

# Comprehensive Housing Needs Analysis for St. Louis Park, Minnesota

*Prepared for:*

**City of St. Louis Park**  
St. Louis Park, MN

**August 2023**



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May 12, 2023

Ms. Karen Barton  
Community Development Director  
City of St. Louis Park  
5005 Minnetonka Boulevard  
St. Louis Park, MN 55416

Dear Ms. Barton:

Attached is the *Comprehensive Housing Needs Analysis for St. Louis Park, Minnesota* conducted by Maxfield Research and Consulting, LLC. The study projects senior demand over this decade and general occupancy housing demand through 2035. The study also provides recommendations on the amount and type of housing that could be built in St. Louis Park to satisfy demand from current and future residents through this decade. The study identifies a potential demand for nearly 5,300 new housing units through 2030 divided between general-occupancy housing (79%) and age-restricted senior housing (21%).

Overall, the housing market in St. Louis Park within all sectors has been strong during and through the COVID-19 pandemic. St. Louis Park continues to be one of the most active new construction rental housing submarkets in The Twin Cities and several more projects are under construction and approved. Despite new supply, the rental housing vacancy rate is 4% and below market equilibrium. St. Louis Park has also been a high-demand for-sale market through the pandemic as buyers desired an inner-ring suburb location. Median sales prices are up nearly 20% from early 2020. However, the recent uptick of mortgage rates led by the Federal Reserve's fight on inflation has moderated appreciation and sales velocity is down. Service-based senior housing is still recovering from the pandemic, but product targeting active seniors is in strong demand. Senior housing is poised for strong growth this decade due to the ageing of the population. Detailed information regarding recommended housing concepts can be found in the *Conclusions and Recommendations* section at the end of the report.

We have enjoyed performing this study for you and are available should you have any questions or need additional information.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

Matt Mullins  
Vice President

Andrew McIntyre  
Research Associate

Attachment

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## KEY FINDINGS

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This section highlights key findings from the Comprehensive Housing Needs Analysis completed for the City of St. Louis Park. Calculations of projected housing demand are provided through 2035 for general occupancy rental housing and through 2030 with respect to for sale housing. In addition, recommendations for housing products to meet demand over the short-term are found in the *Conclusions and Recommendations* section of the report.

### Key Findings

1. Despite the COVID-19 pandemic, the St. Louis Park housing market and economy has fared better than expected and outperformed many Metro Area communities. In fact, St. Louis Park continued to be a preferred location for new construction rental housing while home buyers flocked to St. Louis Park during the pandemic. Home prices increased nearly 20% since early 2020 as younger home buyers sought out homeowner-ship opportunities in a first-ring suburb. At the same time, the unemployment rate hit a new record low (1.5%) and the labor force has nearly recovered from 2020.
2. Although St. Louis Park is largely built-out, the City continued to experience growth over the last two decades. Between 2000 and 2010 the city grew by 2.5% while between 2010 and 2020 the city grew by an even greater 10.5%. More recently, over the past three years, St. Louis Park has grown by 3.0% to 51,500. Growth of the city can largely be attributed to the multifamily housing boom that has occurred over the past decade. Continued growth in the City will be reliant on infill, redevelopment, and rather dense housing types. The city can also capitalize on its transportation access, including the future opening of the SW Light Rail line, and the community's walkability compared to other suburban communities.
3. St. Louis Park's near-term growth is led by the Millennials and Baby Boomers and seniors. The aging of the population is led by growth in the 75 to 84 age cohort (27.9%). This shift will result in demand for alternative housing products; both for-sale and rental housing types. At the same time, there is strong growth in the Millennial generation (+5.4%) that will be seeking first-time home ownership opportunities and quality rental housing.
4. Rental housing is the key driver to St. Louis Park and its growth. Since 2010, St. Louis Park has permitted over 3,300 multifamily units compared to only 116 single-family units. This is evidenced by the City being comprised of nearly 42% renters. Numerically, those 25 to 34 represent the largest number of renters (4,562 people), or 18.4% of all renters. This is followed by those 35 to 44 (1,527 people - 6.1% of all renters) and those 15 to 24 (1,168 people - 4.7% of all renters).
5. Rental housing in the City is primarily comprised of market rate housing. In Maxfield's survey, market rate rental housing comprised over 92% of all units followed by income

## KEY FINDINGS

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restricted affordable housing, representing 4.8% of all units, and subsidized units, representing 2.8% of all units. Combined, the overall vacancy rate is less than 4% across all stabilized projects regardless of income. At the same time, about one-half of the market rate rental stock is considered naturally occurring affordable housing affordable at 50% and 60% of AMI.

6. As detailed previously, St. Louis Park's senior population grew over the course of the decade. However, the senior housing market is still recovering from lost occupancies through the course of the pandemic. Although active adult product has virtually no vacancies (1.6% - all active adult types), independent living (10.9%), assisted living (25.8%), and memory care (24.6%) all posted high vacancy rates. Maxfield Research projects another year plus to reach stabilized occupancy after the pandemic. Therefore, demand will be strongest for active adult and independent seniors in the short-term while service-intensive demand will grow over the course of the decade.
7. The for-sale market has boomed since 2020 as the median sale price is up about 20% to an all-time high of over \$350,000 through year-end 2022. St. Louis Park has been an exceptionally strong housing market as buyers flocked to the inner-ring suburban location as buyers desired yards and more elbowroom during the pandemic. However, price acceleration has leveled with the rapid uptick in mortgage rates over the past year that has resulted in few homes for sale and an affordability crunch on buyers. Home sales will remain depressed until buyer confidence returns with stabilized mortgage rates and consumer confidence related to the health of the economy.
8. The lack of available land, comprised with the high cost of redevelopment, make the construction of new for sale and rental housing a challenge especially in a high interest rate environment. This makes housing affordability a pressing issue in the City as buyers are on the sidelines and renters are facing rent inflation due in-part to the high inflation conditions property owners are facing for labor, property taxes, insurance, utilities, etc. New construction is expected to be muted in the short-term as buyers put new home purchases on-hold while apartment developers are faced with increasing debt service and tighter underwriting policies. As such, new multifamily construction should slow in the short-term as buyers and developers wait out the market in anticipation for lower interest rates.
9. The unemployment rate in St. Louis Park has been dangerously low since recovering jobs from the pandemic. The unemployment rate hit an all-time low in 2022 at 1.6% before rising to just above 2% in late 2022 and early 2023. St. Louis Park's labor force is still about 1,000 employees short its early 2020 peak. This is a result of a lower labor participation rate due to employees leaving the workforce or retiring early. As such, employers face difficulty in attracting workers given the number of job openings and lower labor force. Employment industries in St. Louis Park are largely diverse. The Education

## KEY FINDINGS

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and Health Services industry accounted for 33.1% of employment as of the fourth quarter of 2022. The Park Nicollet Health system and its Methodist Hospital and 3850 Clinic and Specialty Center Building likely play a big role in it being the largest industry. The next largest industry is the Professional and Business Services sector. The West End District of the City particularly has a large number of commercial office space including 10 West End, a new class A office space and is a desirable location for business seeking an excellent location out of Downtown Minneapolis.

### ***Purpose and Scope of Study***

Maxfield Research and Consulting, LLC. was engaged by the City of St. Louis Park to conduct a *Comprehensive Housing Needs Analysis* for St. Louis Park, Minnesota building upon the previous 2018 study. The scope of this study includes: an analysis of the demographic and economic characteristics of the City; a review of the characteristics of the existing housing stock and building permit trends; an analysis of the market condition for a variety of rental and for-sale housing products; and an assessment of the need for housing by product type in the City. Recommendations on the number and types of housing products that should be considered in the City are also supplied. The Housing Needs Analysis provides recommendations on the amount and types of housing that should be developed in order to meet the needs of current and future households who choose to reside in the city

### ***Demographic Analysis***

- As of 2023, the City of St. Louis Park is estimated to have 51,500 persons. The city has continued to experience growth over the last decade (2010 to 2020 – 10.5%), but at a faster rate than in the 2000s (2000 to 2010 – 2.5%). We project that St. Louis Park will grow by 4,000 persons (8.0%) and by 3,170 households (13.3%) between 2020 and 2030. Maxfield Research is projecting a higher growth rate than the Met Council (+5.4%).
- Between 2030 and 2040, St. Louis Park's population is forecast to experience an increase of 2,000 people (3.6%) from 55,000 people in 2030 to 57,000 people in 2040 while its households are projected to increase by 1,500 (5.6%) from 27,000 households in 2030 to 28,500 households in 2040. This growth will likely be a result of infill development.
- The 25 to 34 age cohort was the largest cohort in St. Louis Park comprising 18.9% as of 2023. This age cohort comprised a significantly higher proportion in St. Louis Park than Hennepin County (14.8%) and the Metro Area (14.7%).
- St. Louis Park's population of 18 to 34-year-olds, which consists primarily of renters and first-time homebuyers, increased by only 0.5% between 2010 and 2023. However, the same age cohort is projected to increase by 6.0% over the next five years; increasing the demand for rental units and starter homes.
- St. Louis Park had an estimated median household income of \$94,491 in 2023. It is projected to increase over the next 5 years to \$110,233 in 2028 (16.7%, or 3.3% annually).
- The median resale price of homes in St. Louis Park was \$359,900 through 2022 (see Table FS-1). The income required to afford a home at this price would be about \$102,829 to \$119,967; based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt).



## EXECUTIVE SUMMARY

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- In 2010, 60.7% of all households in St. Louis Park owned their housing. By 2023, that percentage decreased to 58.1%. This is primarily due to the large number of new rental buildings recently completed or under construction in the city. However, the homeownership rate has been declining for the last decade.
- In 2023, 92.5% of St. Louis Park's households between the ages of 15 and 24 rented their housing, compared to 63.8% of households between the ages of 25 and 34. St. Louis Park's households between 65 and 74 were overwhelmingly homeowners with a homeownership rate of 78.7%.
- An estimated 52.6% of renter households in the City of St. Louis Park in 2023 have one person while an additional 37.5% renter households have two people. The one-person households would primarily seek one-bedroom units and two-person households that are couple would primarily seek one-bedroom units. Two-person households that consist of a parent and child or roommate would primarily seek two-bedroom units. Larger households would seek units with multiple bedrooms.
- Persons Living Alone grew significantly adding 1,470 households (16.9%) between 2010 and 2023. As of 2023, Persons Living Alone comprised the largest percentage (41.0%) of all households consisting of an estimated 10,186 households. This household type is significantly larger in St. Louis Park compared to Hennepin County (32.8%) and the Metro Area (28.9%). This could indicate an aging senior population or millennials moving to the area.
- The City of St. Louis Park has an average net worth of \$882,911 in 2022, 32.9% lower than the average net worth of a householder in Hennepin County (\$1,336,214) and 32.3% lower than the average net worth of a householder in the Metro Area (\$1,304,543). St. Louis Park has a median net worth of \$110,945 in 2022, 18.6% lower than the median net worth in Hennepin County (\$204,345) and 30.4% less than the median net worth in the Metro Area (\$239,052).

### *Housing Characteristics*

- Between 2010 and 2022 there were 3,286 new residential units permitted in St. Louis Park, only 3.5% of those permitted units were issued for single-family units while 99.5% were issued for multifamily units.
- St. Louis Park's housing stock skews older with the largest percentage of its homes built in the 1950's followed by the 1940s.
- Single-family detached units are the dominate housing type for owner-occupied units in the City of St. Louis Park (78.8%), Hennepin County (79.9%), and Minnesota (85.3%).

## EXECUTIVE SUMMARY

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- In the City of St. Louis Park, 68.1% of homes have a mortgage while 31.9% own their homes without a mortgage. Thus, the percentage of housing units in St. Louis Park owned without a mortgage is less than the State of Minnesota (34.0%).
- The median rent in St. Louis Park was estimated at \$1,271 in 2021, 3.8% higher than in Hennepin County (\$1,225), 7.6% higher than in the Metro Area, and 25.7% higher than in Minnesota.
- The median income of renter households was 41.5% less than the median income owner households in St. Louis Park. In 2021, owner-occupied households in St. Louis Park reported a median income of \$111,272 compared to \$65,118 among renter-occupied households.
- The majority of St. Louis Park residents (81.2%) did not move during the last year. In Hennepin County (83.6%) of its residents did not move in the last year while 85.9% of Metro Area residents did not move.

