



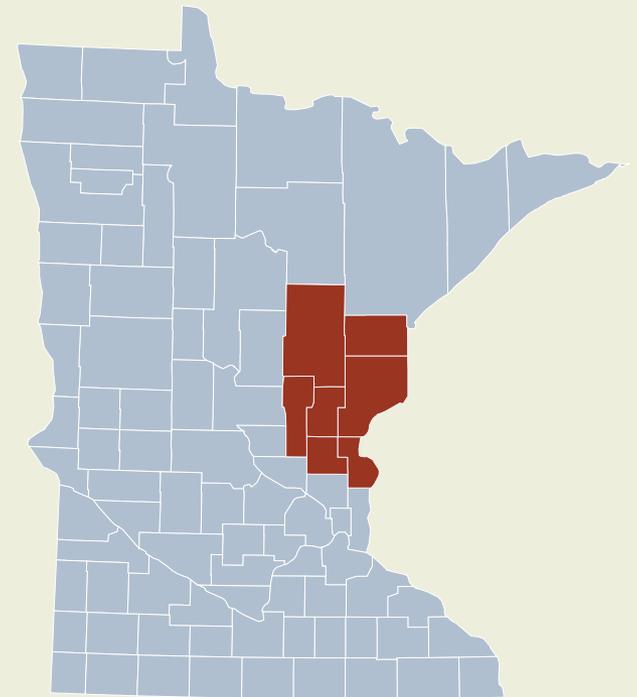
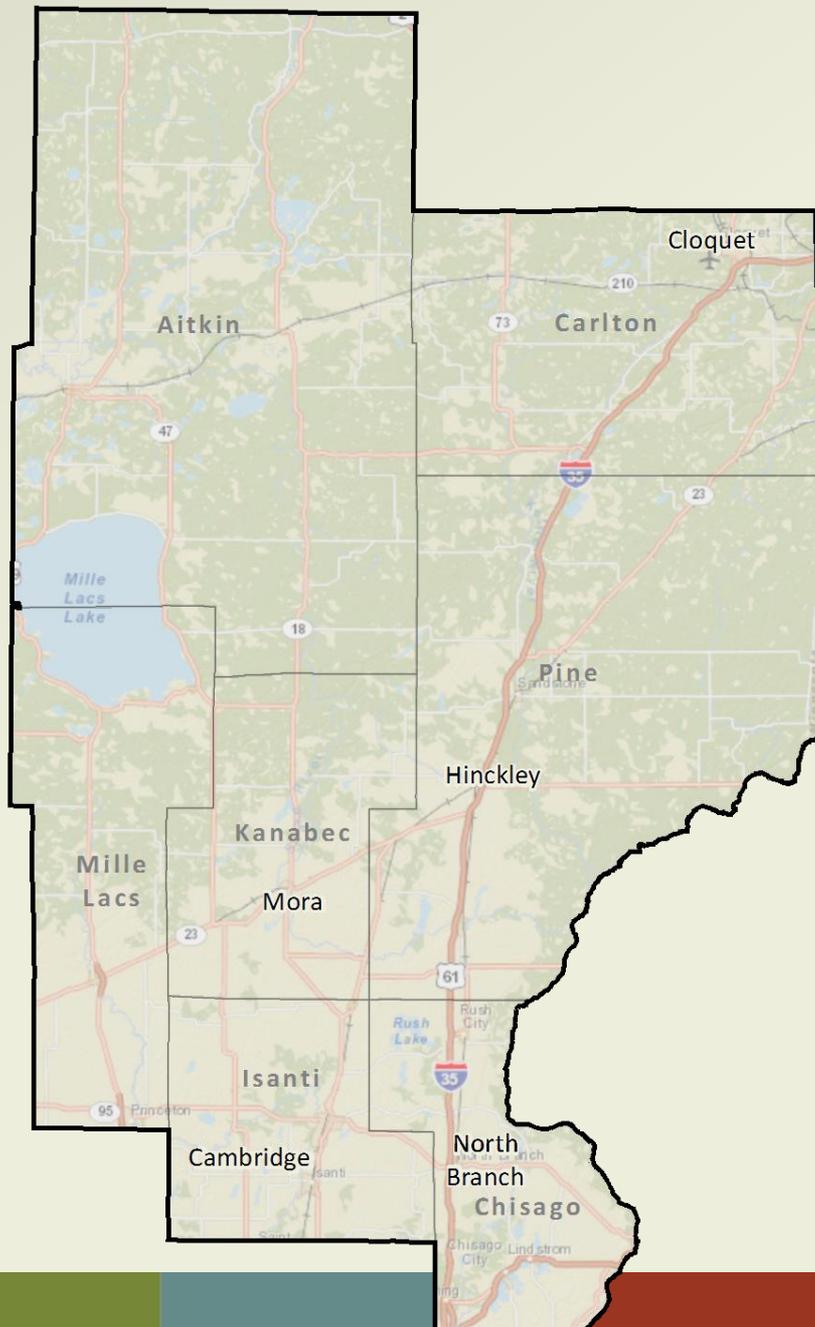
Welcome to the East Central Housing & Community Dialogue



Housing and Community Trends in the East Central Region

October 6, 2015

Study Area



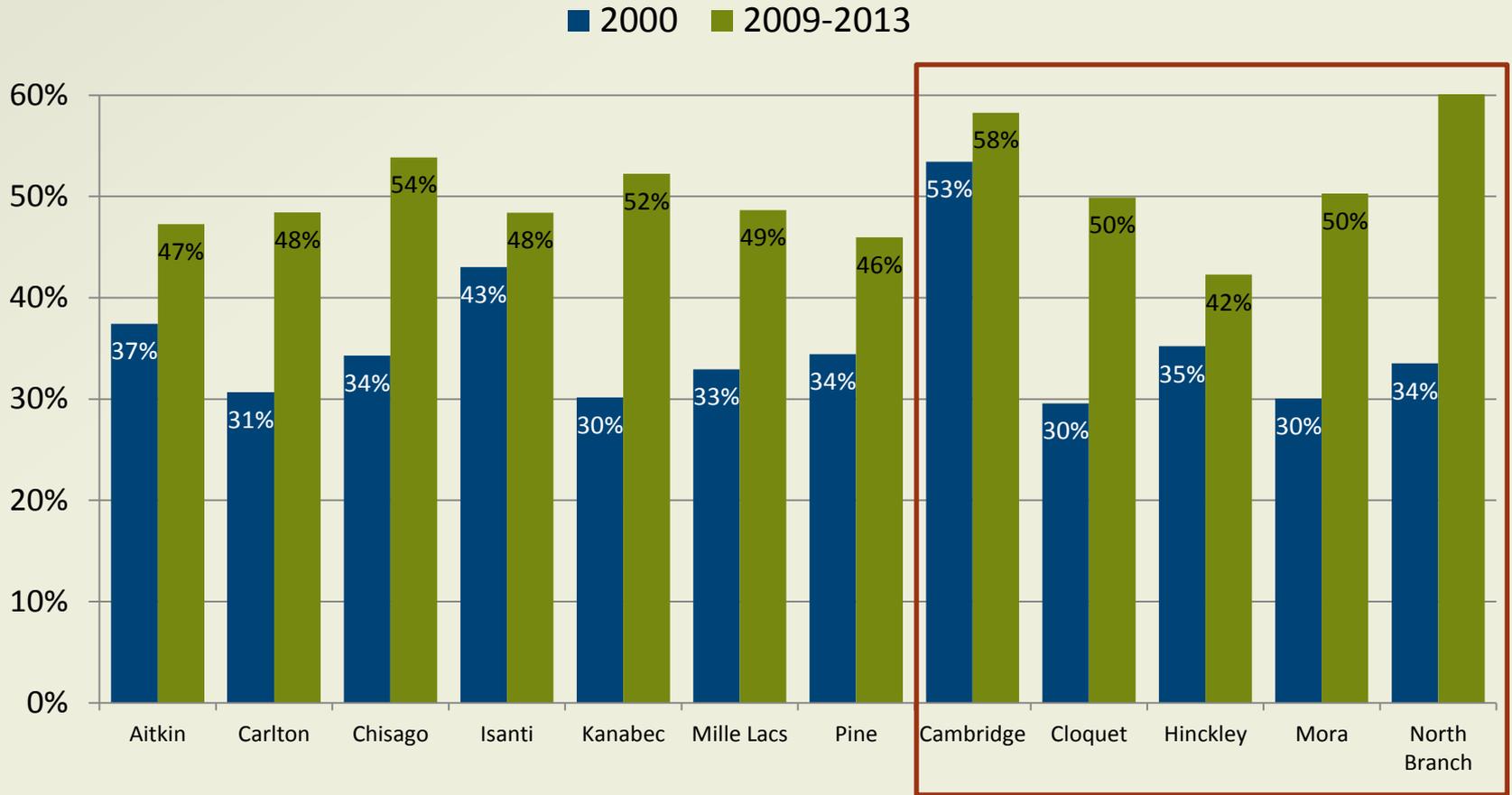
Overview

- Why the region needs more affordable housing
- Regional topics (discussion breakouts after lunch)
 - Rental Housing Production Across the Continuum – From Supportive Housing to Workforce Housing
 - Successful Homeownership
 - Housing Rehabilitation and Preservation – Multifamily and Single Family Tools and Strategies

Region Needs More Affordable Housing

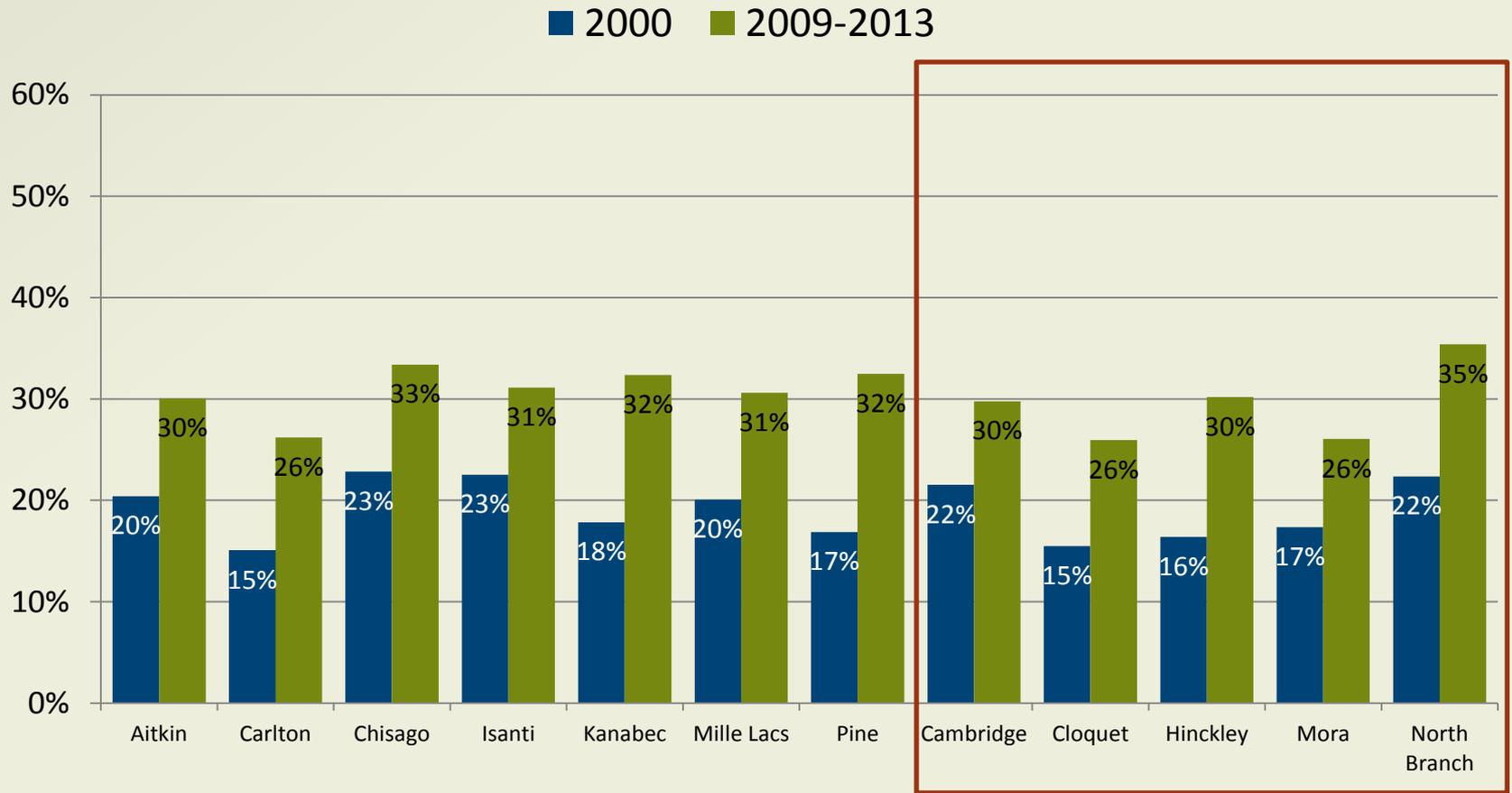
- Number of cost burdened households is increasing
- Housing costs are rising faster than incomes

