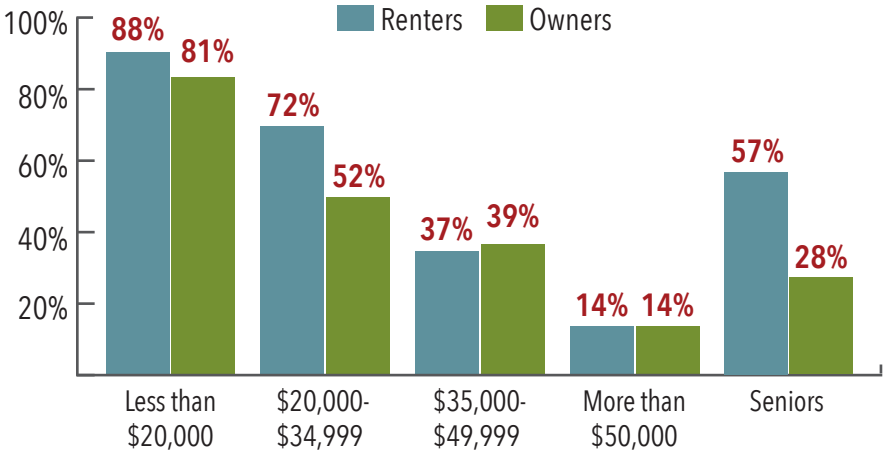
↑ income up 1%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-33%**

Countywide, 7,907 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 57% of seniors who rent and more than 81% of owners and 88% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **7,907**

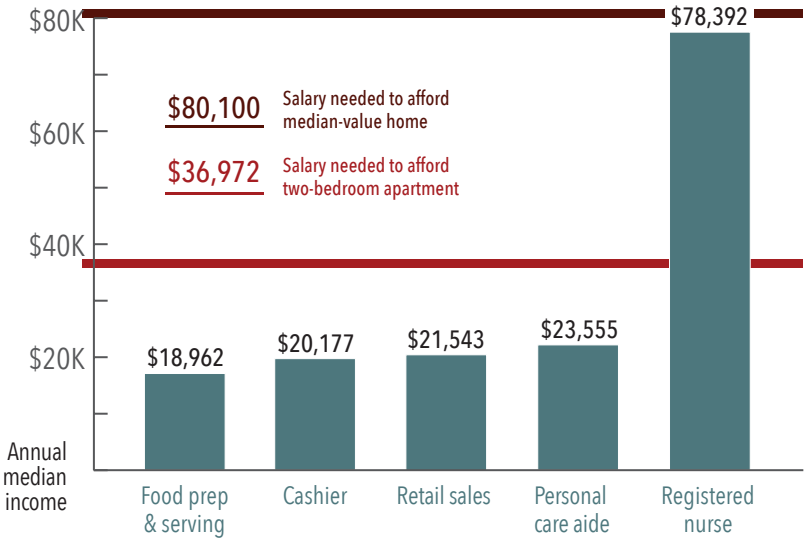
Total # cost burdened RENTER households **2,856**

Total # cost burdened OWNER households **5,051**

Total # cost burdened SENIOR households **2,109**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Carver County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$86,323**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but too many families, seniors and children in Carver and Scott counties are still suffering the consequences of having no place to call home.

of homeless on given night in 2015
139

% change in homelessness 2012-2015
+38%



Number of homeless CHILDREN **59** homeless SENIORS **6**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **19,893**



% single family homes built before 1960 — **13%**

Single-family units permitted in 2015 — **517**



% rental units built before 1960 — **16%**

Multi-family units permitted in 2015 — **210**

Number of extremely low income (ELI)* households — **1,435**

Available units affordable to ELI households — **570**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **32,325**

Growth in number of individual seniors by 2035 — **195%**

Seniors % of overall population by 2035: — **27%**

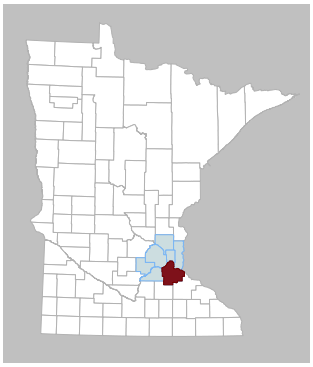
SOURCES – **Renter households:** *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** *Home value and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED [Regions: Top In-Demand Jobs based on Economic Development Regions; Job Openings based on Planning Areas] | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016 [Region based on Wilder regions]