### ***Employment Trends***

- Unemployment in St. Louis Park was at its highest in 2010 during the Great Recession in 2010 at 6.0% before dropping to 2.4% in 2018.
- St. Louis Park began the 2010s with a high unemployment rate of 6%, reached a low of 2.4% in 2018, before peaking again at 5.7% in 2020. It is important to note that the steep rise in unemployment in 2020 was a result the COVID-19 pandemic and its related shutdowns and layoffs. The unemployment rate has since decreased rapidly down to 2.2% through 2022.
- By 2020, at the height of the COVID-19 Pandemic, unemployment went up to 5.7% in St. Louis Park before decreasing to 2.3% as of December 2022.
- In the City of St. Louis Park, the Information industry reported the highest weekly wage, \$2,165; or approximately \$86,600 annually in the fourth quarter of 2022. Following not far behind is the Financial Services sector with an average weekly wage of \$2,109 (\$84,360 annually).
- As Table E-5 illustrates, Minneapolis was the largest work destination for St. Louis Park residents (27.2%) and the largest home destination for St. Louis Park workers (12.9%).
- St. Louis Park was the second largest work destination for St. Louis Park residents (10.6%) and the second largest home destination for St. Louis Park workers (7.1%).
- The City of St. Louis Park is a net importer of workers, with 37,337 workers commuting into the city compared to 23,826 workers leaving the city for work. In addition, 2,839 workers live and work in the city.

## EXECUTIVE SUMMARY

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- Health Partners, at 3800 Park Nicollet Boulevard, and in the Health Services industry, is the largest employment location in St. Louis Park with 6,708 employees. The city's next largest employer, at 600 Highway 19 South, is Wells Fargo Home Mortgage with 1,450 employees.
- Among the largest employers in St. Louis Park many were in the technology, business, medical, and retail related fields.

### ***Rental Housing Market Analysis***

- All rental projects represent a combined total of 9,002 units, including 8,316 market rate units (92.4%) of all units, 434 affordable units (4.8% of all units) and 252 subsidized units (2.8% of all units).
- At the time of our survey, St. Louis Park had an overall stabilized vacancy rate of 3.7% (322 vacancies), below market equilibrium (5% vacancy rate). Market rate properties had a stabilized vacancy rate of 4.0% (322 vacancies) while affordable and subsidized units each had a vacancy rate of 0% (no vacancies). As a result, all unit types have pent up demand.

### ***Senior Housing Market Analysis***

- Between 2010 and 2022, the fastest growing proportion of the population in St. Louis Park was those between the ages of 65 and 74, which experienced a 68.6% increase in population, an addition of 1,757 people. In addition, over the next five years, the fastest population growth in St. Louis Park is projected to be those between the ages of 75 and 84, which are forecast to experience a 23.9% increase in population, an addition of 606 people.
- St. Louis Park maintains relatively high rates of homeownership in the older adult age cohorts. The homeownership rate as of 2022 is 80.7% for households 55 to 64. Seniors typically begin to consider moving into senior housing alternatives or more convenient housing such as apartment buildings or twin homes in their early to mid-70s. This movement pattern is demonstrated by the drop in homeownership between the 65 to 74 age cohort (78.5%) and the 75+ age cohort (59.2%).
- Maxfield Research identified eight senior housing properties in the Primary Market Area (PMA). Combined, these projects contain a total of 1,004 senior housing units. Of those 1,004 units, 693 units (69.0%) are market rate units while 123 units are shallow subsidy/income-restricted (12.3%), and 188 units (18.7%) are deep subsidy units.
- Based on our survey, 63.7% of the units provide service-enhanced housing, for a total of 640 units. These include 432 independent living units, 120 assisted living units, 57 memory care units, and 31 enhanced care/dementia care units. The remaining 36.3% (364 units) are active adult, including 205 affordable (deep- and shallow-subsidy), 53 market rate rental, and

106 cooperative/ownership units. Of the 1,004 senior housing units, 99 are currently vacant, representing a 9.9% vacancy rate. Generally a vacancy rate of 7% is considered equilibrium for service based senior housing.

- The affordable active adult properties are predominantly project-based Section 8 facilities with rents based on 30% of gross monthly household income. There are two project-based Section 8 properties (Menorah West – 45 units and Menorah Plaza – 143 units) totaling 188 units, of which three are vacant (1.6%). These facilities target persons 62 and older. There is also one project, Elmwood (2021), that contains income-restricted units (shallow subsidy). The development is mixed income and primarily contains market rate but also 17 one (5 units) and two-bedroom (12 units) income restricted units.
- There are three independent living with services available facilities, totaling 432 independent living units in the PMA, 47 of which are vacant (10.9% vacancy rate). In addition, there are 120 assisted living units in the PMA, 31 of which are vacant for a 25.8% vacancy rate. The PMA also has two facilities providing 57 memory care units in the PMA. These memory care facilities are currently 24.6% vacant (15 vacant units).

### ***Housing Affordability***

- In St. Louis Park, 18.9% of owner households and 34.3% of renter households are considered cost burdened. In comparison, 16.6% of owner households and 43.9% of renter households are considered cost burdened in Hennepin County. The Seven-County Metro Area has 19.1% of its owner households cost burdened and 44.2% of its renter households cost burdened. Across the State of Minnesota 17.9% of owner households and 42.9% of renter households are considered cost burdened. The median income of all St. Louis Park households in 2021 was about \$87,639. However, the median income varies by tenure. According to the 2021 American Community Survey, the median income of a homeowner is \$111,272, 70.9% higher than that of renters (\$65,118).
- Approximately 50% (49.5%) of all households and 62.0% of owner households could afford to purchase an entry-level home in St. Louis Park (\$300,000). When adjusting for move-up buyers (\$450,000) 28.8% of all households and 39.6% of owner households would income qualify.
- About 61% (61.2%) of existing renter households can afford to rent a one-bedroom unit in St. Louis Park (\$1,300/month). The percentage of renter income-qualified households decreases to 34.7% that can afford an existing three-bedroom unit (\$2,100/month). After adjusting for new construction rental housing, the percentage of renters that are income-qualified decreases.

### ***For-Sale Housing Market Analysis***

- Between 2010 and 2022, there has been an average of 884 residential sales per year in St. Louis Park.
- Between 2021 and 2022 St. Louis Park's median resale prices increased 5.9% to \$359,900 while Hennepin County's median resale price increased 5.1% to \$368,000 and the Seven County Metro's median resale price increased 6.7% to \$365,000.
- As of November 3, 2022, there were 95 homes listed for sale in St. Louis Park and 2,786 homes listed for sale in all of Hennepin County.
- The median list prices in St. Louis Park and Hennepin County for single-family and multifamily homes is \$349,900 and \$386,853.
- Based on a median list price of \$349,900 for St. Louis Park, the income required to afford a home at this price would be between \$99,971 and \$116,633; based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). A household with significantly more equity (in an existing home and/or savings) could afford a higher priced home. About 45% (45.2%) of St. Louis Park households have annual incomes at or above \$99,971.
- The majority of single and multifamily homes listed for sale in St. Louis Park are priced between \$300,000 and \$399,999 (27.4%) and \$200,000 and \$299,999 (22.1%).
- Of the 95 listings in St. Louis Park, 55 (57.9%) are single family homes while 40 listings (42.1%) are multifamily homes. In Hennepin County, of 2,786 listings, 1,812 are single family homes (65.0%) while 974 listings are multifamily homes (35.0%).
- Condominiums (37.9%) and one-and-one half story (25.3%) listings are the two most common housing types in St. Louis Park, accounting for a combined 63.2% of all of listings. In contrast, throughout Hennepin County, two story (24.7%) and condominiums (21.3%) listings are the two most common property types accounting for a combined 46.0% of all active listings.
- One-and one half story homes, the most common housing type in St. Louis Park, average \$420,029, equating to \$225 per square foot.

### ***Development Pipeline***

- Of pending and recently completed projects, only two were active adult (age-restricted) projects while the remaining 22 are rental projects. The most recent projects to open in St. Louis Park include Via Sol, Parkway Place, Parkway Flats, and Volo at Texa Tonka. Via Sol is a mixed income project of 65 market rate units and 152 affordable units. Volo at Texa Tonka

is an additional mixed income project with 89 market rate units and 23 affordable units. Parkway Place (95 units) is a market rate projects while Parkway Flats is a 6 unit affordable townhome development. Parkway Place and Parkway Flats are both a part of the Parkway Residences project which is constructing market rate and affordable units along Minnesota State Highway 7 near the City's border with Minneapolis. The area serves as a gateway to Minneapolis' three popular lakes (Bde Maka Ska, Lake Harriet, and Lake of the Isles), and the Uptown District of Minneapolis.

### ***Housing Needs Analysis (New Construction units)***

- Based on our calculations (detailed in the demand section of the report), demand exists in St. Louis Park for the following general occupancy product types between 2023 and 2030:
  - Market Rate Rental 1,555 units
  - Affordable Rental 633units
  - Subsidized Rental 607 units
  - For-Sale Single-Family 138 units
  - For-Sale Multifamily 1,013 units
- In addition, we find demand for multiple senior housing product types (detailed in the demand section of the report). By 2030, demand in St. Louis Park for senior housing is forecast for the following:
  - Active Adult Ownership 231 units
  - Active Adult Market Rate Rental 304 units
  - Active Adult Affordable 268 units
  - Active Adult Subsidized 30 units
  - Independent Living 129 units
  - Assisted Living 226 unit
  - Memory Care 214 units
- On the following page are recommended product types for the city.

## EXECUTIVE SUMMARY

RECOMMENDED HOUSING DEVELOPMENT ST. LOUIS PARK 2023 to 2030				
		Purchase Price/ Monthly Rent Range <sup>1</sup>	No. of Units	Development Timing
Owner-Occupied Homes				
Single Family <sup>2</sup>				
	Move-up	\$450,000 - \$649,999	50 - 100	Ongoing
	Executive	\$650,000+	50 - 100	Ongoing
	Total		100 - 200	
Townhomes/Twinhomes <sup>2</sup>				
	Move-up	\$250,000 - \$350,000	100 - 200	2025+
	Executive	\$400,000+	100 - 200	2025+
	Total		200 - 400	
Condominiums				
	Entry-level	<\$200,000	100 - 200	2026+
	Move-up	\$250,000 - \$350,000	100 - 200	2027+
	Executive	\$375,000+	100 - 200	2027+
	Total		300 - 600	
Total Owner-Occupied			600 - 1,200	
General Occupancy Rental Housing				
Market Rate Rental Housing				
	Apartment-style (moderate)	\$1,500/1BR - \$2,200/3BR	100 - 125	2026+
	Apartment-style (luxury)	\$1,800/1BR - \$2,700/3BR	200 - 300	2028+
	Townhomes	\$1,500/2BR - \$2,000/3BR	100 - 125	2024+
	Total		400 - 550	
Affordable Rental Housing				
	Apartment-style	Moderate Income <sup>3</sup>	100 - 135	2025+
	Townhomes	Moderate Income <sup>3</sup>	100 - 135	2025+
	Subsidized	30% of Income <sup>4</sup>	250 - 350	2025+
	Total		450 - 620	
Total Renter-Occupied			850 - 1,170	
Senior Housing (i.e. Age Restricted)				
	Active Adult Market Rate Rental <sup>5</sup>	\$1,425/1BR - \$1,800/2BR	300 - 400	2025+
	Active Adult Affordable Rental <sup>5</sup>	Moderate Income <sup>3</sup>	70 - 75	2025+
	Assisted Living	\$3,000/EFF - \$4,500/2BR	200 - 250	2027+
	Memory Care	\$5,000/EFF - \$6,000/2BR	150 - 200	2027+
	Subsidized Senior	30% of Income <sup>4</sup>	70 - 90	2026+
	Total		790 - 1015	
Total - All Units			2,240 - 3,385	
<sup>1</sup> Pricing in 2023 dollars. Pricing can be adjusted to account for inflation.				
<sup>2</sup> Replacement need, infill, and redevelopment. Development of single-family homes and townhomes/twinhomes will hinge on land availability. Due to St. Louis Park's location, there is pent-up demand that exceeds replacement need.				
<sup>3</sup> Affordability subject to income guidelines per Minnesota Housing Finance Agency (MHFA). See Table R-6 for Hennepin County Income limits.				
<sup>4</sup> Subsized housing will be difficult to develop financially				
<sup>5</sup> Alternative development concept is to combine active adult affordable and market rate active adult into mixed-income senior community				
Note - Recommended development does not coincide with total demand. St. Louis Park may not be able to accommodate all recommended housing types based on land availability and development constraints.				
Source: Maxfield Research and Consulting, LLC.				

### Introduction

This section of the report examines factors related to the current and future demand for both owner and renter-occupied housing in St. Louis Park, Minnesota. It includes an analysis of population and household growth trends and projections, projected age distribution, household income, household types and household tenure. Comparisons, where appropriate, are provided to Hennepin County, the Twin Cities Seven County Metro (Anoka County, Carver County, Dakota County, Hennepin County, Ramsey County, Scott County, and Washington County), and the State of Minnesota. A review of these characteristics will provide insight into the demand for various types of housing needed in the City.

### St. Louis Park PMA

For purposes of the housing analysis, the Primary Market Area (PMA) encompasses all of the City of St. Louis Park. Therefore, going forward in the report the PMA will be solely referred to as either St. Louis Park or the City of St. Louis Park.