% of All Renters Who Are Cost Burdened



Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

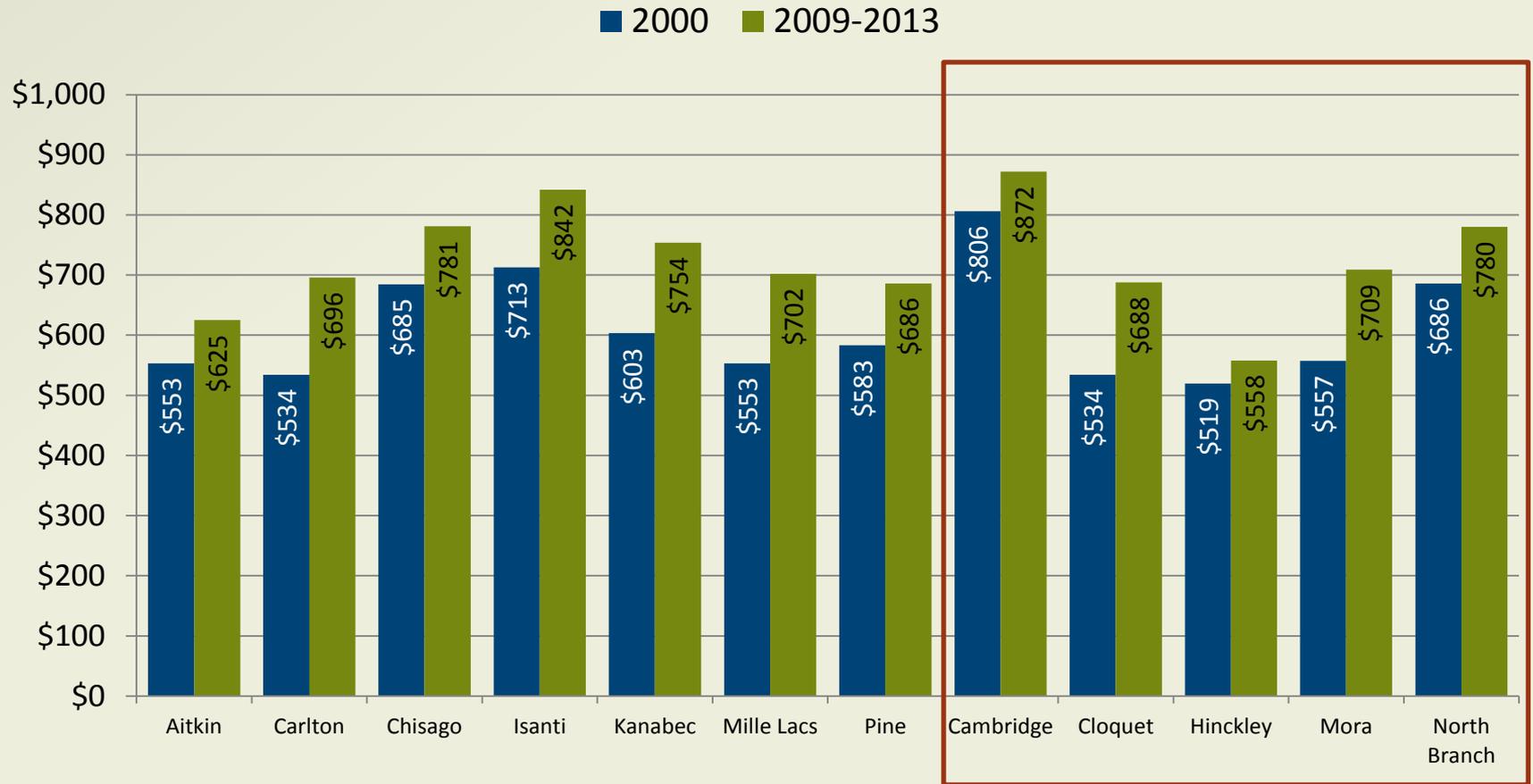
% of All Owners Who Are Cost Burdened



Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

Median Monthly Gross Rent

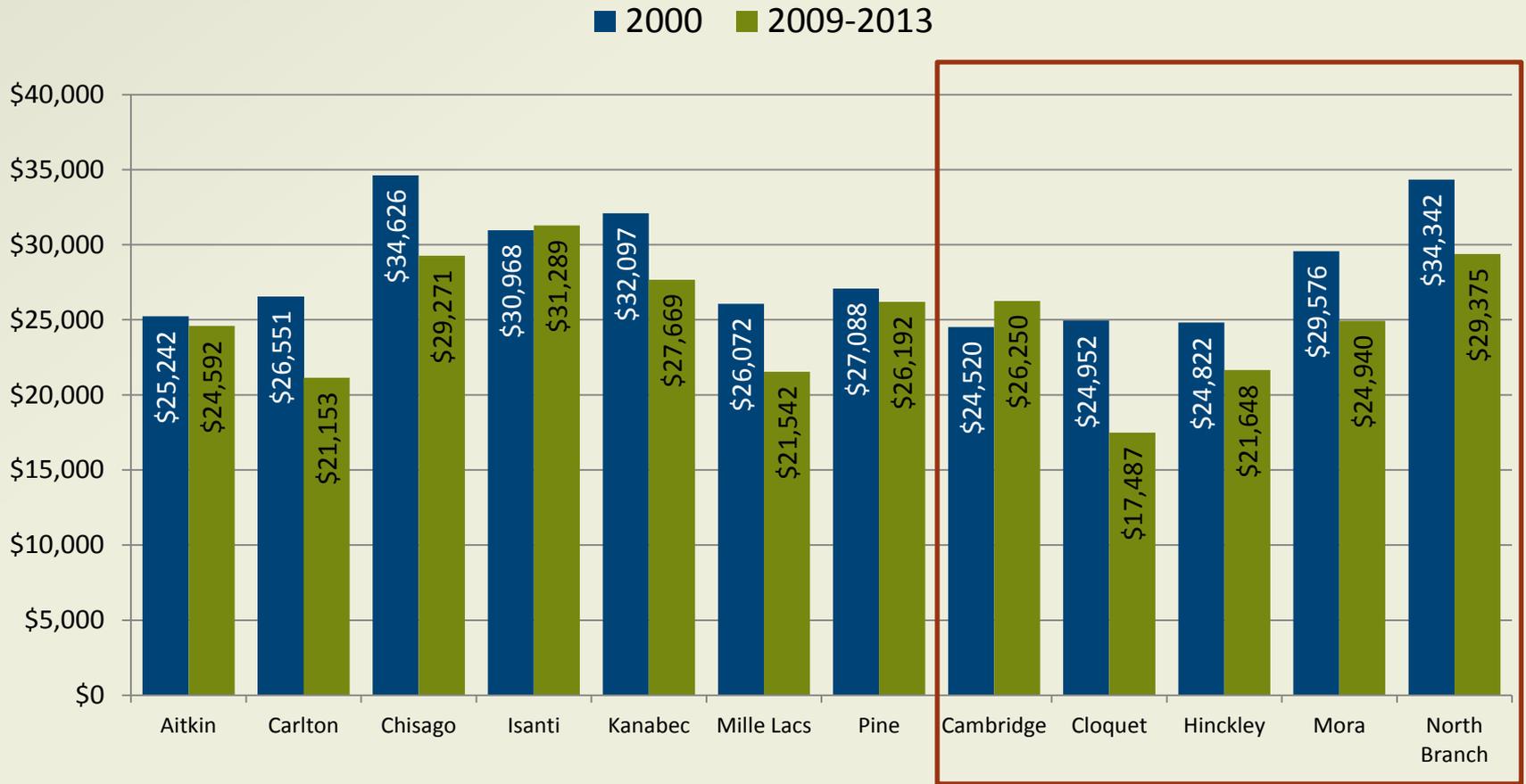
(inflation adj. – 2013 \$)



Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

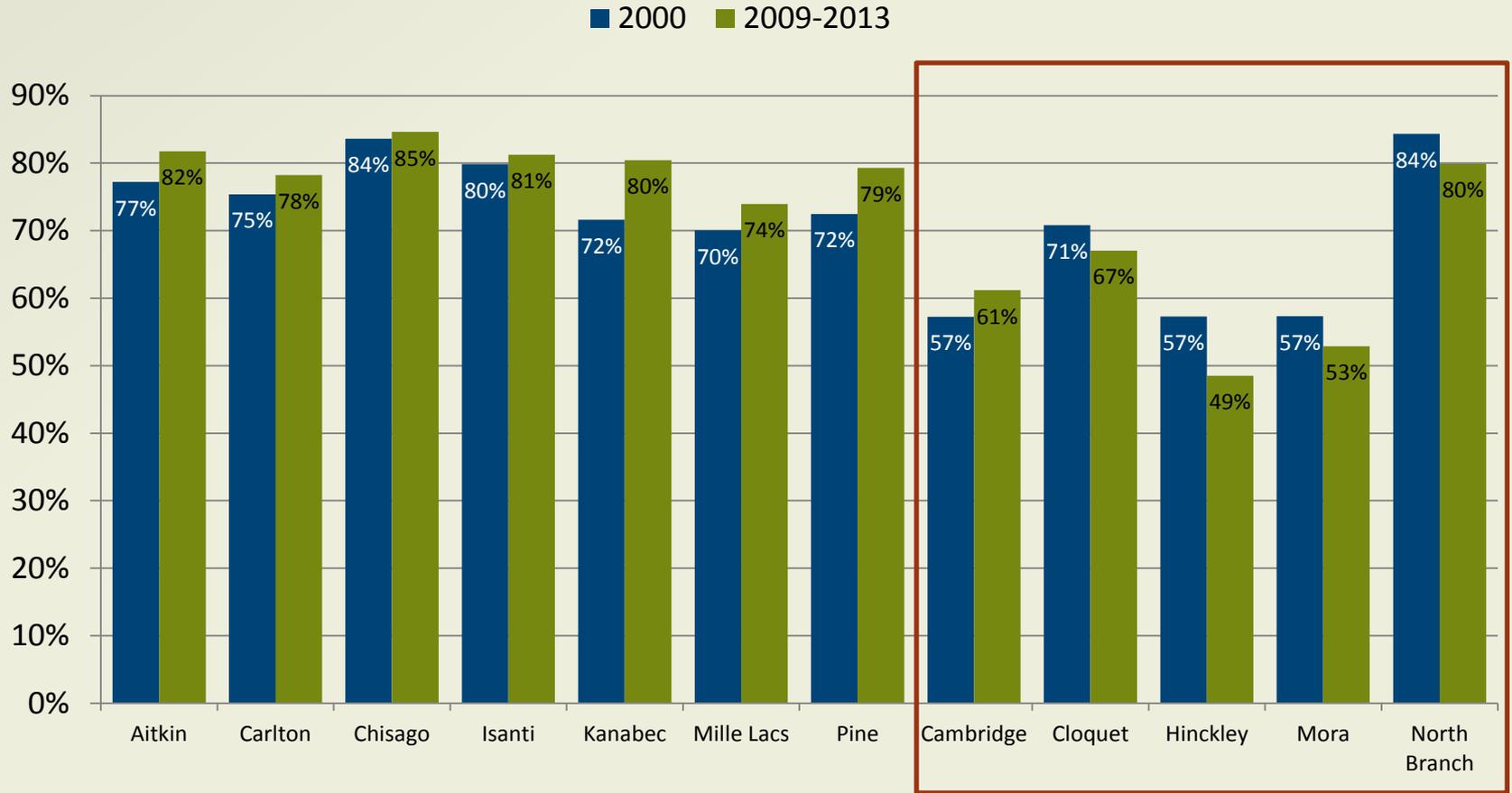
Median Renter Household Income

(inflation adj. – 2013 \$)



Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

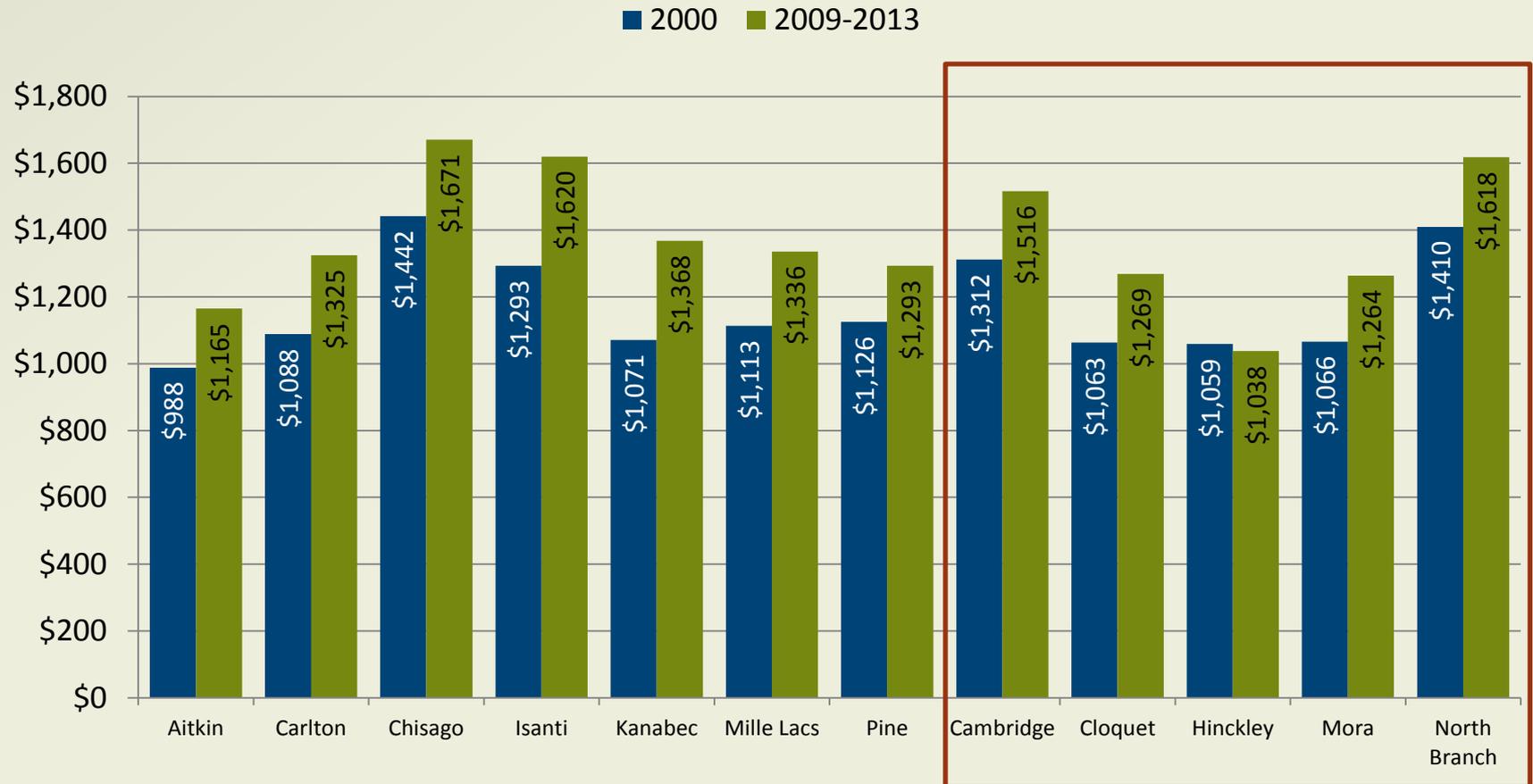
Homeownership Rates



Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

Median Monthly Homeowner Costs

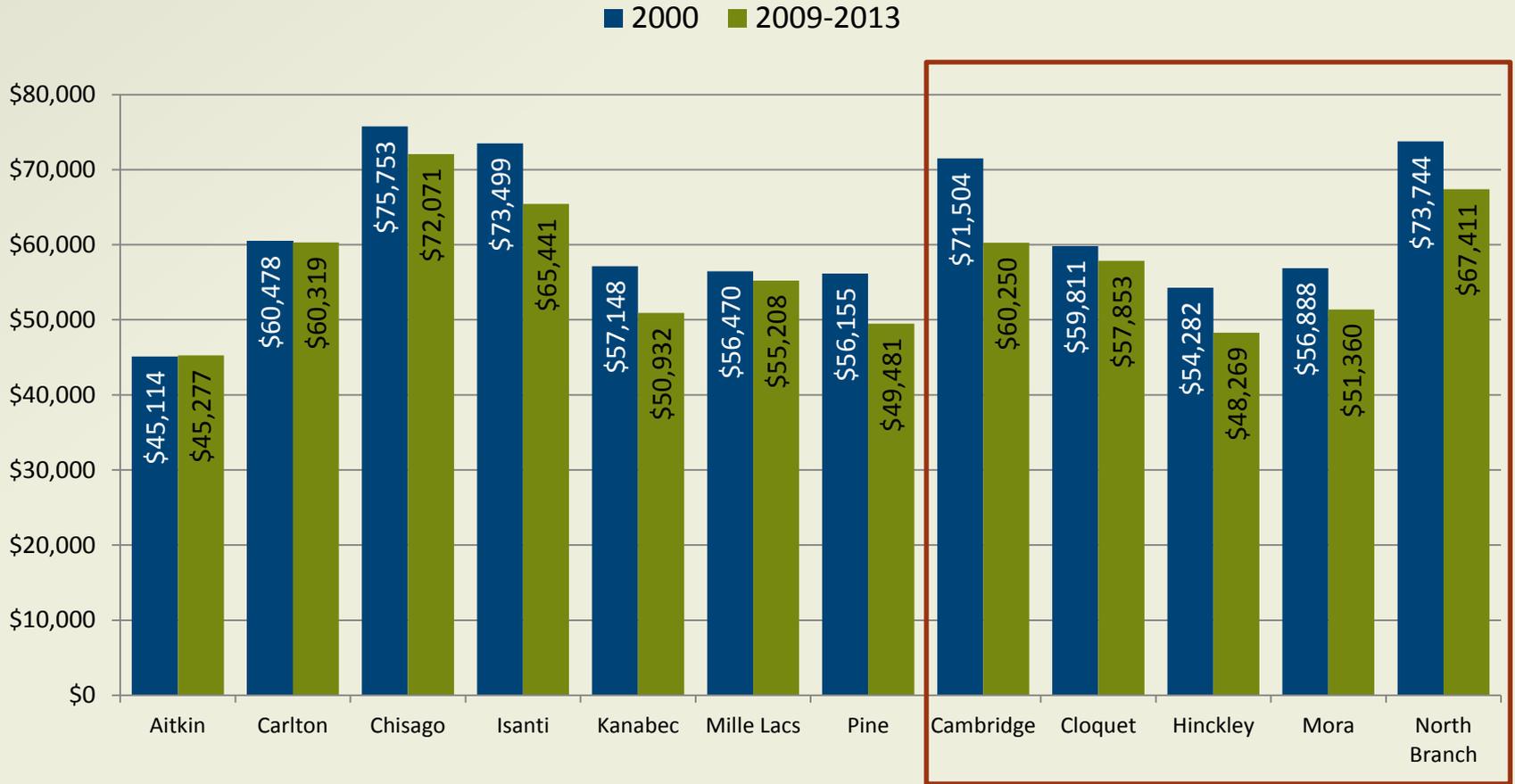
(inflation adj. – 2013 \$)



Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

Median Owner Household Income

(inflation adj. – 2013 \$)

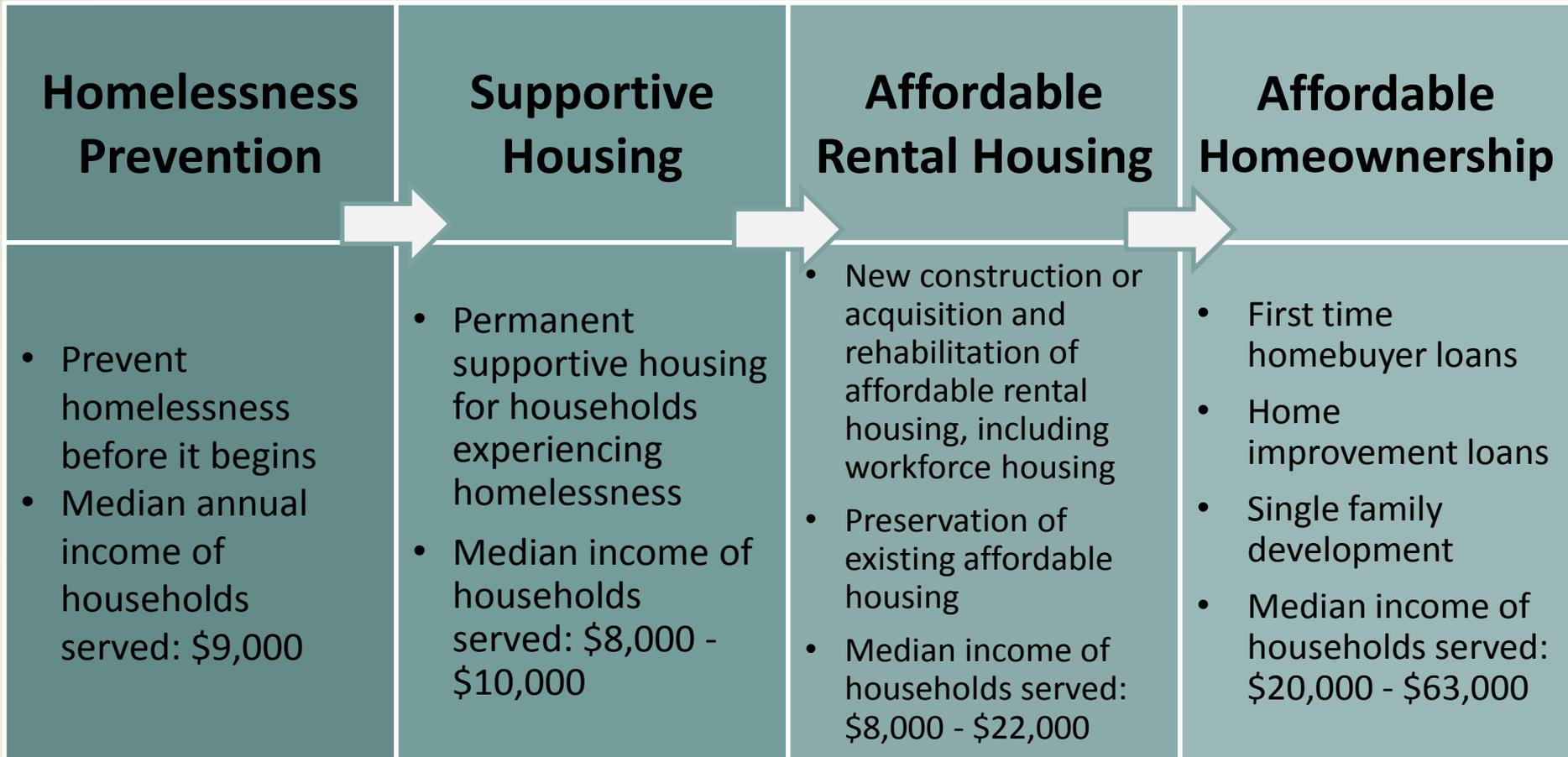


Source: Minnesota Housing analysis of data from U.S. Census Bureau – Decennial Census and American Community Survey.