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2017 County Housing Profile

Dakota County

155,220 households | Twin Cities region



Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

RENTER HOUSEHOLDS

38,375 | 25% of all households

Median rent, 2000: $994
Median rent, 2015: $971

rent down -2%

Median renter income, 2000: $49,139
Median renter income, 2015: $41,574

income down -15%

Fair market rent for 2-bedroom apartment **$1,027** Median-income renter can afford **$1,039**

Income for families who own their homes is also on the decline while home values are rising, and ownership for young households has declined significantly since 2000.

OWNER HOUSEHOLDS

116,845 | 75% of all households

Median home value, 2000: $204,395
Median home value, 2015: $220,400

home value 8%

Median owner income, 2000: $96,455
Median owner income, 2015: $90,370

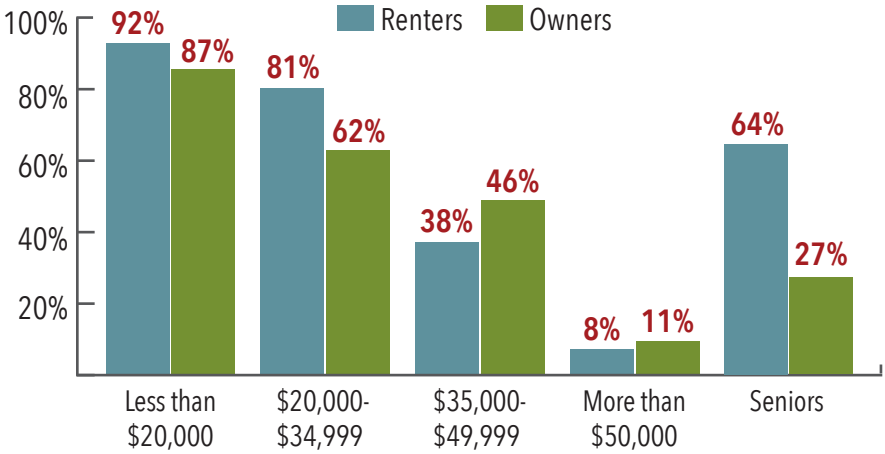
income down -6%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-26%**

Countywide, 39,133 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 64% of seniors who rent and more than 87% of owners and 92% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **39,133**

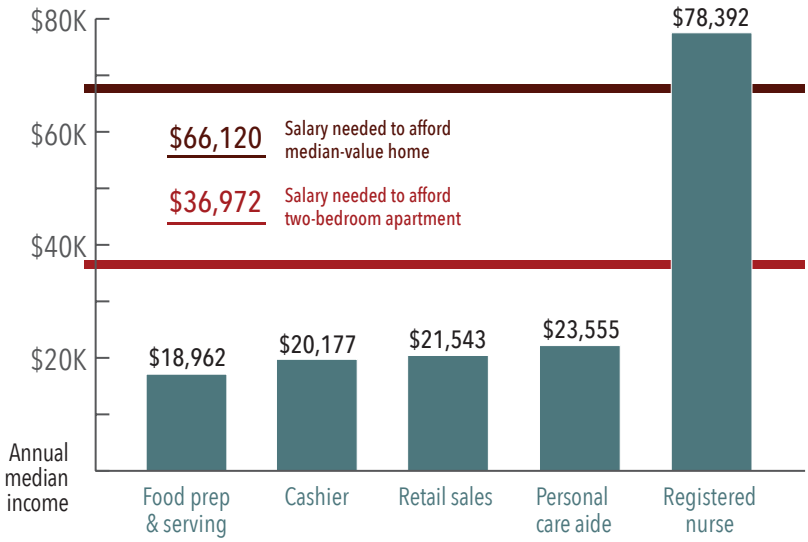
Total # cost burdened RENTER households **17,210**

Total # cost burdened OWNER households **21,923**

Total # cost burdened SENIOR households **10,199**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Dakota County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$75,567**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but too many families, seniors and children in Dakota County are still suffering the devastating consequences of having no place to call home.