St. Louis Park is classified as an Urban Center community by the Metropolitan Council's *Thrive MSP 2040* document. Urban Center communities are characterized by their excellent transportation networks, high degree of walkability, access to a variety of recreational opportunities, and are largely built out (infill development important).<sup>1</sup>

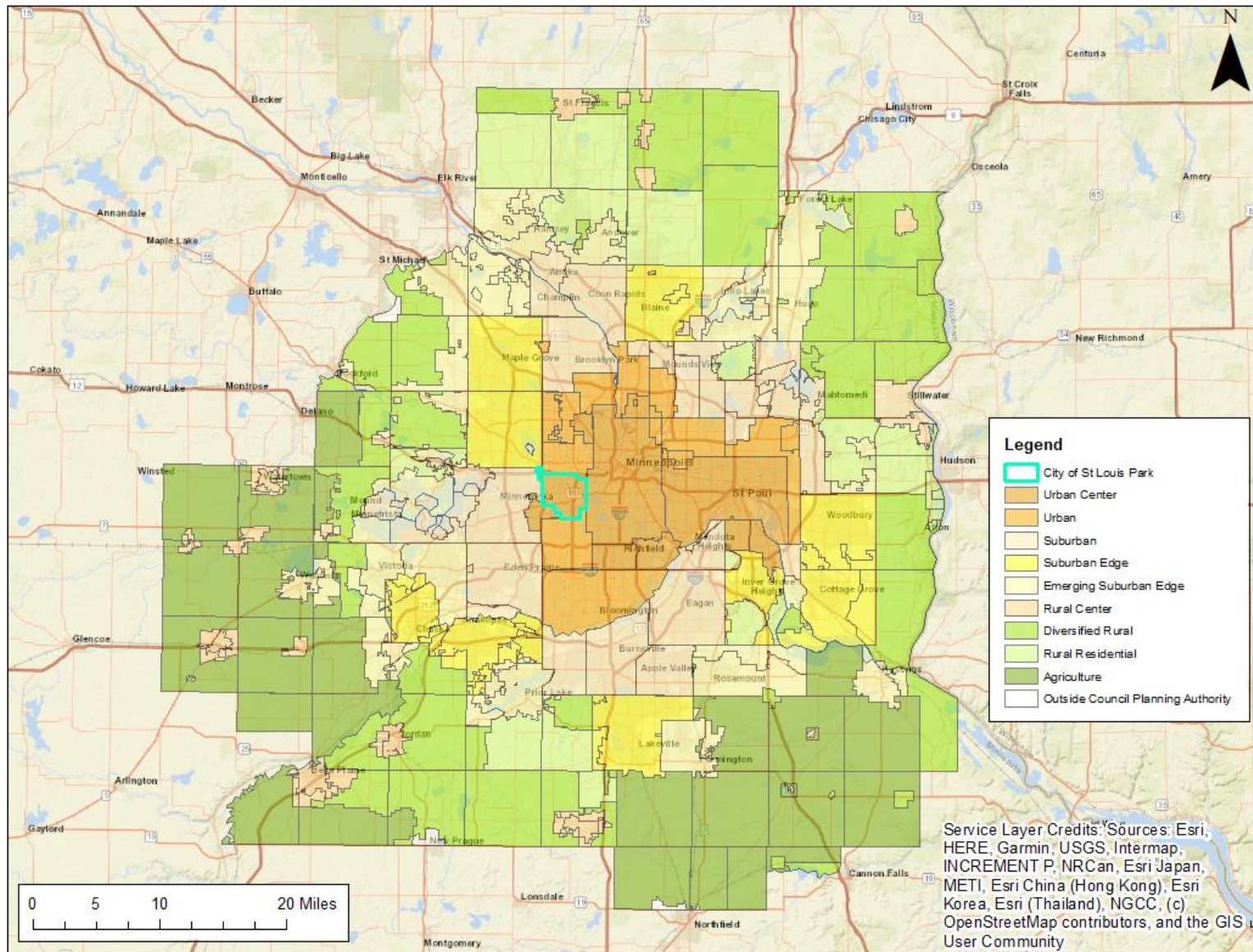
In some cases, additional demand for housing will come from individuals moving from just outside the City, those who return from other locations (particularly young households returning after pursuing their degrees or elderly returning from retirement locations), and seniors who move to be near their adult children living in St. Louis Park. Demand generated from within and outside of St. Louis Park considered in the demand calculations are presented later in this analysis. The maps on the following pages highlight the Metropolitan Council's 2040 Community Designations St. Louis Park's city and regional boundaries, all 35 neighborhoods within St. Louis Park, the zoning districts within St. Louis Park, and future stops on the currently under construction Southwest Light Rail Transit (LRT) Metro Green Line in and near St. Louis Park.

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<sup>1</sup> "Urban Center: Growing vitality in the region's core." *Metropolitan Council: Thrive MSP 2040*. Pgs. 96-97. [https://metro council.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-\(1\)/ThriveMSP2040.aspx](https://metro council.org/Planning/Publications-And-Resources/Thrive-MSP-2040-Plan-(1)/ThriveMSP2040.aspx). Accessed 5 Oct. 2022.