Regional Topics

- Rental Housing Production Across the Continuum – From Supportive Housing to Workforce Housing
- Successful Homeownership
- Housing Rehabilitation and Preservation – Multifamily and Single Family Tools and Strategies

The Housing Continuum



Regional Topic #1

Rental Housing Production Across the Continuum – From Supportive Housing to Workforce Housing

Household Growth

- While growth lags behind state rates, the trend shows faster growth in last couple years
- Projected growth through 2045 is moderate

Homelessness

- Central region has rates much lower than the state overall
- Children in families make up the largest share of homeless

Workforce Housing

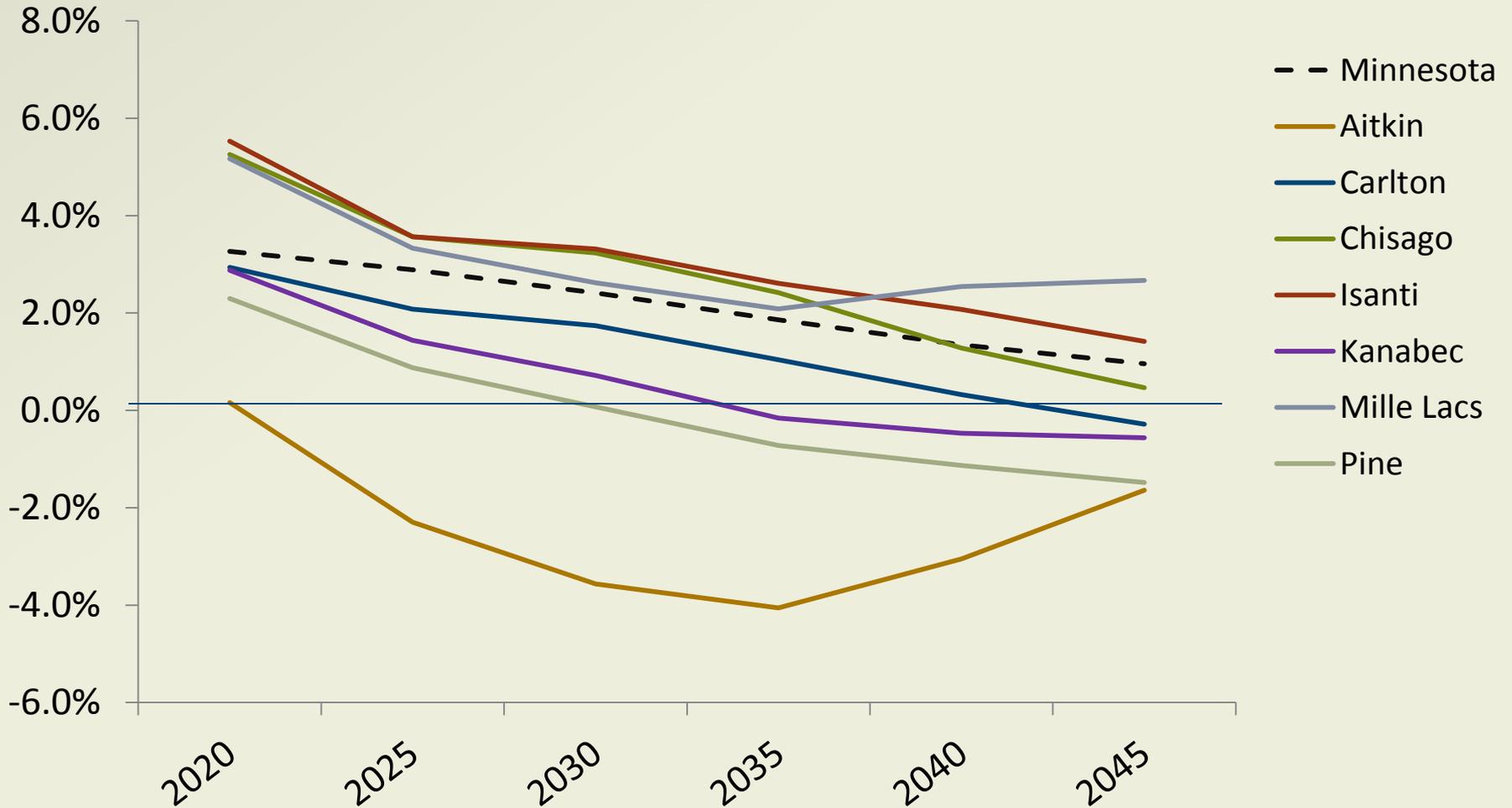
- Job growth since recession, not yet surpassing jobs lost during the recession.

Household Formation: Annual % Change in Households



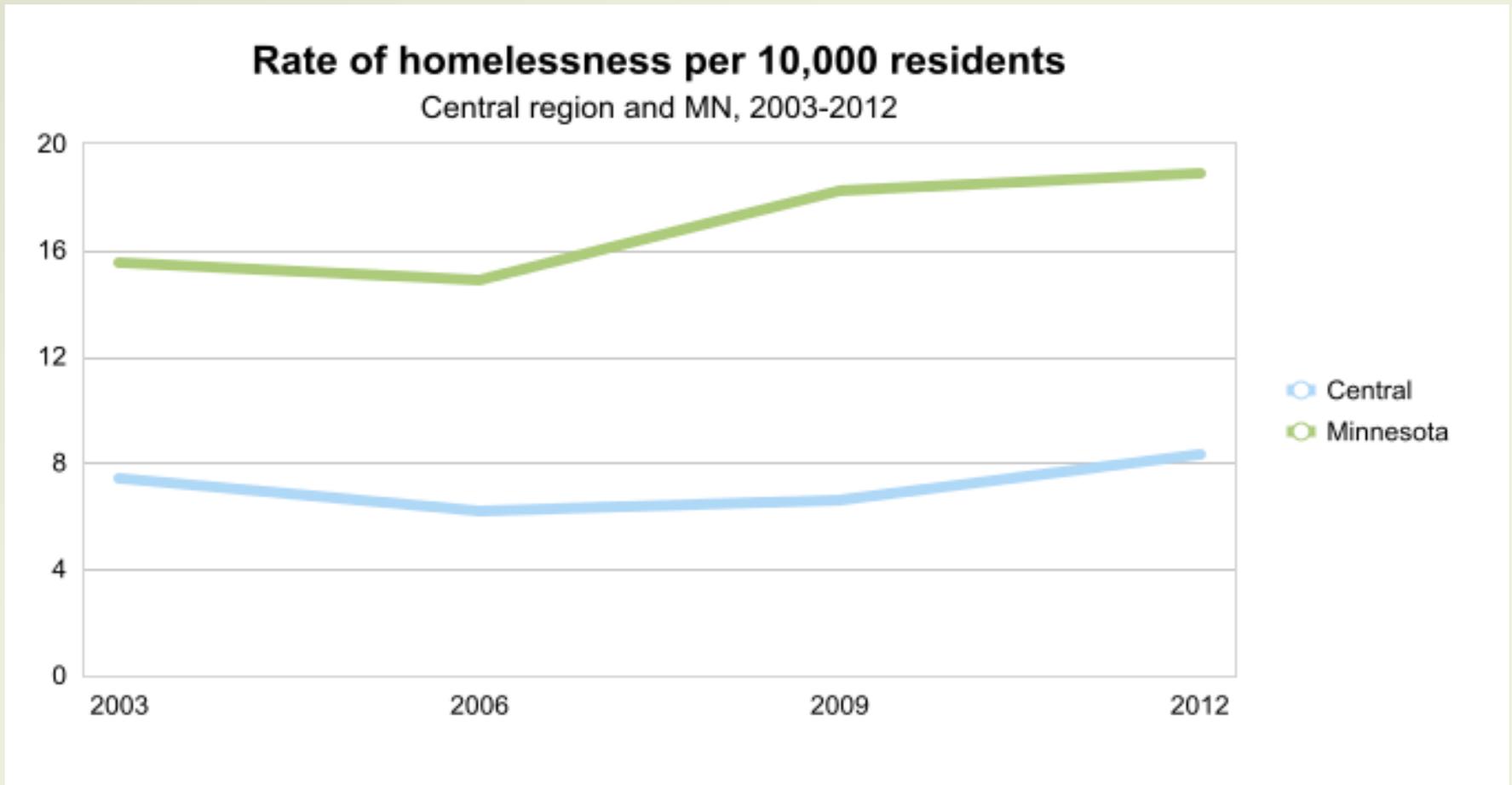
Source: Minnesota Housing analysis of data from Minnesota State Demographer

Projected Household Formation: 5-Year % Change in Households



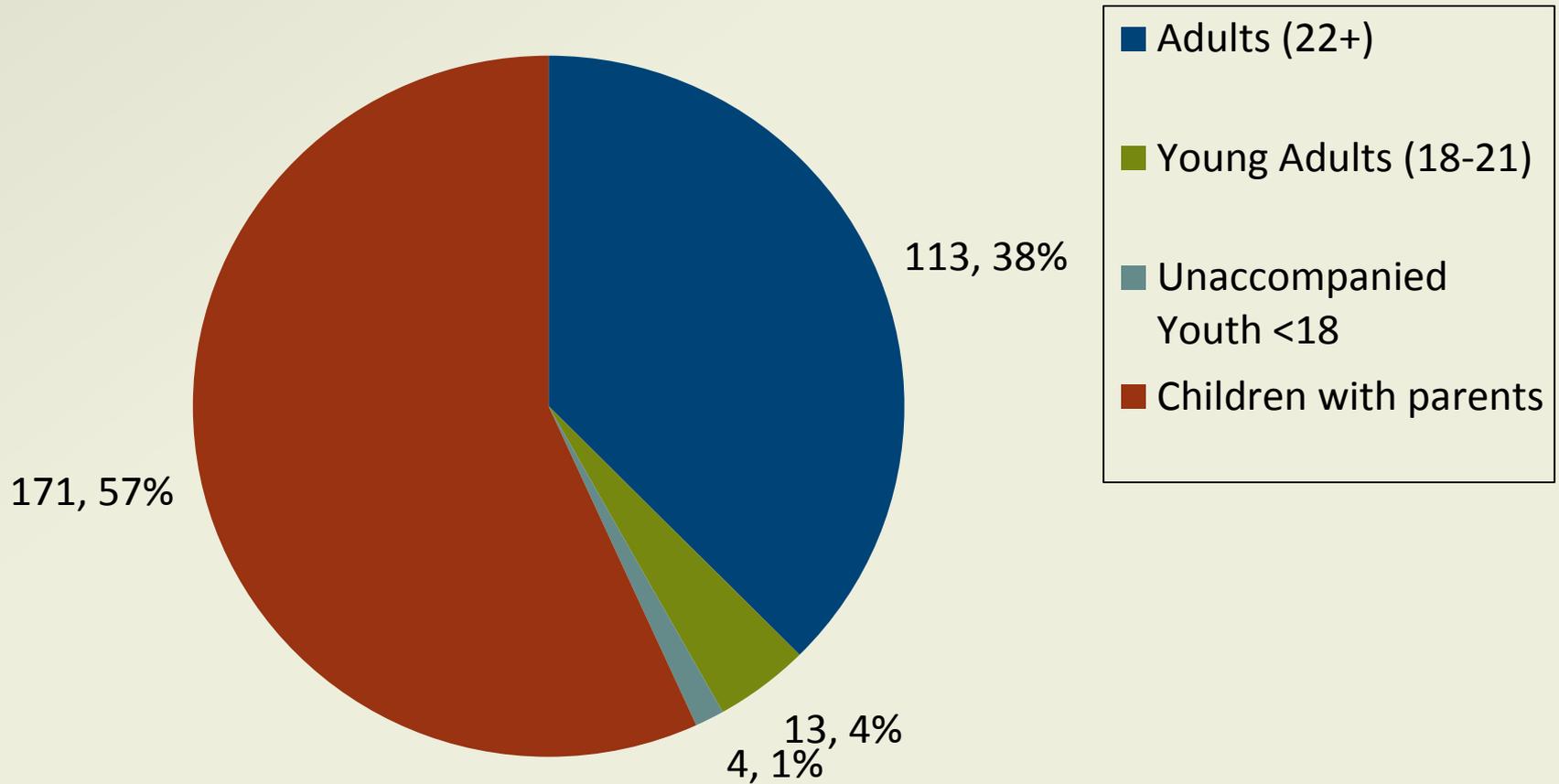
Source: Minnesota Housing analysis of data from Minnesota State Demographer