of homeless on given night in 2015
296

% change in homelessness 2012-2015
-10%



Number of homeless CHILDREN **140** homeless SENIORS **18**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **62,818**



% single family homes built before 1960 — **12%**

Single-family units permitted in 2015 — **940**



% rental units built before 1960 — **10%**

Multi-family units permitted in 2015 — **366**

Number of extremely low income (ELI)* households — **9,305**

Available units affordable to ELI households — **2,774**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **128,154**

Growth in number of individual seniors by 2035 — **141%**

Seniors % of overall population by 2035: — **27%**

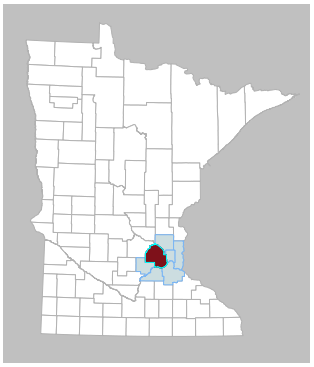
SOURCES – **Renter households:** *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** *Home value and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED [Regions: Top In-Demand Jobs based on Economic Development Regions; Job Openings based on Planning Areas] | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016

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2017 County Housing Profile

Hennepin County

484,868 households | Twin Cities region



Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

RENTER HOUSEHOLDS

178,580 | 37% of all households

Median rent, 2000: $900
Median rent, 2015: $951

↑ rent up 6%

Median renter income, 2000: $41,589
Median renter income, 2015: $37,048

↓ income down -11%

Fair market rent for 2-bedroom apartment **$1,027** Median-income renter can afford **$926**

Income for families who own their homes is also on the decline while home values are rising, and ownership for young households has declined significantly since 2000.

OWNER HOUSEHOLDS

306,288 | 63% of all households

Median home value, 2000: $194,210
Median home value, 2015: $229,200

↑ home value 18%

Median owner income, 2000: $90,593
Median owner income, 2015: $88,508

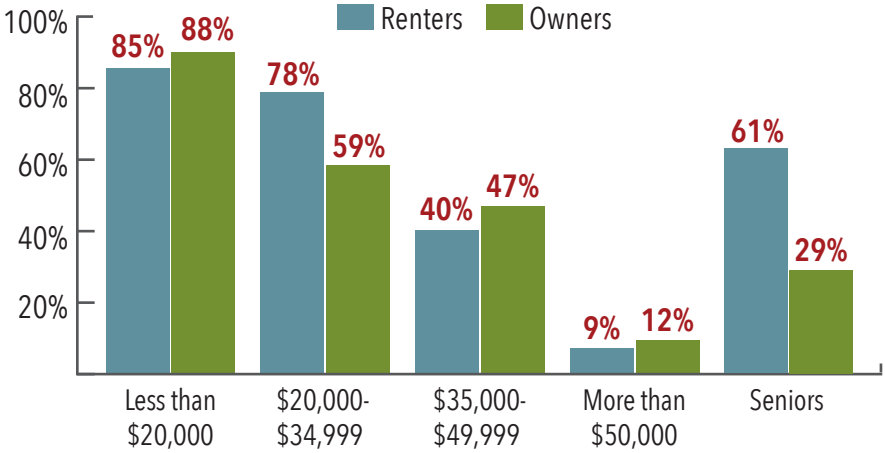
↓ income down -2%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-15%**

Countywide, 144,022 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 61% of seniors who rent and more than 88% of owners and 85% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **144,022**