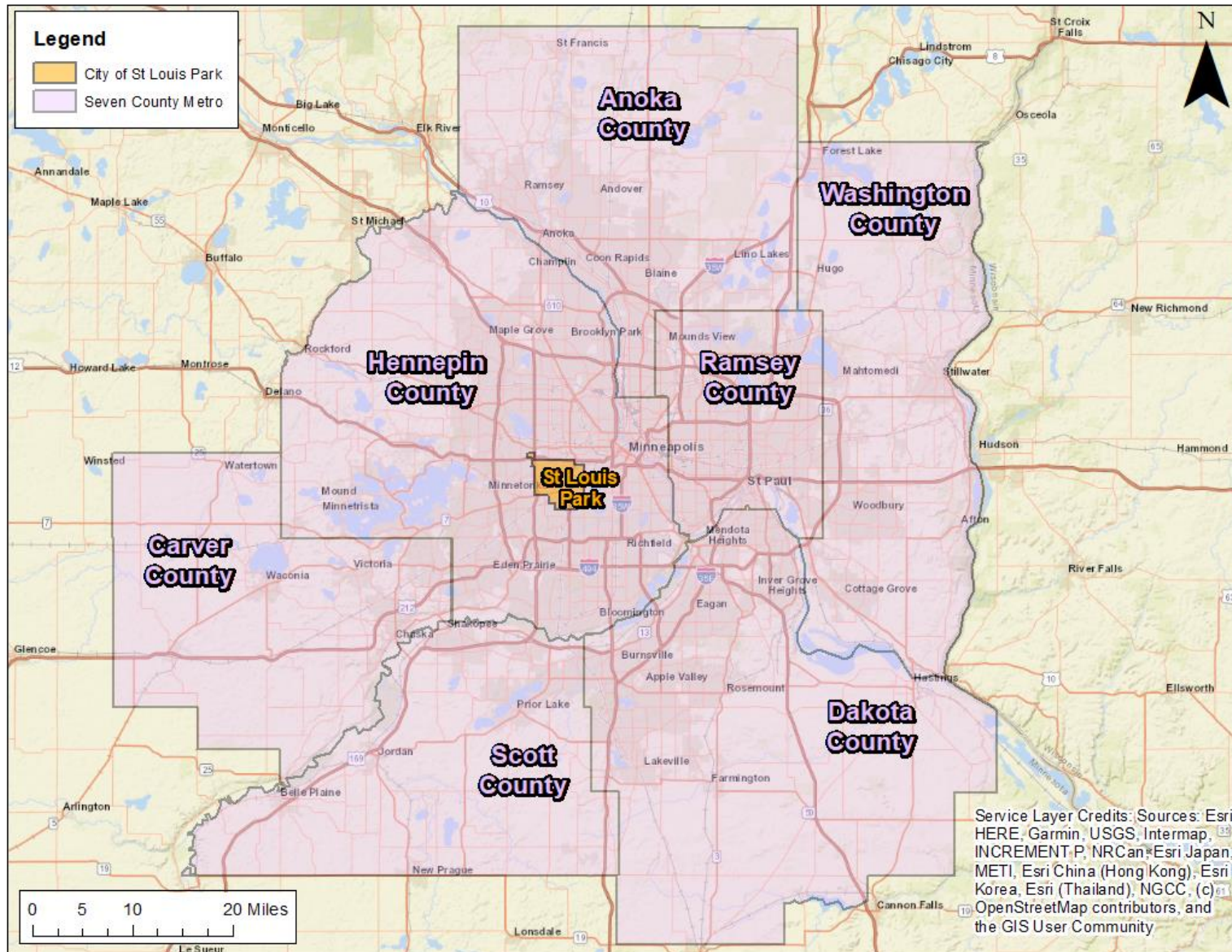


Metropolitan Council's *Thrive 2040* Community Designations



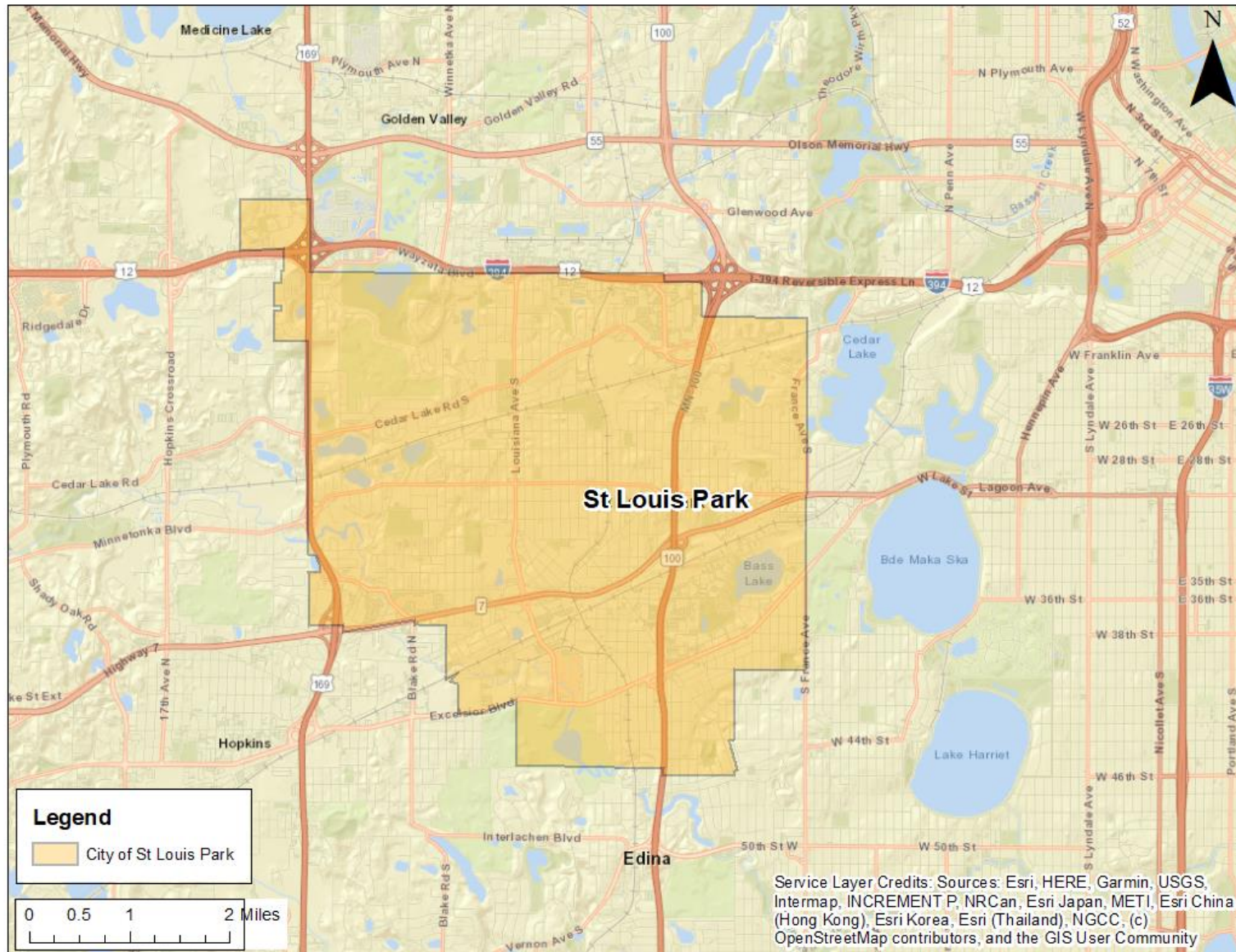


City of St. Louis Park and Seven County Metro



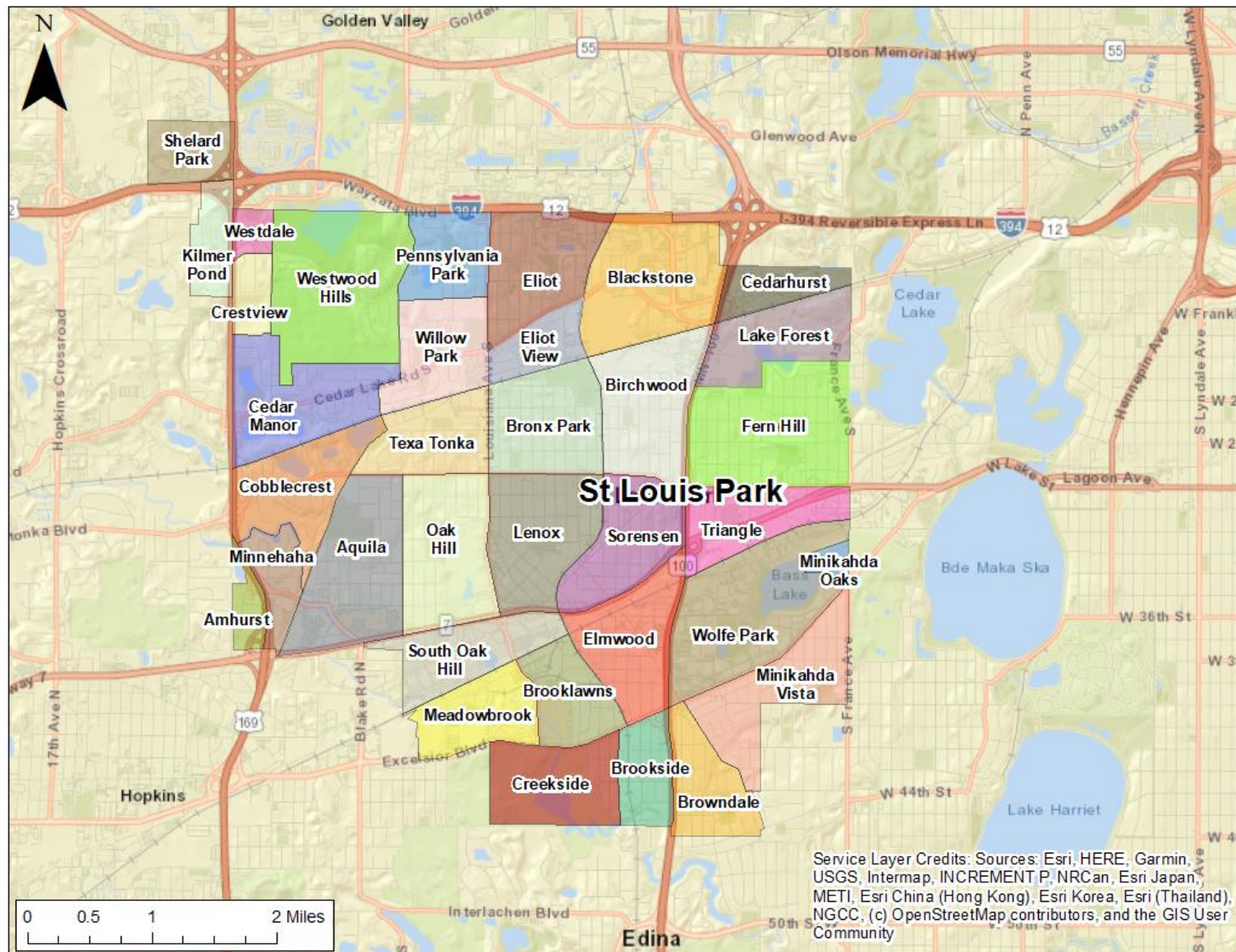


### St. Louis Park City Boundaries

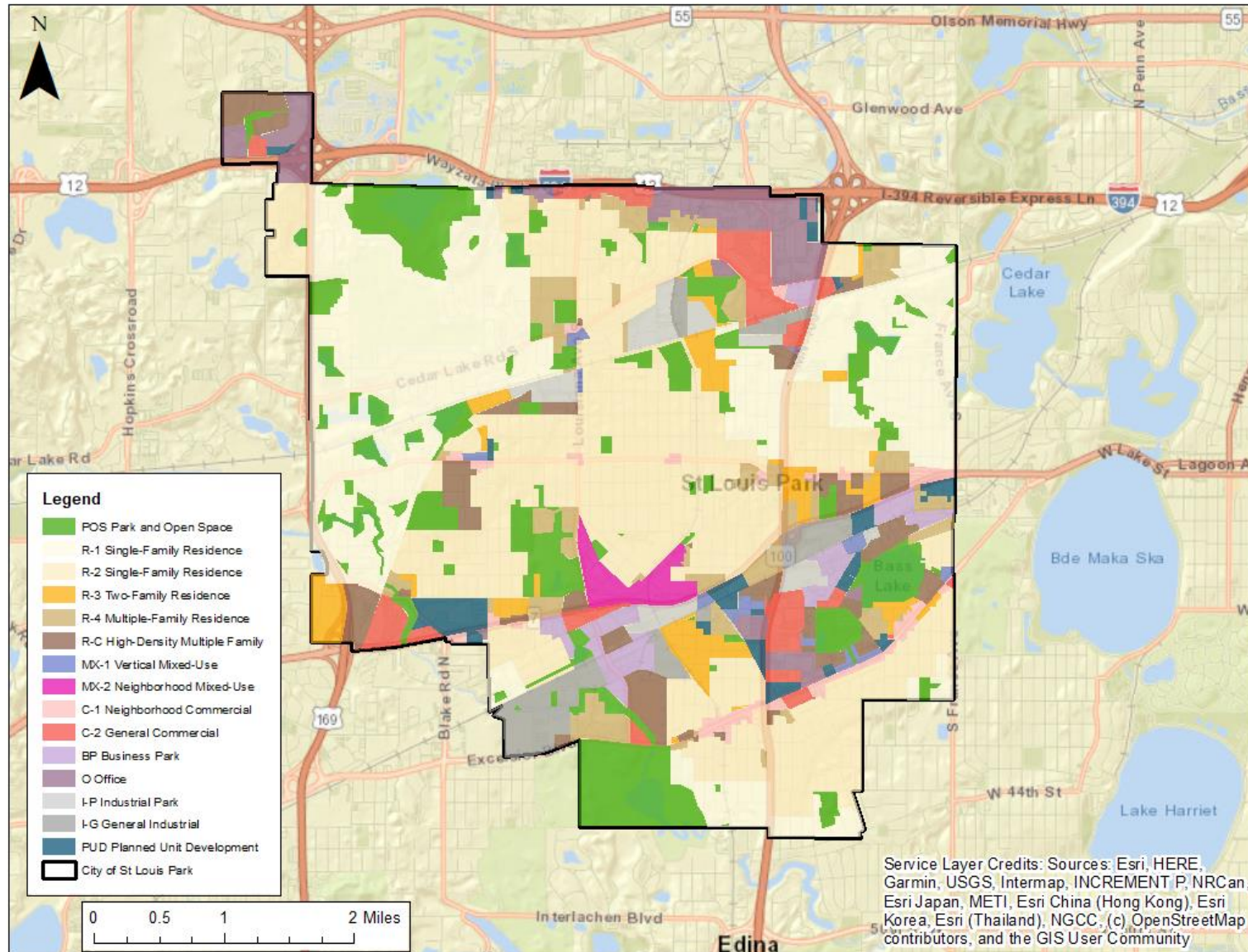




City of St. Louis Park Neighborhoods

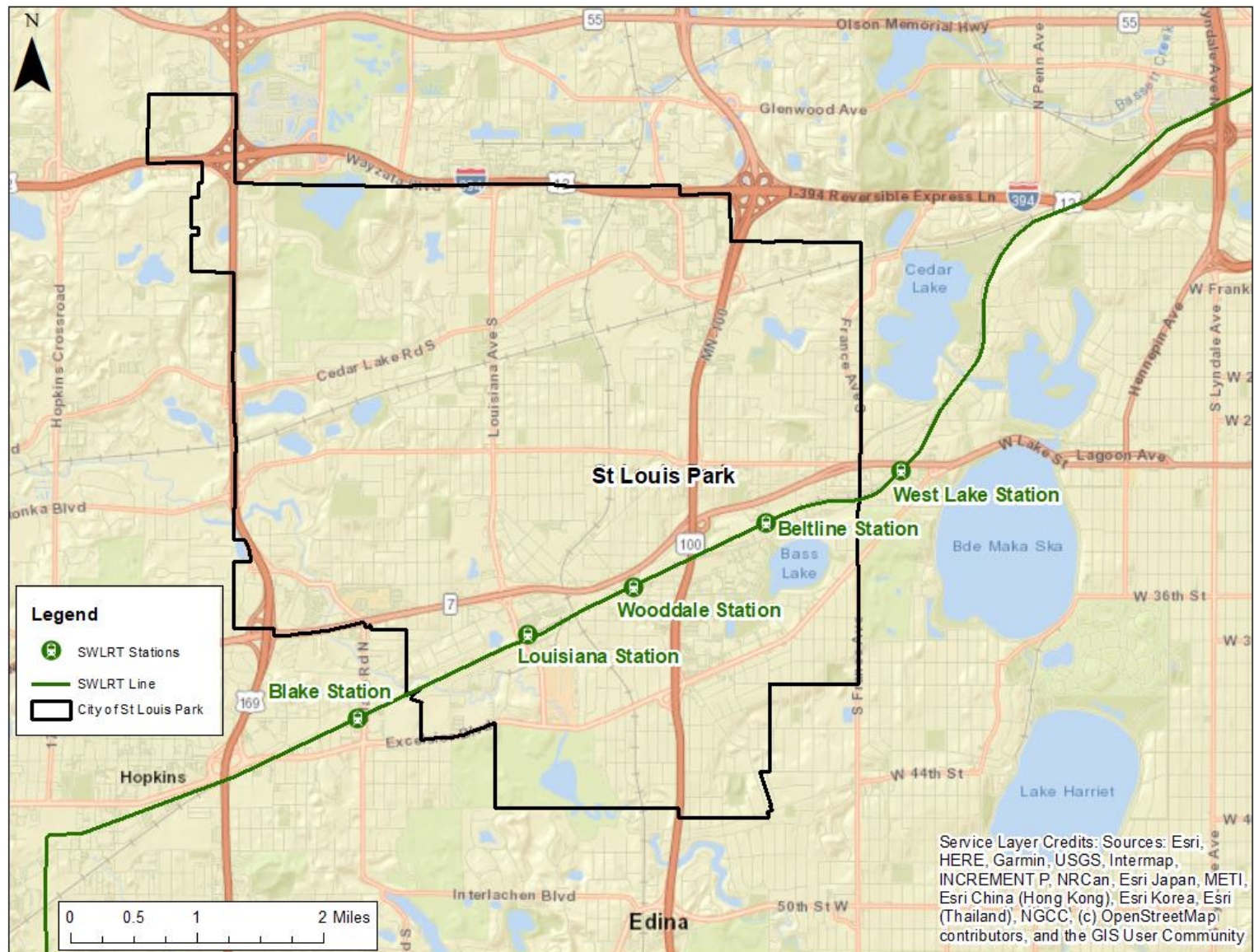


City of St. Louis Park Zoning Districts





Future Stops on the Southwest Light Rail Transit (LRT) Metro Green Line In and Near St. Louis Park