Persons Experiencing Homelessness



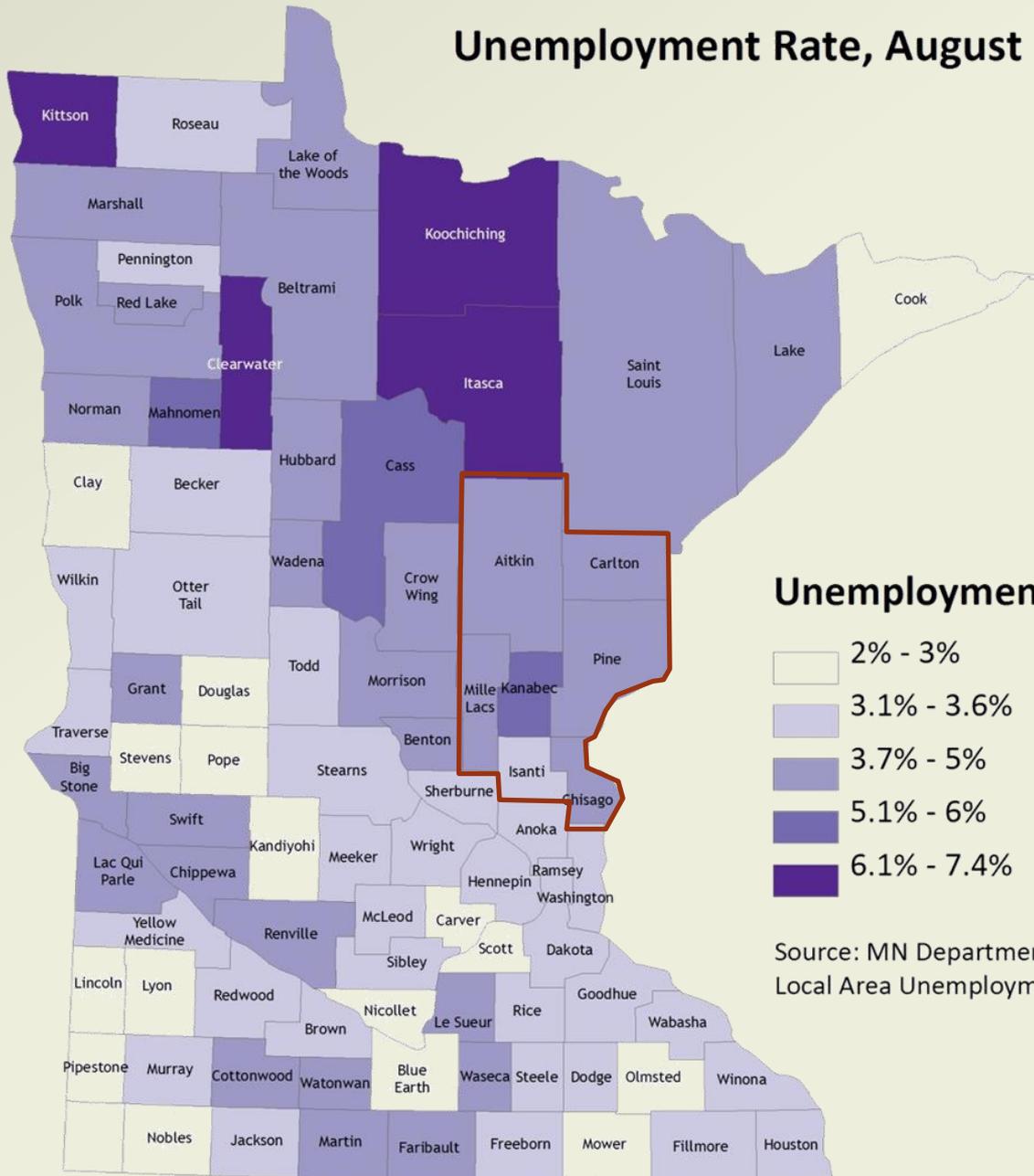
Source: Wilder, Minnesota Compass. The Central region, shown here, approximates Minnesota's Continuum of Care "Central" region. It includes the following counties: Benton, Cass, Chisago, Crow Wing, Isanti, Kanabec, Mille Lacs, Morrison, Pine, Sherburne, Stearns, Todd, Wadena, and Wright.

Homeless Counts (Central MN)



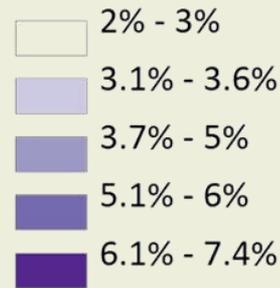
Source: Wilder, 2012 Minnesota Homeless Study

Unemployment Rate, August 2015



Unemployment August 2015	
Aitkin	4.6%
Carlton	4.3%
Chisago	3.7%
Isanti	3.6%
Kanabec	5.3%
Mille Lacs	4.6%
Pine	4.3%

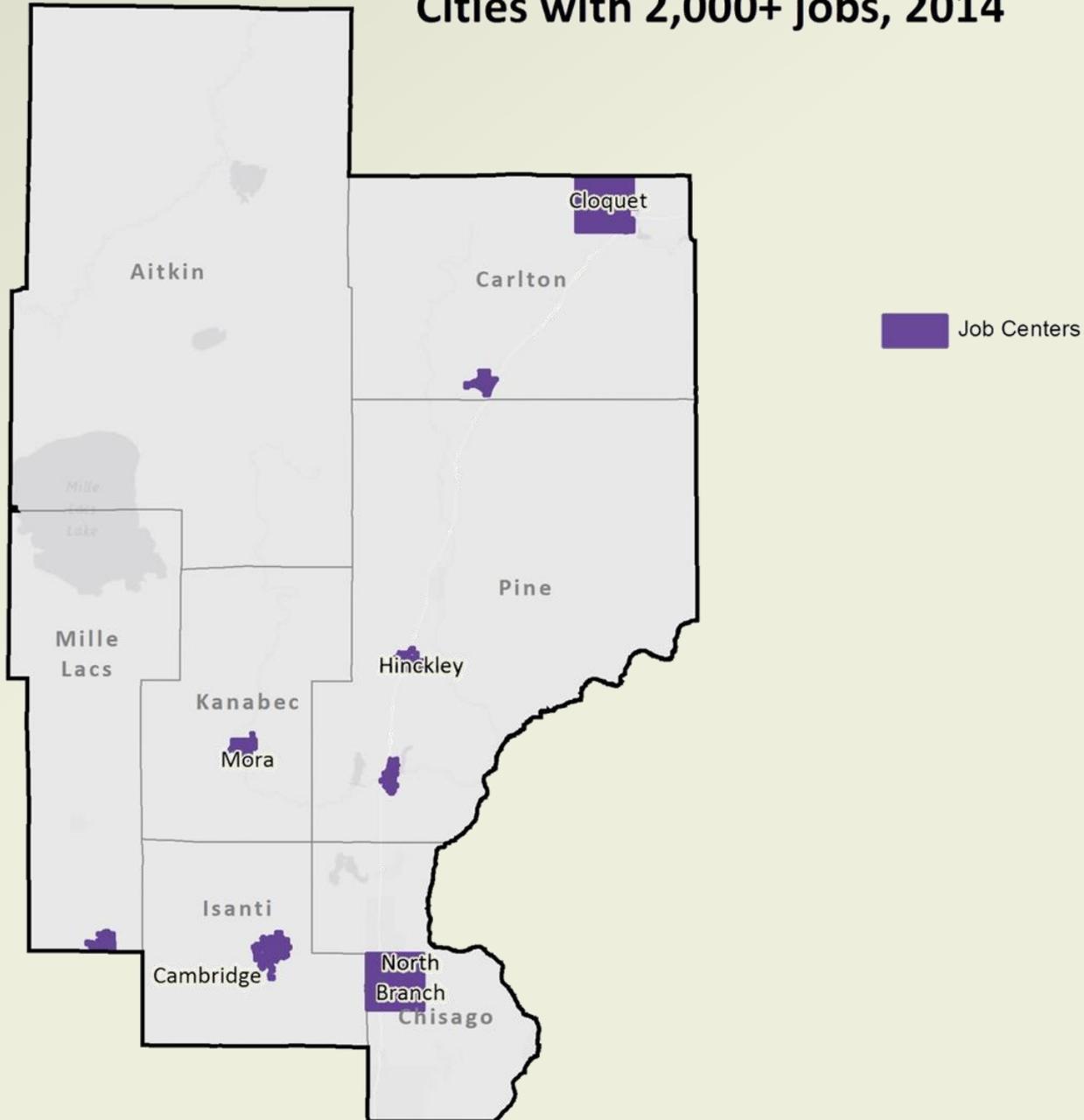
Unemployment Rate, August 2015



Source: MN Department of Employment and Economic Development, Local Area Unemployment Statistics (Seasonally Unadjusted Figures)



Cities with 2,000+ jobs, 2014



Source: Department of Employment and Economic Development Quarterly Census of Employment and Wages

Regional Job Change

2006-2009 & 2009-2014

County/City	2006 Jobs	2009 Jobs	Change 2006-2009	2014 Jobs	Change 2009- 2014
Aitkin County	4,306	3,900	(406)	3,733	(167)
Carlton County	13,143	12,904	(239)	13,670	766
<i>Cloquet</i>	<i>6,784</i>	<i>7,227</i>	<i>443</i>	<i>7,647</i>	<i>420</i>
Chisago County	14,391	13,493	(898)	14,255	762
<i>North Branch</i>	<i>2,846</i>	<i>2,915</i>	<i>69</i>	<i>3,399</i>	<i>484</i>
Isanti County	10,947	10,265	(682)	10,903	638
<i>Cambridge</i>	<i>7,324</i>	<i>5,900</i>	<i>(1,424)</i>	<i>7,002</i>	<i>1,102</i>
Kanabec County	3,743	3,586	(157)	3,735	149
<i>Mora</i>	<i>3,064</i>	<i>2,860</i>	<i>(204)</i>	<i>2,943</i>	<i>83</i>
Mille Lacs County	9,818	9,126	(692)	9,566	440
Pine County	7,967	8,110	143	8,060	(50)
<i>Hinkley</i>	<i>2,630</i>	<i>2,527</i>	<i>(103)</i>	<i>2,675</i>	<i>148</i>
Regional Total	64,315	61,384	(2,931)	63,922	2,538

Source: MN Dept. of Employment and Economic Development, Quarterly Census of Employment and Wages.