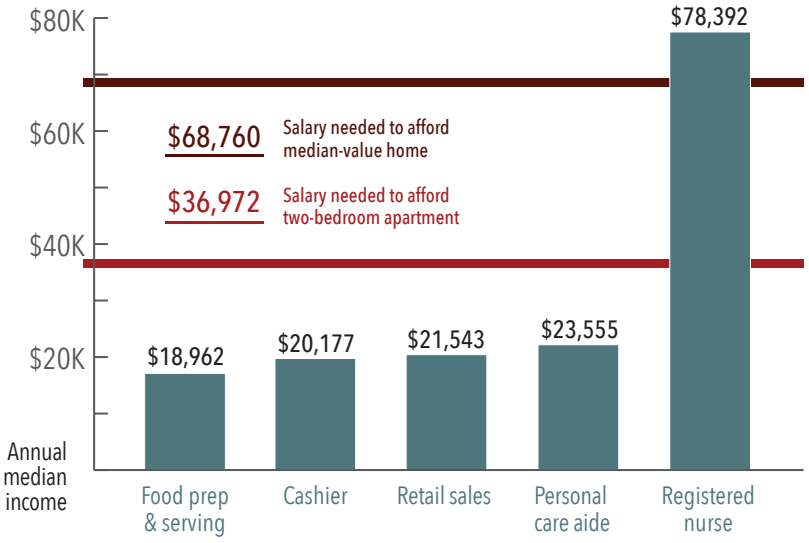
Total # cost burdened RENTER households **83,941**

Total # cost burdened OWNER households **60,081**

Total # cost burdened SENIOR households **35,524**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Hennepin County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$65,834**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but too many families, seniors and children in Hennepin County are still suffering the devastating consequences of having no place to call home.

of homeless on given night in 2015
3,665

% change in homelessness 2012-2015
-15%



Number of homeless CHILDREN **1,415** homeless SENIORS **403**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **114,849**



% single family homes built before 1960 — **43%**

Single-family units permitted in 2015 — **1,617**



% rental units built before 1960 — **32%**

Multi-family units permitted in 2015 — **2,757**

Number of extremely low income (ELI)* households — **51,405**

Available units affordable to ELI households — **17,235**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **329,893**

Growth in number of individual seniors by 2035 — **110%**

Seniors % of overall population by 2035: — **26%**

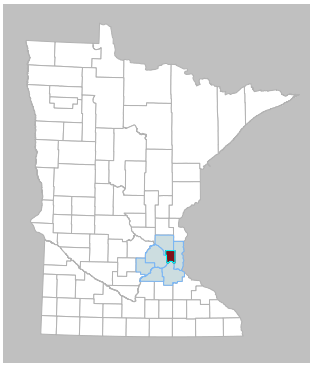
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2017 County Housing Profile

Ramsey County

206,156 households | Twin Cities region



Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

RENTER HOUSEHOLDS

83,900 | 41% of all households

Median rent, 2000: $834
Median rent, 2015: $865

↑ rent up 4%

Median renter income, 2000: $37,643
Median renter income, 2015: $31,693

↓ income down -16%

Fair market rent for 2-bedroom apartment **$1,027** Median-income renter can afford **$792**

Income for families who own their homes is also on the decline while home values are rising, and ownership for young households has declined significantly since 2000.

OWNER HOUSEHOLDS

122,256 | 59% of all households

Median home value, 2000: $169,022
Median home value, 2015: $193,700

↑ home value 15%

Median owner income, 2000: $81,969
Median owner income, 2015: $78,992

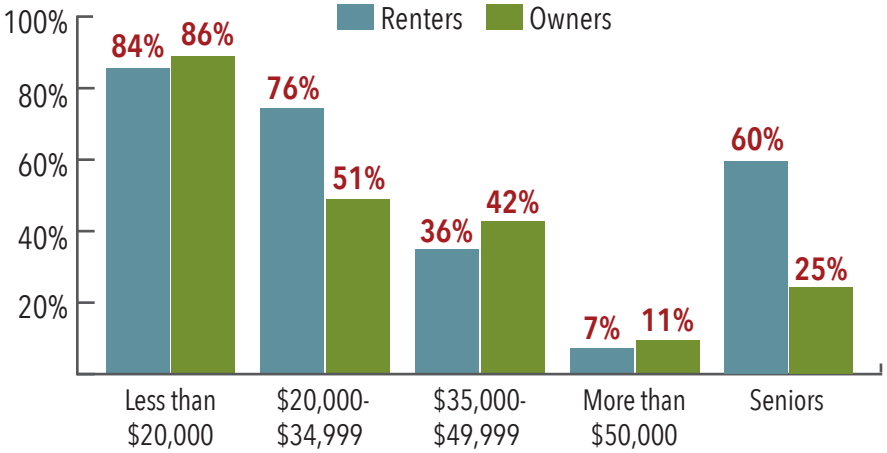
↓ income down -4%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-13%**