### Future Southwest Light Rail Transit (LRT) Metro Green Line



Future Beltline Station Platform

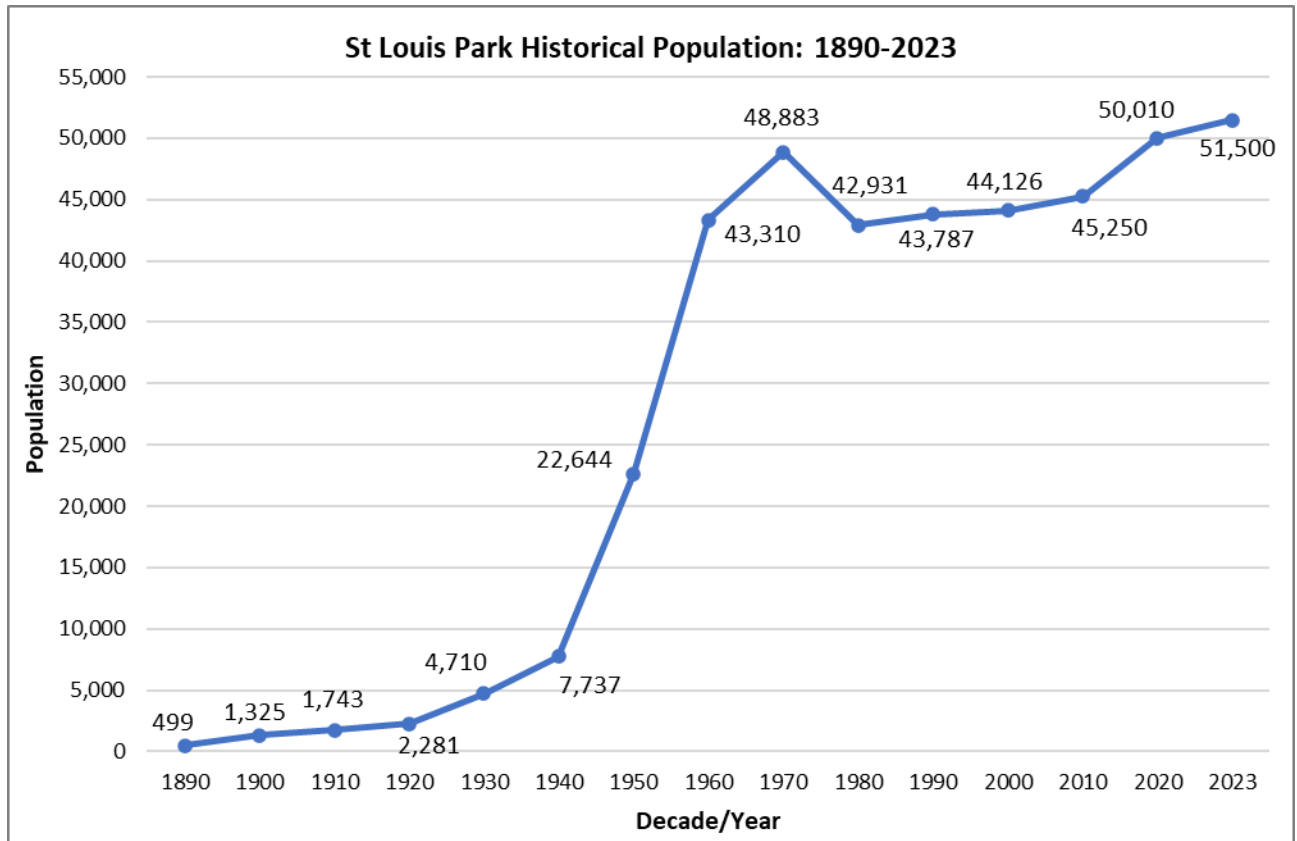


Future Track Near Beltline Station

### Historical Population

In 1886, the Village of St. Louis Park was officially incorporated. Soon after, a group of Minneapolis industrialists started developing the village for industrial, commercial, and residential use and by 1890, the village had more than 600 industrial jobs and a population of 499. While notable growth occurred after World War I and during the Great Depression, the population of St. Louis Park really took off after World War II. In 1940, only 7,737 people lived in St. Louis Park, but by 1950 the population had jumped to 22,644. Most St. Louis Park homes were built in this single construction boom from the late 1940s to early 1950s. In 1954, the village gained the status of a city. The population continued rapidly increasing until the 1970s, when it leveled out. Between the 1970s and 2010, the City's population has fluctuated, reaching 45,250 by 2010. However, more recently, between 2010 and 2020 St. Louis Park again experienced double digit population growth, increasing by 10.5% to 50,010 people. Over the last three years (2020 to 2023) St. Louis Park's population has increased 3.0% to 51,500 people. One reason for the high growth over the last decade has been the high number of market rate rental developments constructed since 2010. This includes new apartments in the West End Shopping District, at the Excelsior and Grand Shopping District, and along West 36<sup>th</sup> Street.

## DEMOGRAPHIC ANALYSIS



### St. Louis Park: Old and New



Walker Building



The Shops at West End



### Population and Household Growth from 2000 to 2040

Table D-1 presents the population and household growth, respectively, of the St. Louis Park community for 2000, 2010, and 2020, as well as estimates and projections through 2040. Estimates and projections will be addressed in our Population and Household Estimates and Projections section. The historical data is from the U.S. Census.

#### *Population*

- St. Louis Park's population base grew from 44,126 people to 50,010 people between the years of 2000 and 2020 (5,884 people, +13.3%). Growth mostly occurred over the last decade when St. Louis Park increased 10.5% from 45,250 in 2010 to 50,010 in 2020. Hennepin County and the Metro Area experienced a similar growth rate during the last decade increasing by 11.2% and 11.0%, respectively.

#### *Households*

- Household growth trends are typically a more accurate indicator of housing needs than population growth since a household is, by definition, an occupied housing unit. However, additional demand can result from changing demographics of the population base, which results in demand for different housing products.
- St. Louis Park added 2,087 households during the 2010s (+9.6%), increasing its household base to 23,830 households as of 2020. Households in Hennepin County increased by 11.1% and the Metro Area increased 10.9% over the same time period.
- Household growth rates over the past two decades (2000 to 2020) outpaced population growth in St. Louis Park. St. Louis Park's population increased 13.3% compared to a 14.7% increase in households between 2000 and 2020. This is the result of fewer persons in each household, caused by demographic and social trends such as couples delaying marriage, an increasing senior base, and couples' decisions to have fewer children or no children at all. As a result, the majority of new apartment construction has targeted smaller household sizes in the project's unit mix.

### Population and Household Estimates and Projections

Table D-1, on the following page, presents population and household growth trends and projections for St. Louis Park to 2040. Data for 2000, 2010, and 2020 is from the U.S. Census. Estimates for 2023 and projections through 2040 are based on information from ESRI (a national demographics service provider), the Metropolitan Council, with adjustments by Maxfield Research & Consulting.

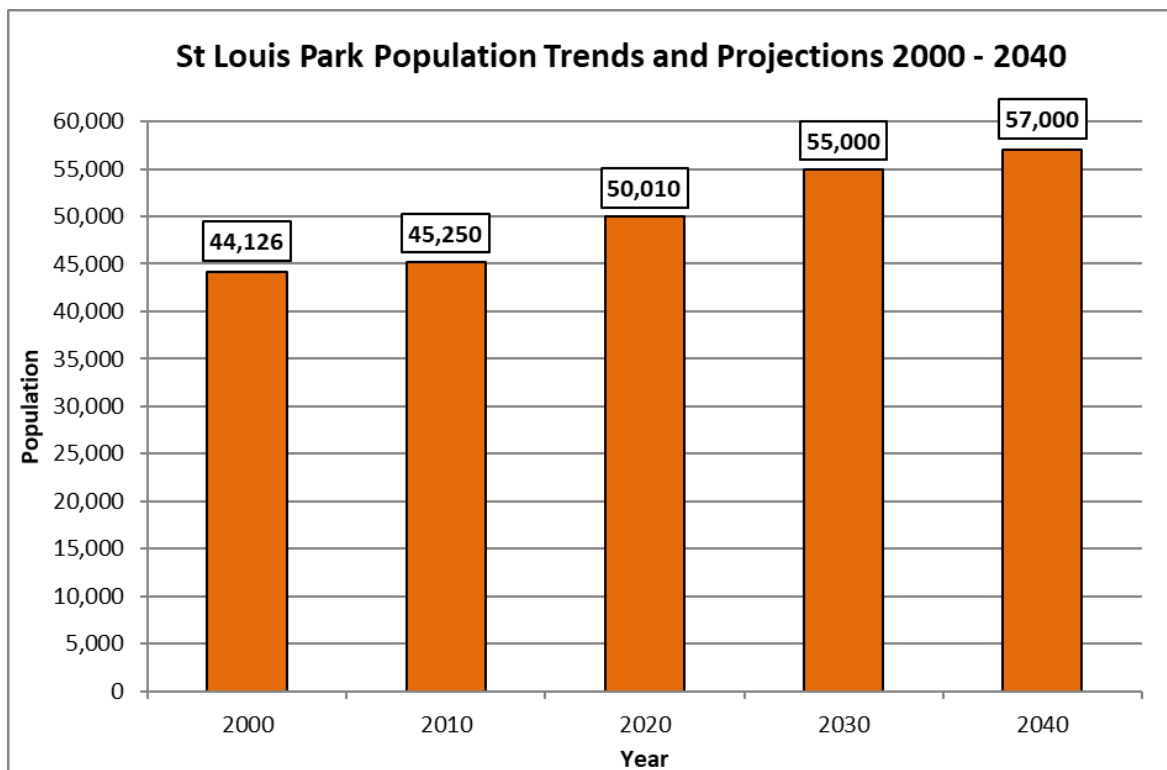
## DEMOGRAPHIC ANALYSIS

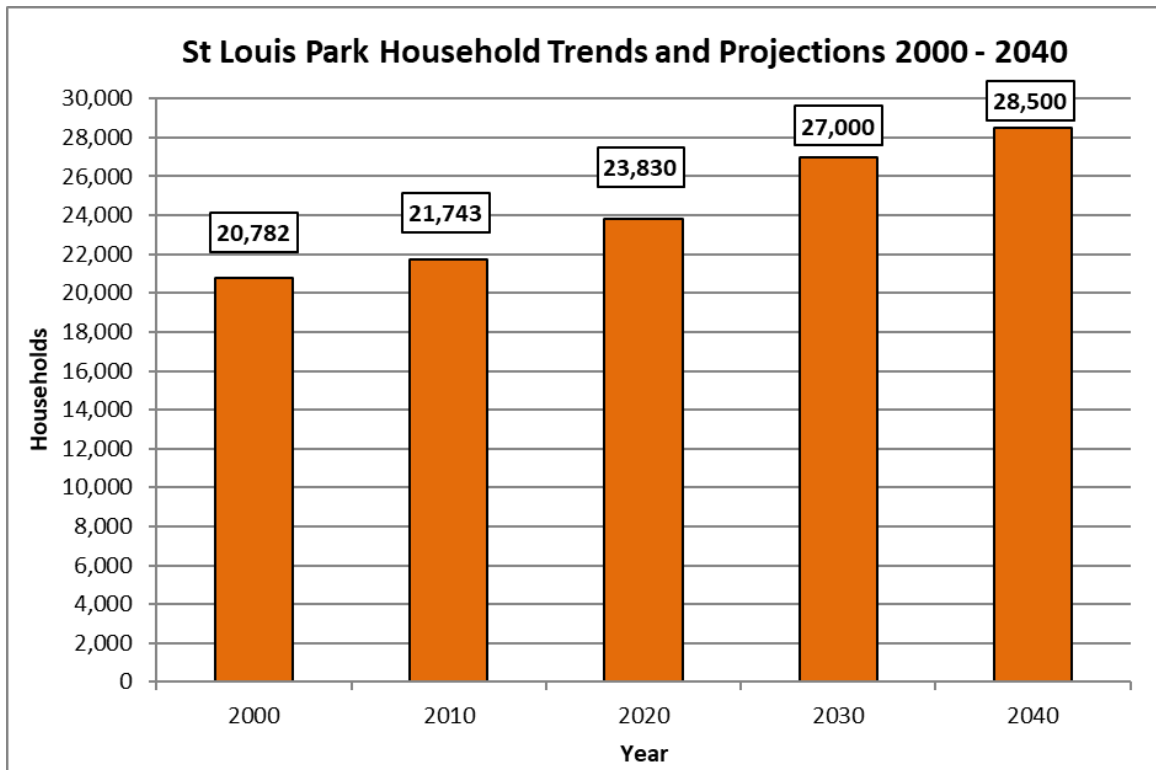
TABLE D-1  
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS  
ST. LOUIS PARK MARKET AREA  
2000 to 2040

									Change							
	U.S. Census			Estimate	Forecast				2000 to 2010		2010 to 2020		2020 to 2030		2030 to 2040	
	2000	2010	2020	2023	2028	2030	2035	2040	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
<b>POPULATION</b>																
St. Louis Park	44,126	45,250	50,010	51,500	54,000	55,000	56,250	57,000	1,124	2.5%	4,760	10.5%	4,990	10.0%	2,000	3.6%
Hennepin County	1,116,200	1,152,425	1,281,565	1,314,301	1,347,113	1,376,120	1,419,765	1,463,410	36,225	3.2%	129,140	11.2%	94,555	7.4%	87,290	6.3%
Metro Area	2,642,056	2,849,567	3,163,104	3,239,384	3,341,292	3,451,000	3,552,000	3,653,000	207,511	7.9%	313,537	11.0%	287,896	9.1%	202,000	5.9%
<b>HOUSEHOLDS</b>																
St. Louis Park	20,782	21,743	23,830	24,856	26,387	27,000	28,000	28,500	961	4.6%	2,087	9.6%	3,170	13.3%	1,500	5.6%
Hennepin County	456,129	475,913	528,547	541,929	559,929	581,340	600,675	620,010	19,784	4.3%	52,634	11.1%	52,793	10.0%	38,670	6.7%
Metro Area	1,021,454	1,117,749	1,239,526	1,269,392	1,308,552	1,351,000	1,399,000	1,447,000	96,295	9.4%	121,777	10.9%	111,474	9.0%	96,000	7.1%
<b>PERSONS PER HOUSEHOLD</b>																
St. Louis Park	2.12	2.08	2.10	2.07	2.05	2.04	2.01	2.00	-0.04	-2.0%	0.02	0.8%	-0.06	-2.9%	-0.04	-1.8%
Hennepin County	2.45	2.42	2.42	2.43	2.41	2.37	2.36	2.36	-0.03	-1.0%	0.00	0.1%	-0.06	-2.4%	-0.01	-0.3%
Metro Area	2.59	2.55	2.55	2.55	2.55	2.55	2.54	2.52	-0.04	-1.4%	0.00	0.1%	0.00	0.1%	-0.03	-1.2%
Sources: U.S. Census Bureau; ESRI; Metropolitan Council; & Maxfield Research & Consulting, LLC.																