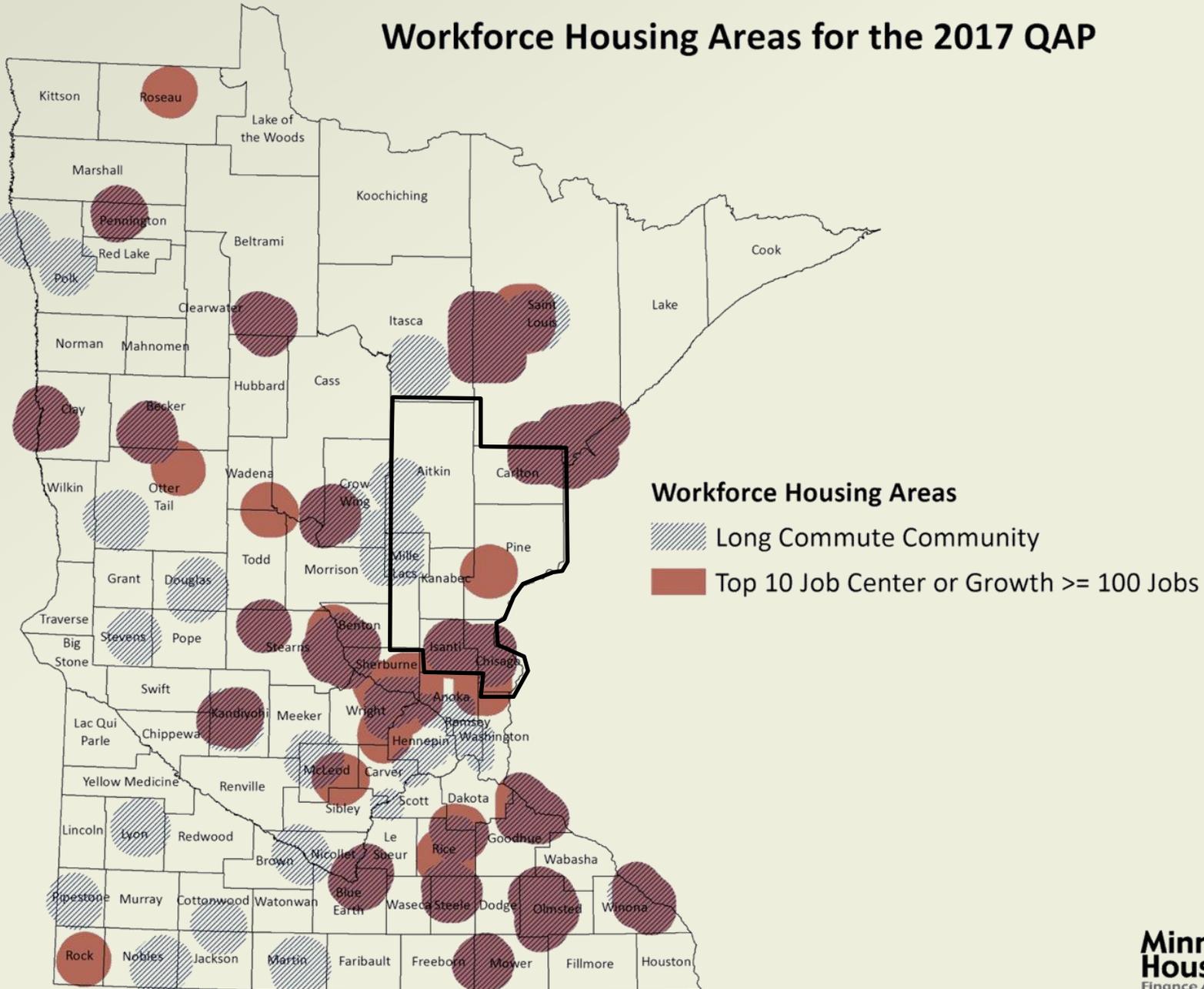
Note: Data excludes farm jobs.

Change in Number of Jobs and Wages 2009-2014

Industry	2009 Jobs	2014 Jobs	Change in Jobs 2009-2014	Average Weekly wage 2014
Construction	3,063	3,371	308	\$942
Manufacturing	5,597	7,270	1,673	\$833
Public Administration	5,956	6,130	174	\$799
Financial Activities	2,011	1,776	(235)	\$782
Professional and Business Services	2,238	2,388	150	\$735
Education and Health Services	18,974	19,381	407	\$711
Information	523	564	41	\$658
Natural Resources and Mining	510	444	(66)	\$543
Trade, Transportation and Utilities	10,695	10,737	42	\$520
Other Services	1,672	1,795	123	\$415
Leisure and Hospitality	9,542	9,944	402	\$285
Total, All Industries	61,384	63,922	2,358	\$650

Source: MN Dept. of Employment and Economic Development, Quarterly Census of Employment and Wages.

Workforce Housing Areas for the 2017 QAP



2013 New Hire Wages and Challenge Income Limits

	Income Limits for Rental Housing under Challenge	Median Hourly Wage of New Hires	Annual Income with Median New Hire Wage & Full Time	Share of New Hire Jobs with Wages within Challenge Limits for Rental	Median Renter Household Income	Median Home-owner Household Income
Cambridge	\$66,400	\$15.69	\$32,630	93.7%	\$30,207	\$55,648
Cloquet	\$58,000	NA	NA	NA	\$18,095	\$57,162
Hinkley	\$58,000	\$11.74	\$24,411	98.2%	\$17,955	\$44,500
North Branch	\$66,400	\$13.37	\$27,808	95.6%	\$26,138	\$70,793

Source: DEED analysis of wage data and Minnesota Housing analysis of data from the U.S. Census Bureau's *American Community Survey*
 Data not available for Mora.

Regional Topic #2

Successful homeownership

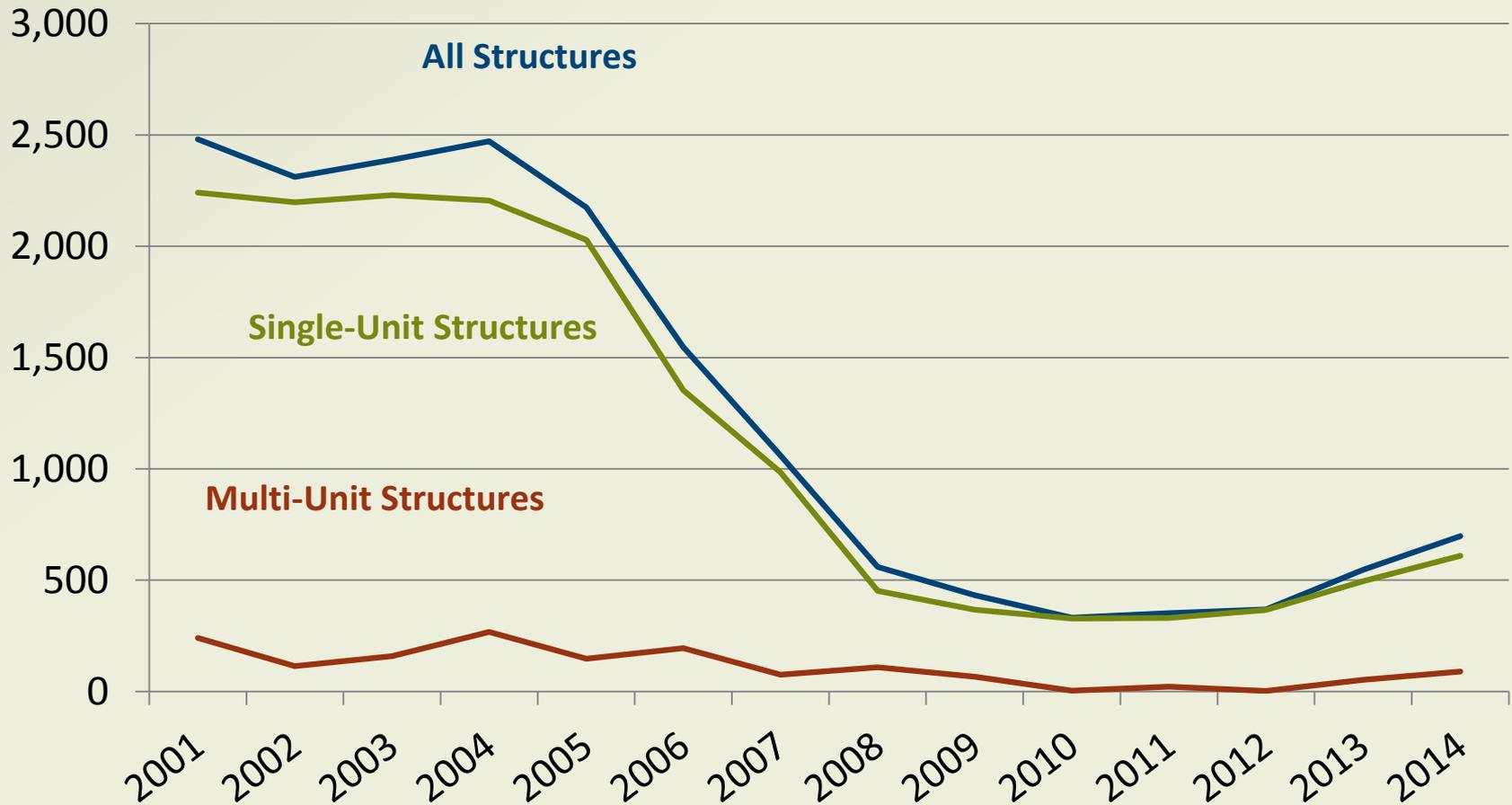
Construction Trends

- All counties but Carlton have had double digit price increases since 2010.

Sales Trends

- Post recession building permits increasing in 2013 and 2014.

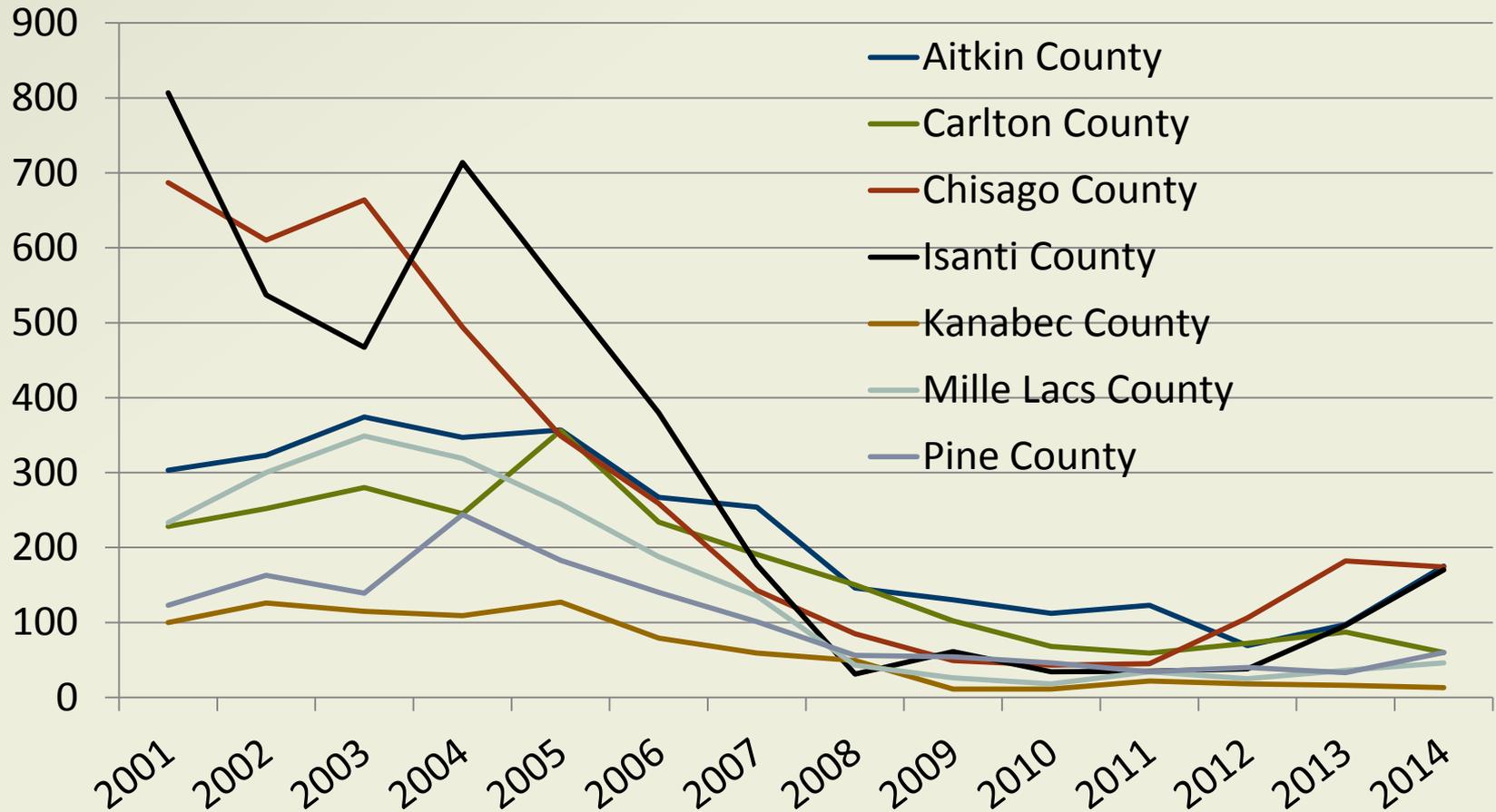
Region: Building Permits Number of Units