Countywide, 65,096 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 60% of seniors who rent and more than 86% of owners and 84% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **65,096**

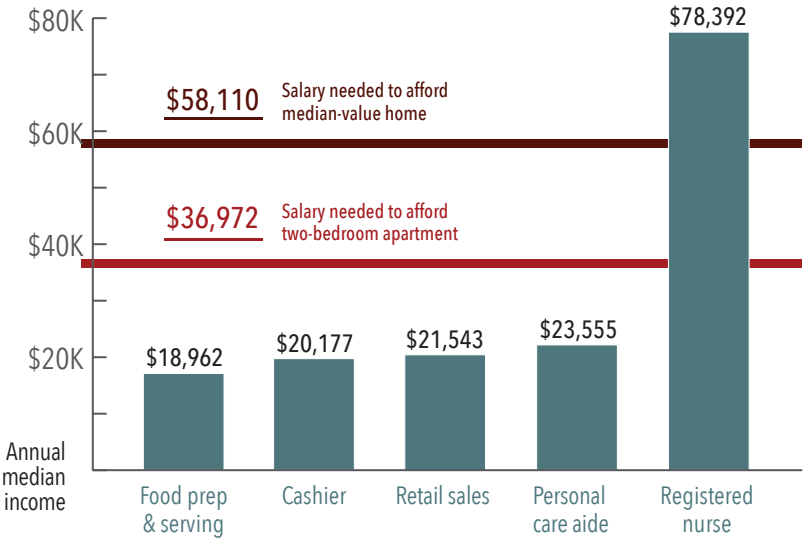
Total # cost burdened RENTER households **41,852**

Total # cost burdened OWNER households **23,244**

Total # cost burdened SENIOR households **15,100**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Ramsey County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$56,104**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but in Ramsey County homelessness has increased, meaning more people are suffering the consequences of having no place to call home.

# of homeless on given night in 2015
1,787

% change in homelessness 2012-2015
+14%



Number of homeless CHILDREN **593** homeless SENIORS **190**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **44,382**



% single family homes built before 1960 — **53%**

Single-family units permitted in 2015 — **277**



% rental units built before 1960 — **37%**

Multi-family units permitted in 2015 — **1,025**

Number of extremely low income (ELI)* households — **27,795**

Available units affordable to ELI households — **9,870**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **135,951**

Growth in number of individual seniors by 2035 — **87%**

Seniors % of overall population by 2035: — **25%**

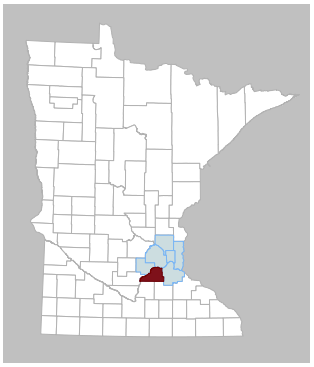
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2017 County Housing Profile

Scott County

46,214 households | Twin Cities region



Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, far outpacing the increase in income, making it increasingly challenging for renters to make ends meet.

RENTER HOUSEHOLDS

7,439 | 16% of all households

Median rent, 2000: $902
Median rent, 2015: $1,024
↑ rent up 14%

Median renter income, 2000: $40,253
Median renter income, 2015: $42,824
↑ income up 6%

Fair market rent for 2-bedroom apartment **$1,027** Median-income renter can afford **$1,071**

Income for families who own their homes is also on the decline while home values are rising, and ownership for young households has declined significantly since 2000.

OWNER HOUSEHOLDS

38,775 | 84% of all households

Median home value, 2000: $221,463
Median home value, 2015: $247,600
↑ home value 12%