## DEMOGRAPHIC ANALYSIS

- As of 2023, the City of St. Louis Park is estimated to have 51,500 persons. The city has continued to experience growth over the last decade (2010 to 2020 – 10.5%), but at a faster rate than in the 2000s (2000 to 2010 – 2.5%). We project that St. Louis Park will grow by 4,990 persons (10.0%) and by 3,170 households (13.3%) between 2020 and 2030. Maxfield Research is projecting higher growth than the Met Council which is forecasting 5.4% growth through 2030.
- Since households are occupied housing units, a growth of an estimated 3,170 households in St. Louis Park this decade would require an equal number of available units to accommodate the new household growth.
- Between 2030 and 2040, St. Louis Park's population is forecast to experience an increase of 2,000 people (3.6%) from 55,000 people in 2030 to 57,000 people in 2040 while its households are projected to increase by 1,500 (5.6%) from 27,000 households in 2030 to 28,500 households in 2040. This growth will likely be a result of infill development.
- Hennepin County is forecast to increase by 94,555 people (7.4%) and 52,793 people (10.0%) over the current decade (2020 to 2030). Between 2030 and 2040 Hennepin County is projected to gain 87,290 people (6.3%) and 38,670 households (6.7%).
- The Metro Area is forecast to grow by 287,896 persons (7.4%) and 111,474 households (9.0%) between 2020 and 2030. Between 2030 and 2040 the Metro



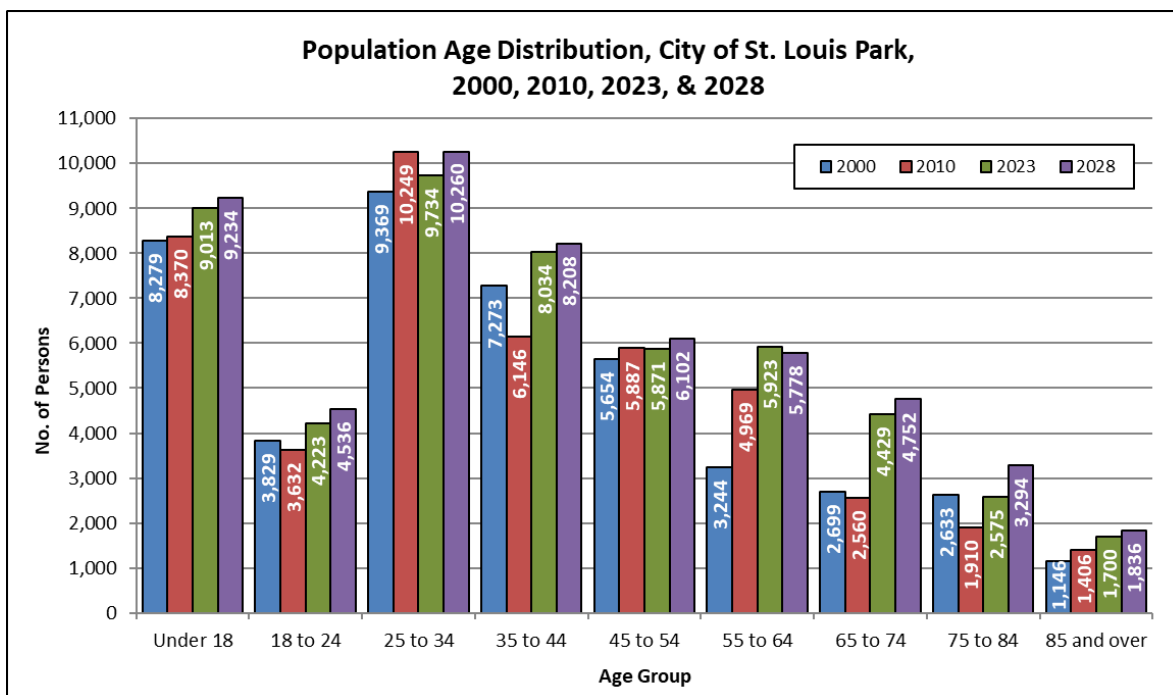


City Water Tower

## Age Distribution Trends

Age distribution affects demand for different types of housing since needs and desires change at different stages of the life cycle. Table D-2 shows the distribution of persons within nine age cohorts for the City of St. Louis Park in 2000 and 2010 with estimates for 2024 and projections for 2028. The 2000 and 2010 age distribution numbers are from the U.S. Census Bureau while 2023 and 2028 data was obtained from ESRI with adjustments by Maxfield Research & Consulting, LLC. The following are key points from the table.

- The 25 to 34 age cohort was the largest cohort in St. Louis Park comprising 18.9% as of 2023. This age cohort comprised a significantly higher proportion in St. Louis Park than Hennepin County (14.8%) and the Metro Area (14.7%).
- St. Louis Park's population of 18 to 34-year-olds, which consists primarily of renters and first-time homebuyers, increased by only 0.5% between 2010 and 2023. However, the same age cohort is projected to increase by 6.0% over the next five years; increasing the demand for rental units and starter homes.
- Between 2010 and 2023, the largest percentage growth in St. Louis Park occurred in the 65 to 74 (70.3%) and 75 to 84 (34.8%) age groups. The third largest growth age cohort was in the 35 to 44 (30.7%) age group. Only two age groups declined, the 25 to 34 age cohort declined 5.0% and the 45 to 54 age cohort declined by 0.3%.



- Mirroring trends observed across the Nation, the aging baby boomer generation is substantially impacting the composition of St. Louis Park's population. Born between 1946 and

## DEMOGRAPHIC ANALYSIS

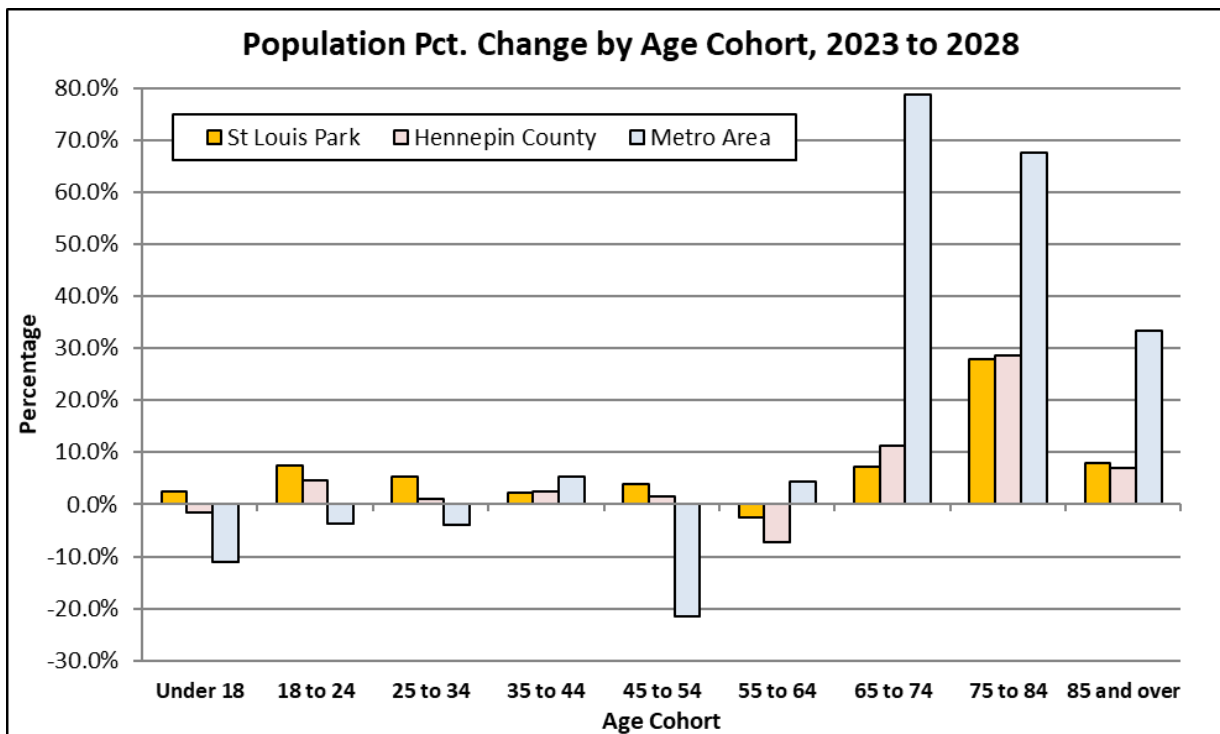
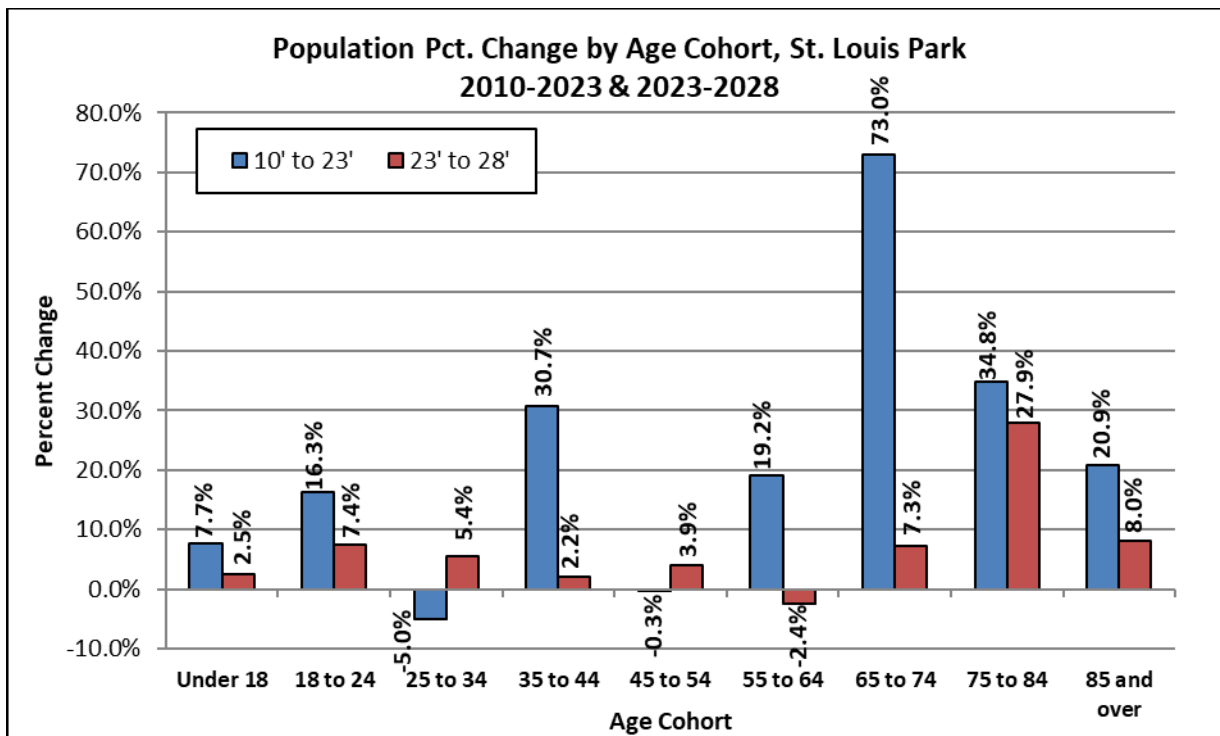
1964, in 2022 these individuals comprise mainly the 55 to 64 and 65 to 74 age groups. As of 2023, the 55 to 64 and 65 to 74 age groups accounted for a combined 20.1% of St. Louis Park's population.