Source: Minnesota Housing analysis of data from U.S. Department of Housing and Urban Development – State of the Cities Data Systems

Building Permits by County

Total Number of Units



Source: Minnesota Housing analysis of data from U.S. Department of Housing and Urban Development – State of the Cities Data Systems

Home Sales in 2014

	Median Sales Price	Number of Sales	Change in Sales Price 2010-2014
Aitkin	\$148,825	299	10%
Carlton	\$130,000	412	-2%
Chisago	\$183,000	860	26%
Isanti	\$149,900	577	36%
Kanabec	\$101,500	213	19%
Mille Lacs	\$124,900	360	40%
Pine	\$115,653	366	15%

Source: Minnesota Association of Realtors, 2014 Annual Report on the Minnesota Housing Market

Regional Topic #3

Housing Rehabilitation and Preservation – Multifamily and Single Family Tools and Strategies

Housing Stock

- Existing affordable rental housing
- Aging housing stock

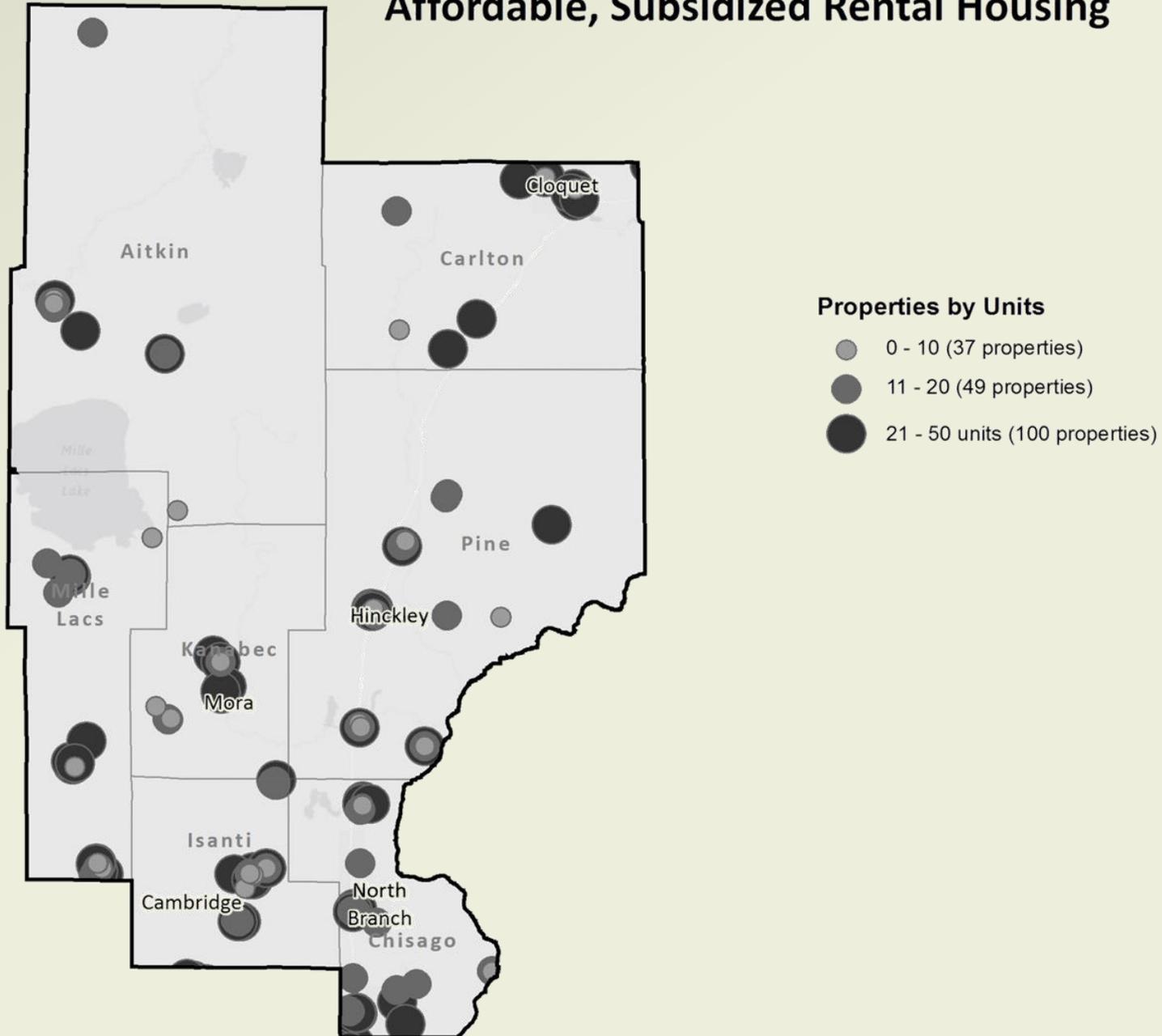
Rehabilitation Activities

- Multifamily: Rental Rehabilitation Deferred Loan, RFP
- Single Family: home improvement loans

Demographics

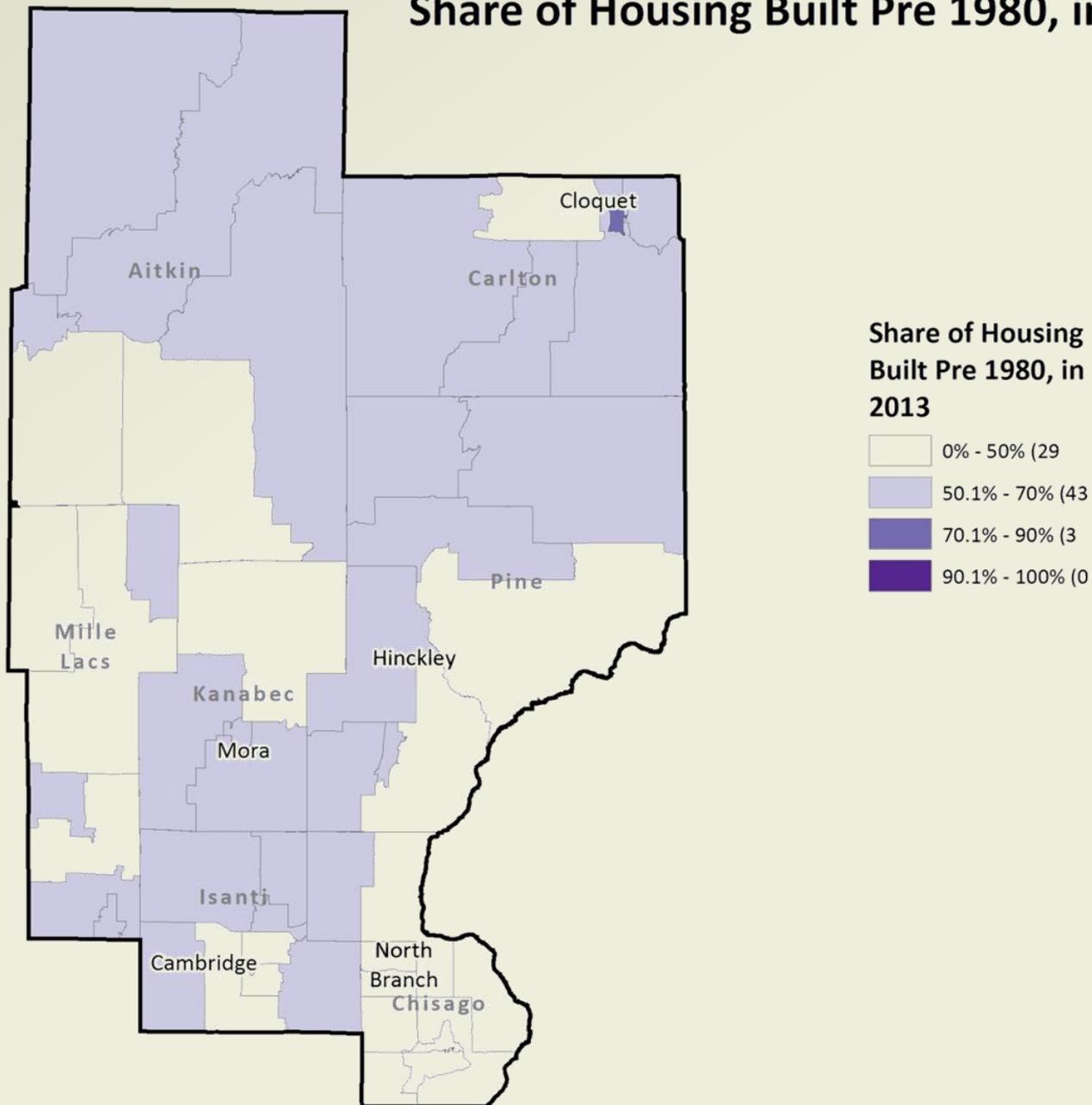
- Aging population across the region: more so on rural Aitkin and more urban Chisago