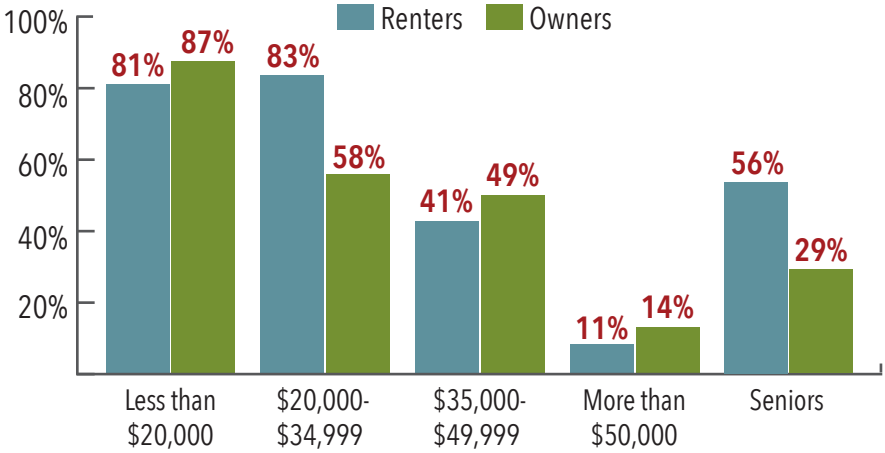
Median owner income, 2000: $98,247
Median owner income, 2015: $98,432
↓ income down 0%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-32%**

Countywide, 10,582 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 56% of seniors who rent and more than 87% of owners and 81% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **10,582**

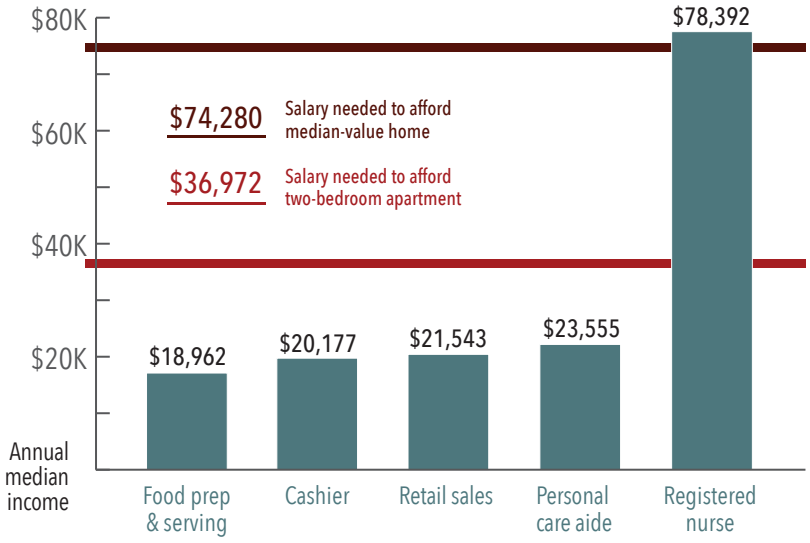
Total # cost burdened RENTER households **3,104**

Total # cost burdened OWNER households **7,478**

Total # cost burdened SENIOR households **2,444**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Scott County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$87,794**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, but in Scott and Carver counties homelessness has increased, meaning more people are suffering the consequences of having no place to call home.

of homeless on given night in 2015
139

% change in homelessness 2012-2015
+38%



Number of homeless CHILDREN **59** homeless SENIORS **6**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **32,898**



% single family homes built before 1960 — **9%**

Single-family units permitted in 2015 — **401**



% rental units built before 1960 — **13%**

Multi-family units permitted in 2015 — **88**

Number of extremely low income (ELI)* households — **1,935**

Available units affordable to ELI households — **795**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **44,605**

Growth in number of individual seniors by 2035 — **200%**

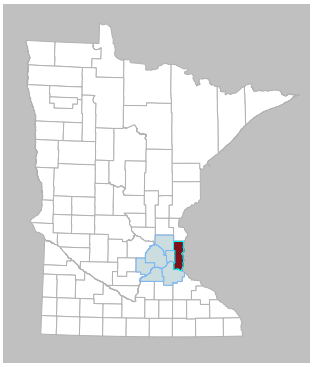
Seniors % of overall population by 2035: — **24%**

SOURCES – **Renter households:** *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** *Home value and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED [Regions: Top In-Demand Jobs based on Economic Development Regions; Job Openings based on Planning Areas] | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016

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2017 County Housing Profile

Washington County



89,898 households | Twin Cities region

Access to safe, affordable homes builds a strong foundation for families and communities. But too many Minnesotans lack good housing options.