<b>TABLE D-2</b> <b>POPULATION AGE DISTRIBUTION</b> <b>ST. LOUIS PARK MARKET AREA</b> <b>2000 to 2028</b>								
Age	Census		Estimate	Projection	Change			
	2000	2010	2023	2028	2010-2023		2023-2028	
	No.	No.	No.	No.	No.	Pct.	No.	Pct.
<b>St. Louis Park</b>								
Under 18	8,279	8,370	9,013	9,234	643	7.7%	222	2.5%
18 to 24	3,829	3,632	4,223	4,536	591	16.3%	313	7.4%
25 to 34	9,369	10,249	9,734	10,260	-516	-5.0%	527	5.4%
35 to 44	7,273	6,146	8,034	8,208	1,888	30.7%	174	2.2%
45 to 54	5,654	5,887	5,871	6,102	-16	-0.3%	231	3.9%
55 to 64	3,244	4,969	5,923	5,778	954	19.2%	-145	-2.4%
65 to 74	2,699	2,560	4,429	4,752	1,869	73.0%	323	7.3%
75 to 84	2,633	1,910	2,575	3,294	665	34.8%	719	27.9%
85 and over	1,146	1,406	1,700	1,836	294	20.9%	137	8.0%
<b>Total</b>	<b>44,126</b>	<b>45,129</b>	<b>51,500</b>	<b>54,000</b>	<b>6,371</b>	<b>14.1%</b>	<b>2,500</b>	<b>4.9%</b>
<b>Hennepin County</b>								
Under 18	267,502	261,346	273,375	269,423	12,029	4.6%	-3,952	-1.4%
18 to 24	108,767	113,551	128,801	134,711	15,250	13.4%	5,910	4.6%
25 to 34	183,860	187,525	194,517	196,678	6,992	3.7%	2,162	1.1%
35 to 44	191,872	154,304	181,374	185,902	27,070	17.5%	4,528	2.5%
45 to 54	156,068	171,130	155,088	157,612	-16,042	-9.4%	2,525	1.6%
55 to 64	85,773	133,758	165,602	153,571	31,844	23.8%	-12,031	-7.3%
65 to 74	59,737	66,516	123,544	137,406	57,028	85.7%	13,861	11.2%
75 to 84	44,942	42,476	61,772	79,480	19,296	45.4%	17,708	28.7%
85 and over	17,679	21,822	30,229	32,331	8,407	38.5%	2,102	7.0%
<b>Total</b>	<b>1,116,200</b>	<b>1,152,428</b>	<b>1,314,301</b>	<b>1,347,113</b>	<b>161,873</b>	<b>14.0%</b>	<b>32,812</b>	<b>2.5%</b>
<b>Metro Area</b>								
Under 18	697,534	774,287	811,750	721,719	37,463	4.8%	-90,031	-11.1%
18 to 24	244,226	190,135	305,639	294,034	115,504	60.7%	-11,605	-3.8%
25 to 34	411,155	420,311	483,106	464,440	62,795	14.9%	-18,667	-3.9%
35 to 44	469,324	391,324	450,242	474,463	58,918	15.1%	24,221	5.4%
45 to 54	363,592	440,753	506,111	397,614	65,358	14.8%	-108,498	-21.4%
55 to 64	200,980	326,007	374,654	390,931	48,647	14.9%	16,277	4.3%
65 to 74	130,615	163,425	190,613	340,812	27,188	16.6%	150,198	78.8%
75 to 84	90,292	97,442	111,739	187,112	14,297	14.7%	75,373	67.5%
85 and over	34,338	45,883	52,583	70,167	6,700	14.6%	17,584	33.4%
<b>Total</b>	<b>2,642,056</b>	<b>2,849,567</b>	<b>3,286,438</b>	<b>3,341,292</b>	<b>436,871</b>	<b>15.3%</b>	<b>54,854</b>	<b>1.7%</b>
Sources: U.S. Census Bureau; ESRI; Maxfield Research & Consulting, LLC.								

- The 75 to 84 age cohort is projected to have the greatest percent growth from 2023 to 2028, increasing by 27.9% (719 people). Growth in this age cohort can be primarily attributed to the baby boom generation aging into their senior years.

## DEMOGRAPHIC ANALYSIS

- The next three age cohorts with the largest projected growth are those 85 and over (8.0%), 18 to 24 (7.4%), and 65 to 74 (7.3%) age groups.



- The social changes that occurred with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not only among the baby boomers, but also among their parents and children. The increased variety of lifestyles has fueled demand for alternative housing products to the single-family homes. Seniors and middle-aged persons tend to do more traveling and participate in more activities than previous generations, and they increasingly prefer maintenance-free housing that enables them to spend more time on activities outside the home.
- It is projected that all age groups 65 and over will experience growth over the next 5 years and beyond. As mentioned previously in this section, the 65 to 74 age cohort is projected to increase by 7.3% and the 85 and over age group is projected to increase by 8.0%. The 75 to 84 age group is projected to grow by an even greater 27.9% over the next five years.

### Race and Ethnicity

Tables D-3 and D-4 present the race and ethnicity of the population in St. Louis Park in 2010 and 2023. It should be noted that one must select their race as well as whether one is of Hispanic/Latino origin. Since people self-identify their racial classification, there may be confusion on the part of some people about what category most accurately describes their race. Some people may choose to self-identify using their ethnicity as their race. The increase in diversity of the United States will likely result in some confusion over race/ethnicity figures for some time until additional racial classifications are formulated and assigned to population subsets. The terms “Whites” in this report refers to Non-Hispanic Whites or White, Not Hispanic or Latino.

- “Whites” comprised the largest proportion (81.1% in 2023) of the population in the City of St. Louis Park. While this category has always remained the largest, it has been steadily decreasing over the past thirteen years from 83.3% in 2010 to 81.1% in 2023. Compared to Hennepin County (69.9%) and the Metro Area (73.7%), St. Louis Park had a higher percentage of those considered “White” in 2023.
- “Black or African American” comprised the second largest proportion (6.2% in 2023), down slightly from 7.5% in 2010.
- “Two or More Races” experienced the largest growth based on percentage, increasing by 1,343 people (96.1%) between 2010 and 2023. The next greatest population increase based on percentage was in the “Asian” group which added 784 people (45.1%).
- Compared to Hennepin County and the Metro Area, St. Louis Park is slightly less diverse.



## DEMOGRAPHIC ANALYSIS

- Although Hispanics/Latinos comprised just under 5% (4.9%) of the population in 2023, the population has increased from 2010 when comprising 4.3% of the population.

<b>TABLE D-3</b> <b>RACE</b> <b>ST. LOUIS PARK MARKET AREA</b> <b>2010 and 2023</b>						
	<b>2010</b>		<b>2023</b>		<b>Change</b>	
	<b>No.</b>	<b>Pct</b>	<b>No.</b>	<b>Pct.</b>	<b>2010-2023</b>	
					<b>No.</b>	<b>Pct.</b>
<b>St. Louis Park</b>						
White	37,686	83.3%	41,766	81.1%	4,080	10.8%
Black or African American	3,372	7.5%	3,194	6.2%	-178	-5.3%
American Indian and Alaska Native	205	0.5%	215	0.4%	10	4.9%
Asian	1,737	3.8%	2,521	4.9%	784	45.1%
Native Hawaiian and Other Pacific Islander	41	0.1%	18	0.0%	-23	-56.1%
Some Other Race	811	1.8%	1,045	2.0%	234	28.9%
Two or More Races	1,398	3.1%	2,741	5.3%	1,343	96.1%
<b>Total</b>	<b>45,250</b>	<b>100.0%</b>	<b>51,500</b>	<b>100.0%</b>	<b>6,250</b>	<b>13.8%</b>
<b>Hennepin County</b>						
White	856,834	74.4%	918,799	69.9%	61,965	7.2%
Black or African American	136,262	11.8%	174,345	13.3%	38,083	27.9%
American Indian and Alaska Native	10,591	0.9%	8,566	0.7%	-2,025	-19.1%
Asian	71,905	6.2%	95,022	7.2%	23,117	32.1%
Native Hawaiian and Other Pacific Islander	506	0.0%	360	0.0%	-146	-28.9%
Some Other Race	38,878	3.4%	42,800	3.3%	3,922	10.1%
Two or More Races	37,449	3.2%	74,408	5.7%	36,959	98.7%
<b>Total</b>	<b>1,152,425</b>	<b>100.0%</b>	<b>1,314,300</b>	<b>100.0%</b>	<b>161,875</b>	<b>14.0%</b>
<b>Metro Area</b>						
White	2,246,356	78.8%	2,387,866	73.7%	141,510	6.3%
Black or African American	238,723	8.4%	323,589	10.0%	84,866	35.5%
American Indian and Alaska Native	20,906	0.7%	16,763	0.5%	-4,143	-19.8%
Asian	183,421	6.4%	251,928	7.8%	68,507	37.3%
Native Hawaiian and Other Pacific Islander	1,262	0.0%	958	0.0%	-304	-24.1%
Some Other Race	74,516	2.6%	85,249	2.6%	10,733	14.4%
Two or More Races	84,383	3.0%	173,031	5.3%	88,648	105.1%
<b>Total</b>	<b>2,849,567</b>	<b>100.0%</b>	<b>3,239,384</b>	<b>100.0%</b>	<b>389,817</b>	<b>13.7%</b>
Sources: U.S. Census Bureau & Maxfield Research & Consulting, LLC.						

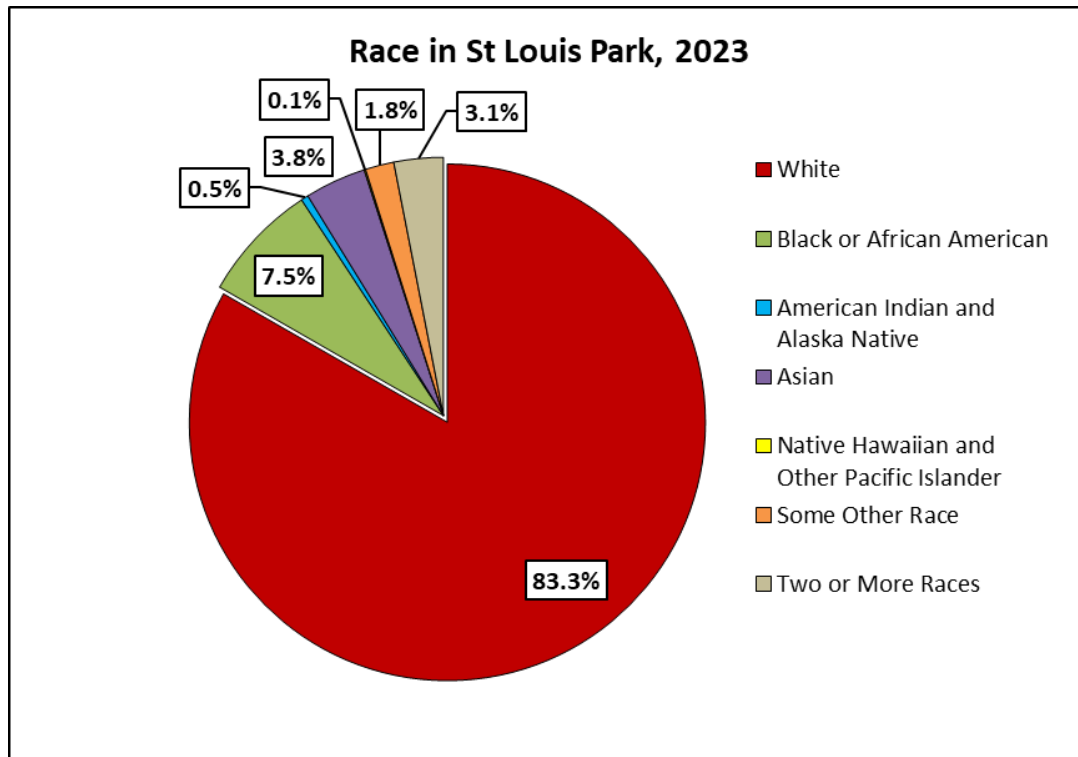
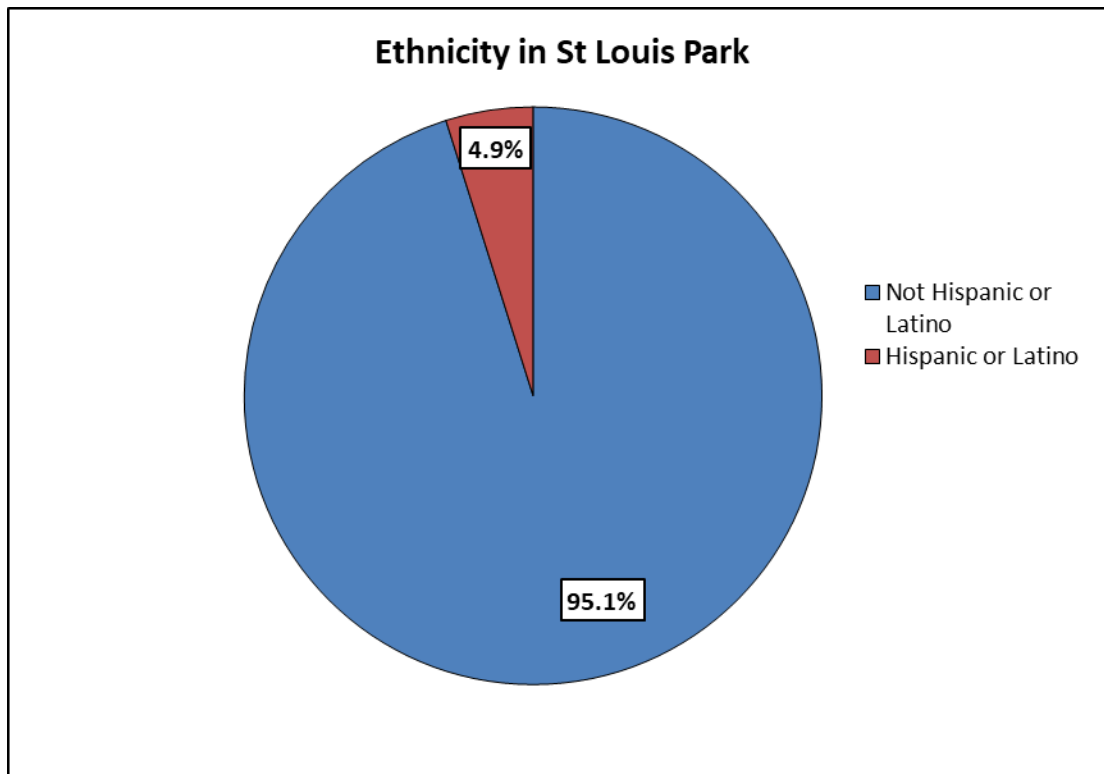