Affordable, Subsidized Rental Housing

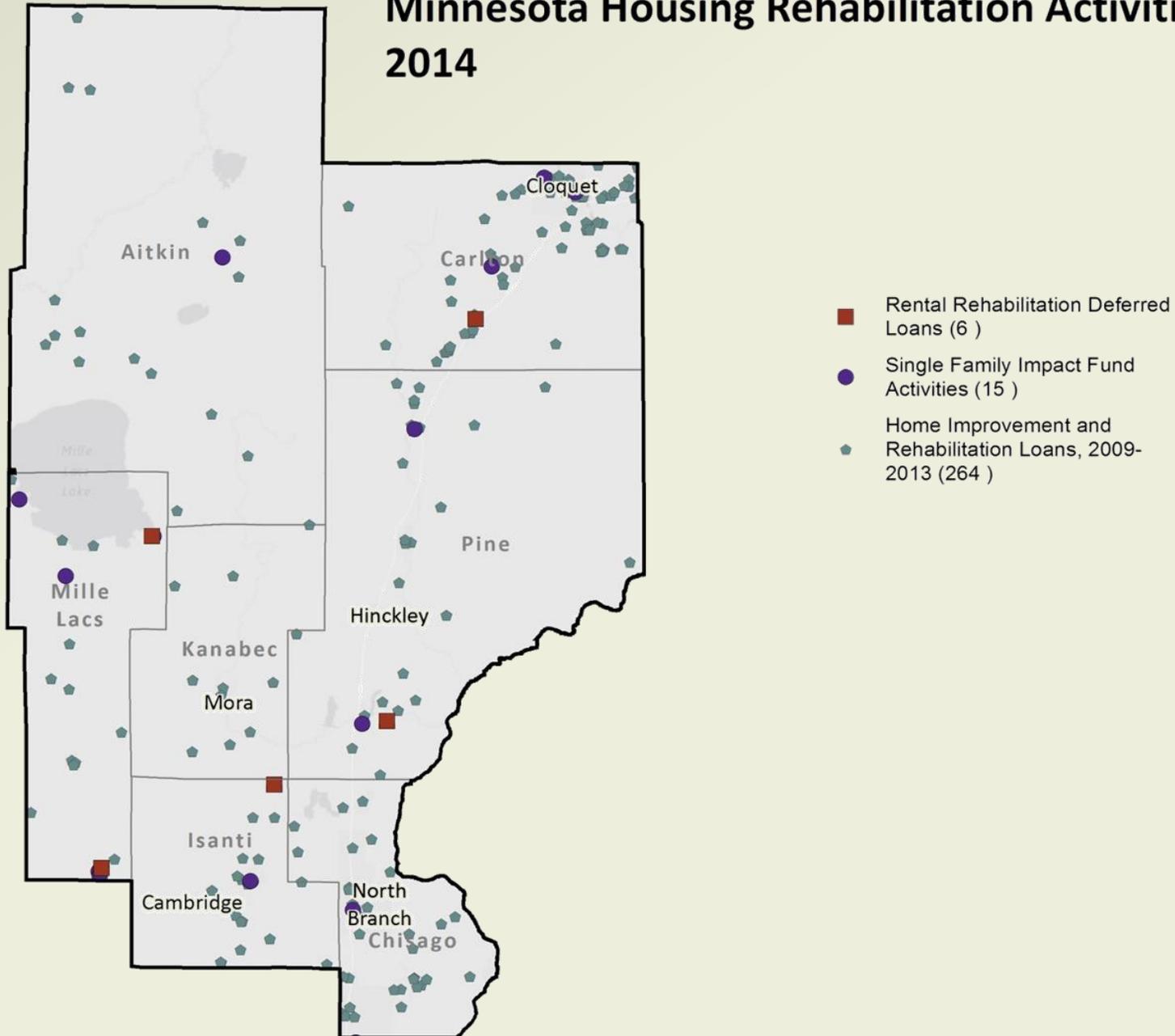


Source: Properties in Minnesota Housing and USDA RD's portfolio 2012

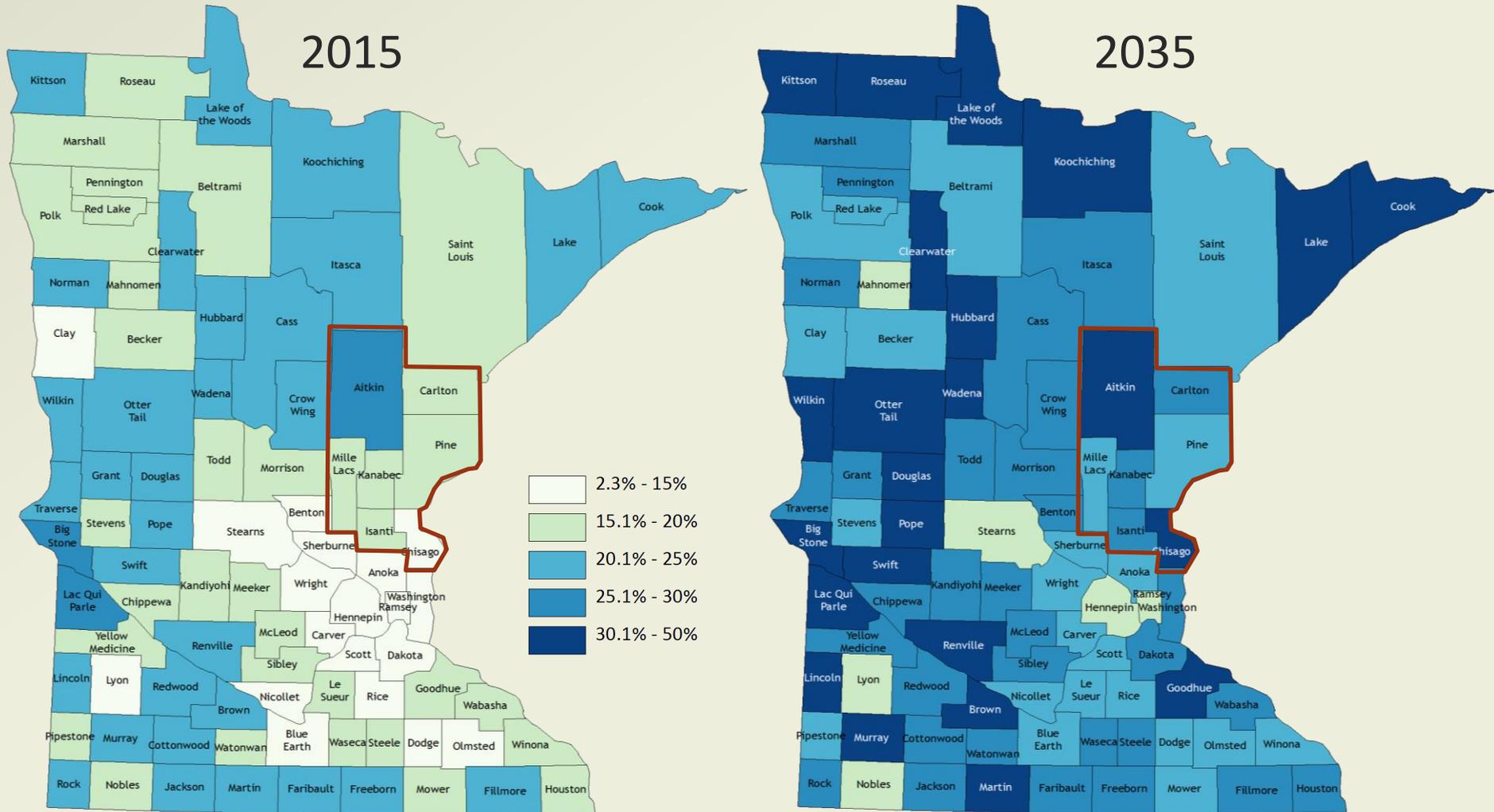
Share of Housing Built Pre 1980, in 2013



Minnesota Housing Rehabilitation Activities 2009-2014



Proportion of the Population Aged 65 and Older



Source: Minnesota Demographer's Office 2015-2040 Population Projections.

Recent Affordable Housing Investments & Activities

- Rental and Homeownership
 - USDA Rural Development
 - Greater Minnesota Housing Fund
 - Minnesota Housing

Affordable Housing Investments in the Region

Over 1,400 Units Invested in 2012-Present

County	Greater Minnesota Housing Fund		Minnesota Housing		USDA Rural Development	
	Loans	Units	Loans	Units	Loans	Units
Aitkin	2	44	28	59	18	18
Carlton	7	40	150	174	40	40
Chisago	10	110	130	130	127	127
Isanti	16	110	136	222	125	125
Kanabec	0	0	18	18	25	25
Mille Lacs	6	6	40	94	64	64
Pine	1	1	45	52	111	111
Total Loans	42	311	547	749	384	384

Source: Minnesota Housing, Greater Minnesota Housing Fund, and USDA Rural Development. 2012-2015 (to date). Includes single family and multifamily activities (does not include Rental Assistance).

For More Information www.mnhousing.gov



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Homebuyers & Homeowners



- ⌘ Mortgage Loans
- ⌘ Home Improvement
- ⌘ Find a Lender
- ⌘ Interest Rates
- ⌘ Foreclosure Prevention

Help with Housing & Rent Assistance



- ⌘ Looking for Rent Assistance
- ⌘ Looking for Shelter
- ⌘ Looking for Affordable Rental Housing

Lenders & Homeownership Partners



- ⌘ Homeownership Lenders
- ⌘ Home Improvement Partners
- ⌘ Real Estate Agents
- ⌘ Community Development
- ⌘ Interest Rates

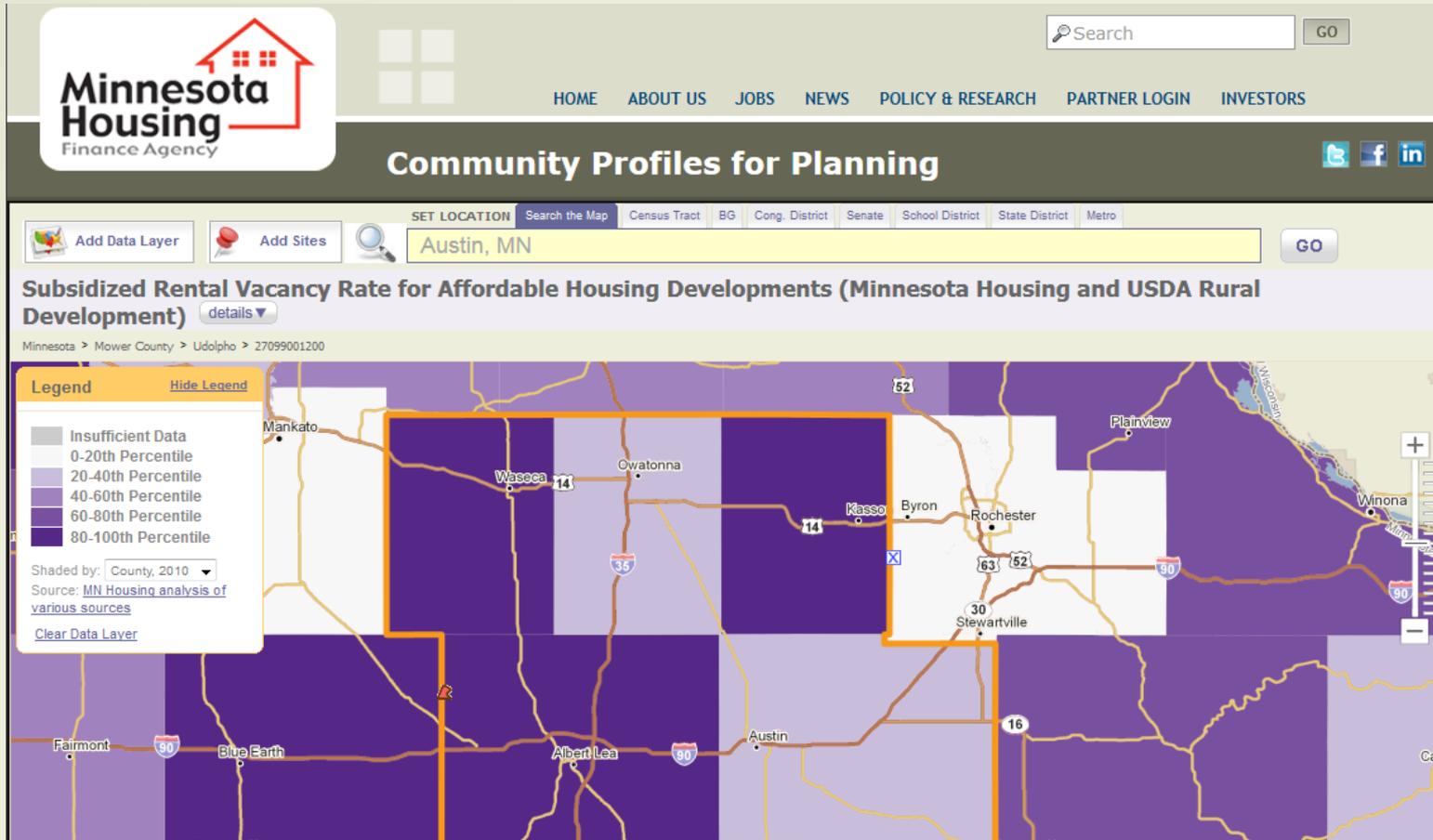
Multifamily Rental Partners



- ⌘ Programs & Funding
- ⌘ Post-Selection
- ⌘ Management, Compliance & Servicing
- ⌘ Section 8
- ⌘ Ending Homelessness

For More Information

Policy and Research > Community Profiles for Planning



For More Information

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East Central Housing & Community Dialogue