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

Income for families who own their homes is also on the decline while home values are rising, and ownership for young households has declined significantly since 2000.

RENTER HOUSEHOLDS

17,358 | 19% of all households

Median rent, 2000: $962
Median rent, 2015: $1,144

↑ rent up 19%

Median renter income, 2000: $44,906
Median renter income, 2015: $43,539

↓ income down -3%

Fair market rent for 2-bedroom apartment **$1,027** Median-income renter can afford **$1,088**

OWNER HOUSEHOLDS

72,540 | 81% of all households

Median home value, 2000: $214,994
Median home value, 2015: $243,600

↑ home value 13%

Median owner income, 2000: $98,656
Median owner income, 2015: $94,103

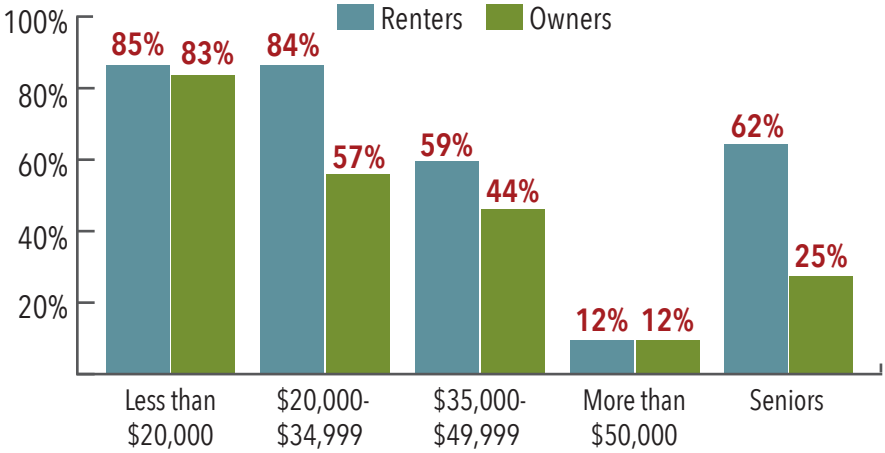
↓ income down -5%

Change in homeownership rate for households younger than 35 years old, 2000-2015 **-32%**

Countywide, 21,174 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 62% of seniors who rent and more than 83% of owners and 85% of renters who earn less than $20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **21,174**

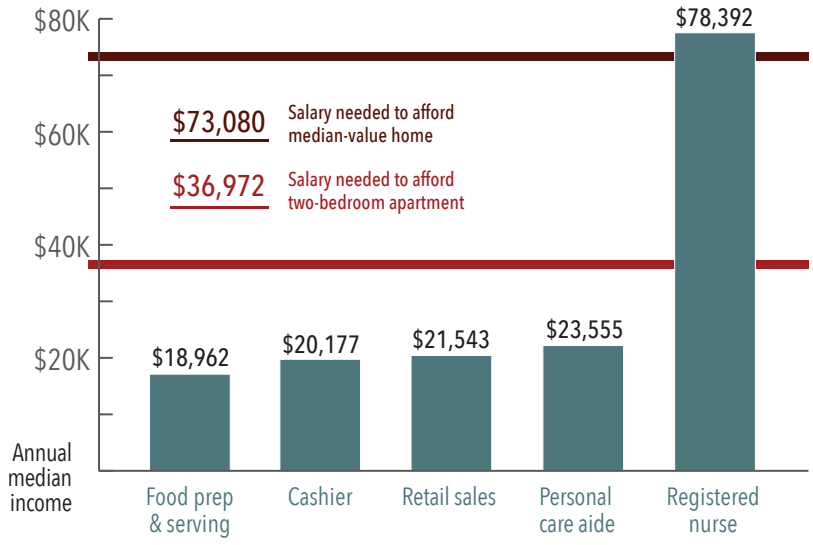
Total # cost burdened RENTER households **7,623**

Total # cost burdened OWNER households **13,551**

Total # cost burdened SENIOR households **5,918**

WAGES: Housing remains a challenge even for workers who are fully employed. The median earnings for most of the top in-demand and high-growth jobs do not cover housing costs at an affordable level. Those working at the median wage – and especially those earning the minimum wage – cannot afford a two-bedroom apartment or the mortgage for a median-value home.

Wages & housing affordability for top in-demand jobs in Washington County



New job openings in Twin Cities Planning Area by 2024 — **517,530**

County median household income — **$83,706**

Hours / week minimum wage employee must work to afford a two-bedroom apartment — **75**

HOMELESSNESS: Across the state, homelessness has declined since 2012, and Washington County has seen an even greater decrease, with fewer than 100 people reported homeless on any given night in 2015.

of homeless on given night in 2015
94

% change in homelessness 2012-2015
-52%



Number of homeless CHILDREN **51** homeless SENIORS **3**

HOUSING STOCK: While a significant portion of the rental and owner-occupied housing is aging (built before 1960), new construction is not keeping up with demand. Of particular concern is the gap between the number of available units for extremely low income households – and the number of people who need them.

County POPULATION growth by 2035: **39,789**



% single family homes built before 1960 — **13%**

Single-family units permitted in 2015 — **613**



% rental units built before 1960 — **13%**

Multi-family units permitted in 2015 — **275**

Number of extremely low income (ELI)* households — **4,000**

Available units affordable to ELI households — **1,330**

* earning less than 30% of area median income

SENIORS: The number of seniors will rise dramatically over the next two decades, growing by more than 90% across the state – and making senior housing a critical need.

Total senior households by 2035 — **83,471**

Growth in number of individual seniors by 2035 — **139%**

Seniors % of overall population by 2035: — **28%**

SOURCES – **Renter households:** *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Owner households:** *Home value and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Cost burden:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates | **Wages:** Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED [Regions: Top In-Demand Jobs based on Economic Development Regions; Job Openings based on Planning Areas] | **Housing Stock:** U.S. Census Bureau, American Community Survey 2015, 5 year estimates, U.S. Census Bureau, Building Permits Survey, 2015 | **Seniors:** Minnesota County Population Projections by Age and Gender, Minnesota State Demographic Center, March 2014 | **Homelessness:** Wilder Research Center, 2016

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Conclusion

Adequate, affordable housing is a challenge in **every region of Minnesota**, undermining the education, economy and health of all state residents.

As the *State of the State's Housing* shows, there is a clear and urgent need to prioritize policies and resources that expand the supply of affordable housing in communities across Minnesota. Currently, too many seniors, low-income families, and households of color are spending more than they can afford on housing — and demographic and economic trends forecast this problem will only grow more acute in coming years if current conditions persist.

While the overall housing cost burden is lower in Minnesota than nationwide, the state still has dramatic racial disparities that far exceed U.S. averages. In many counties, households of color can afford to pay far less for housing than their white counterparts, creating significant challenges for renters and making homeownership impossible for the majority of families of color.

To grow the economy, especially in Greater Minnesota, employees need access to adequate housing, but in many parts of the state aging housing stock and a lack of new construction is making it difficult for communities to fill local jobs and grow their economies. And many of the most in-demand jobs and areas of projected job growth do not pay adequate wages for rent, let alone homeownership.

But smart policies and investments have proven that this is not an insurmountable challenge.

While too many Minnesota youth still suffer from a lack of housing, the decline in homelessness over the past decade has been significant. Housing programs and development across the state have shown that supportive and affordable housing is a stablizing force that not only mitigates homelessness, but reduces public costs for jails and emergency rooms — and leverages federal and private dollars that benefit the entire community.

As this report demonstrates, policymakers at the state and local level must prioritize policies and resources that increase the supply of affordable housing. From the education of our children to the growth of our economy, the state of our state depends on every Minnesotan having a safe and stable place to call home.

Download individual County Profiles and additional information at
www.mhponline.org

Sources

Rental Housing: *Rent and income adjusted for inflation.* U.S. Census Bureau, American Community Survey 2015, 5 year estimates, Building Permits Survey, 2015; MHP analysis of CHAS data, 2009-2013, using National Low Income Housing Coalition methodology

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Housing Affordability by Occupation: Minnesota Department of Employment and Economic Development (MN DEED), Occupations in Demand, June 2016; Employment Outlook, MN DEED

Homelessness: Wilder Research Homelessness Study, 2016

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