TABLE D-4 ETHNICITY ST. LOUIS PARK MARKET AREA 2010 and 2023						
	2010		2023		Change	
	No.	Pct.	No.	Pct.	No.	Pct.
<b>St. Louis Park</b>						
Hispanic or Latino	1,941	4.3%	2,515	4.9%	574	29.6%
Not Hispanic or Latino	43,309	95.7%	48,985	95.1%	5,676	13.1%
Total	45,250	100.0%	51,500	100.0%	6,250	13.8%
<b>Hennepin County</b>						
Hispanic or Latino	77,676	6.7%	92,406	7.0%	14,730	19.0%
Not Hispanic or Latino	1,074,749	93.3%	1,221,895	93.0%	147,146	13.7%
Total	1,152,425	100.0%	1,314,301	100.0%	161,876	14.0%
<b>Metro Area</b>						
Hispanic or Latino	167,558	5.9%	206,457	6.6%	38,899	23.2%
Not Hispanic or Latino	2,682,009	94.1%	2,929,919	93.4%	247,910	9.2%
Total	2,849,567	100.0%	3,136,376	100.0%	286,809	10.1%
Sources: U.S. Census Bureau & Maxfield Research & Consulting, LLC.						



### **Household Income by Age of Householder**

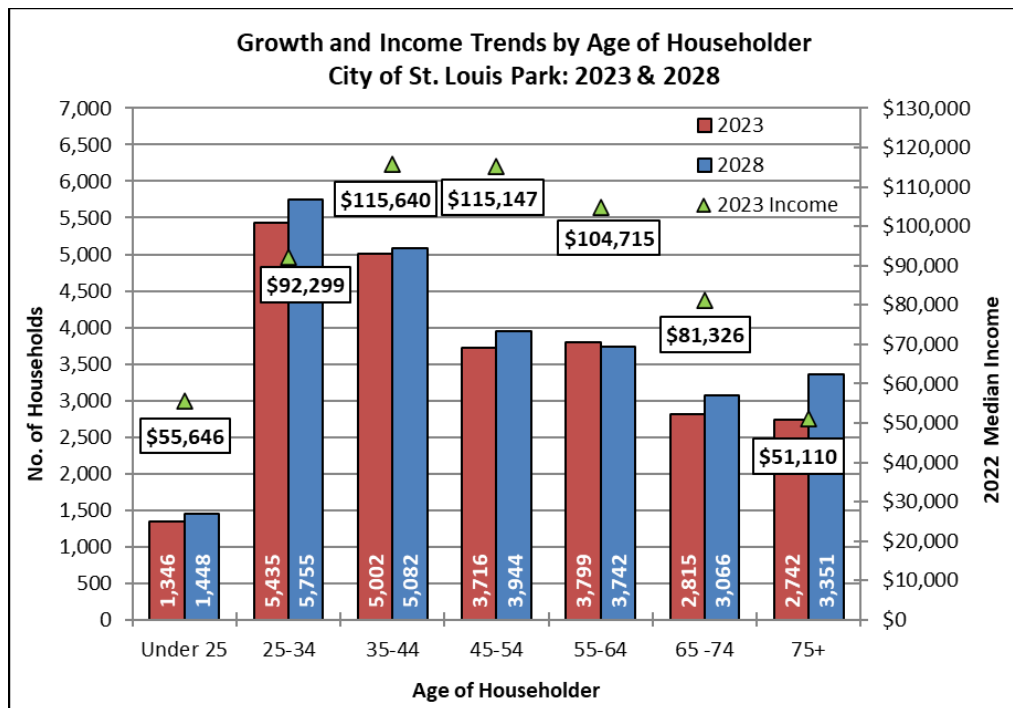
The estimated distribution of household incomes in the City of St. Louis Park for 2023 and 2028 are shown in Table D-5. The data was estimated by Maxfield Research & Consulting, LLC based on income trends provided by ESRI. The data helps ascertain the demand for different housing products based on the size of the market at specific cost levels.

The Department of Housing and Urban Development defines affordable housing costs as 30% of a household's adjusted gross income. For example, a household with an income of \$50,000 per year would be able to afford a monthly housing cost of about \$1,250. Maxfield Research & Consulting, LLC utilizes a figure of 25% to 30% for younger households and 40% or more for seniors, since seniors generally have lower living expenses and can often sell their homes and use the proceeds toward rent payments.

A generally accepted standard for affordable owner-occupied housing is that a typical household can afford to pay 3.0 to 3.5 times their annual income on a single-family home. Thus, a \$50,000 income would translate to an affordable single-family home of \$150,000 to \$175,000. The higher end of this range assumes that the person has adequate funds for down payment and closing costs, but also does not include savings or equity in an existing home which would allow them to purchase a higher priced home.

## DEMOGRAPHIC ANALYSIS

- St. Louis Park had an estimated median household income of \$94,491 in 2023. It is projected to increase over the next 5 years to \$110,233 in 2027 (16.7%, or 3.3% annually).



- With a household income of \$102,636; a younger household (the median household income under age 65) could afford a monthly housing cost of about \$2,566; based on an allocation of 30% of income toward housing. A senior household with an income of \$66,417 (the median household income of seniors in St. Louis Park) could afford a monthly housing cost of \$1,660; based on an allocation of 40% of income toward housing.

## DEMOGRAPHIC ANALYSIS

TABLE D-5 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER CITY OF ST. LOUIS PARK (Number of Households) 2023 & 2028								
	Total	Age of Householder						
		Under 25	25-34	35-44	45-54	55-64	65 -74	75+
2023								
Less than \$15,000	1,259	166	217	145	100	194	155	282
\$15,000 to \$24,999	990	110	158	80	82	137	135	288
\$25,000 to \$34,999	1,283	159	266	120	108	141	155	335
\$35,000 to \$49,999	2,230	188	543	260	190	224	293	532
\$50,000 to \$74,999	3,588	249	799	555	453	483	594	455
\$75,000 to \$99,999	4,269	241	1,114	830	602	684	510	288
\$100,000 to \$149,999	5,439	155	1,293	1,381	951	897	507	255
\$150,000 to \$199,999	2,908	54	614	770	569	498	236	167
\$200,000+	2,889	24	429	860	661	543	231	140
Total	24,856	1,346	5,435	5,002	3,716	3,799	2,815	2,742
Median Income	\$94,491	\$55,646	\$92,299	\$115,640	\$115,147	\$104,715	\$81,326	\$51,110
2028								
Less than \$15,000	885	142	144	102	67	101	98	231
\$15,000 to \$24,999	696	88	121	51	51	71	86	228
\$25,000 to \$34,999	893	132	178	81	71	75	98	258
\$35,000 to \$49,999	1,836	181	437	198	130	138	208	543
\$50,000 to \$74,999	3,376	272	731	437	367	397	579	593
\$75,000 to \$99,999	4,130	272	1,059	722	564	614	524	375
\$100,000 to \$149,999	6,482	222	1,548	1,494	1,088	988	696	446
\$150,000 to \$199,999	4,323	101	950	976	797	707	411	382
\$200,000+	3,765	38	587	1,021	808	651	365	295
Total	26,387	1,448	5,755	5,082	3,944	3,742	3,066	3,351
Median Income	\$110,233	\$66,415	\$107,083	\$128,545	\$130,753	\$121,683	\$99,820	\$69,162
Change - 2023 to 2028								
Less than \$15,000	-375	-24	-74	-43	-33	-93	-57	-51
\$15,000 to \$24,999	-294	-22	-37	-29	-30	-66	-49	-60
\$25,000 to \$34,999	-390	-27	-88	-39	-37	-66	-57	-77
\$35,000 to \$49,999	-394	-7	-106	-62	-59	-86	-84	11
\$50,000 to \$74,999	-212	23	-68	-118	-87	-86	-15	138
\$75,000 to \$99,999	-139	31	-55	-109	-38	-70	15	87
\$100,000 to \$149,999	1,043	67	255	113	137	91	189	191
\$150,000 to \$199,999	1,415	48	335	205	228	210	174	215
\$200,000+	876	13	158	161	147	108	134	155
Total	1,531	102	320	79	228	-57	250	609
Median Income	\$15,742	\$10,769	\$14,784	\$12,905	\$15,606	\$16,968	\$18,494	\$18,052
Sources: ESRI; Maxfield Research & Consulting, LLC.								

### ***Non-Senior Households***

- In 2023, 4.3% of the non-senior (under age 65) households in St. Louis Park had incomes under \$15,000 (822 households). These households would be eligible for subsidized rental housing. Another 2.9% of St. Louis Park's non-senior households had incomes between \$15,000 and \$25,000 (567 households). Many of these households would qualify for subsidized housing, but many could also afford "affordable" or older market rate rentals. If housing costs absorb 30% of income, households with incomes of \$15,000 to \$25,000 could afford to pay \$375 to \$625 per month. Note that few naturally occurring (NOAH) units in St. Louis Park have rents in this range.
- In most geographic areas, household median incomes peak in the 45 to 54 age group, when householders are considered in their peak earning years. However, in St. Louis Park, as of 2023, household median incomes peak slightly earlier in the 35 to 44 age cohort at \$115,640. By 2028, the median income for the 35 to 44 age group is projected to increase to \$128,545; a 11.2% increase. In 2028, the 45 to 54 age group will overtake the 35 to 44 age group with a median income of \$130,753.
- The median resale price of homes in St. Louis Park was \$359,900 through 2022 (see Table FS-1). The income required to afford a home at this price would be about \$102,829 to \$119,967; based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt).
- Incomes are expected to increase by 16.7% between 2023 and 2028 in St. Louis Park for a median income of \$130,753 for non-senior households, equating to a 2.2% annual increase. St. Louis Park's non-senior household income growth is slightly less than the Metro Area's non-senior household income growth which is projected to increase by 3.0% annually.

### ***Senior Households***

- The oldest householders are likely to have lower incomes in 2023. In the City of St. Louis Park, 5.5% of households ages 65 to 74 had incomes below \$15,000, compared to 10.3% of households ages 75 and over. Many of these low-income older senior households rely solely on social security benefits. Typically, younger seniors have higher incomes due to the fact they are still able to work or are married couples with two pensions or higher social security benefits. The 2023 median income for St. Louis Park householders in the 65 to 74 age cohort and 75+ age cohort are \$81,326 and \$51,110; respectively.
- Generally, senior households with incomes greater than \$35,000 can afford market rate senior housing (often with the sale of their home proceeds). Based on a 40% allocation of income for housing, this translates to monthly rents of at least \$1,000. An estimated 4,208 senior households in St. Louis Park had incomes above \$35,000 in 2022. A one-bedroom market rate unit at \$1,400 is affordable at \$42,000 based on a 40% allocation.

## DEMOGRAPHIC ANALYSIS

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- Seniors who are able and willing to pay 80% or more of their income on assisted living housing would need an annual income of \$35,940 to afford monthly rents of \$2,396; which is about the beginning monthly rent for assisted living projects in St. Louis Park. There is an estimated 1,804 older senior (ages 75 and over) households with incomes greater than \$35,940 (65.8% of households 75 and over) in 2023. Seniors 75 and older are the primary market for assisted living housing.
- The median income for seniors age 65+ in St. Louis Park is \$66,417 in 2023. It is projected to increase by \$17,393 (26.2%) to \$83,810 by 2028.

A map on the following page, created with ESRI data, displays 2022 median household incomes by block group across St. Louis Park and neighboring communities. Income categories are as follows: under \$50,000; \$50,000 to \$74,999; \$75,000 to \$99,999; \$100,000 to \$124,999; and \$125,000 and over. Median incomes in St. Louis Park are highest in the northeastern portion of the city in the Lake Forest and Fern Hill neighborhoods; in the southeastern portion of the city in the Minikahda Vista, Browndale, Brookside, and Creekside neighborhoods; and in the northwestern portion of the city in the Westwood Hills neighborhood (see page 11 for St. Louis Park neighborhood map).



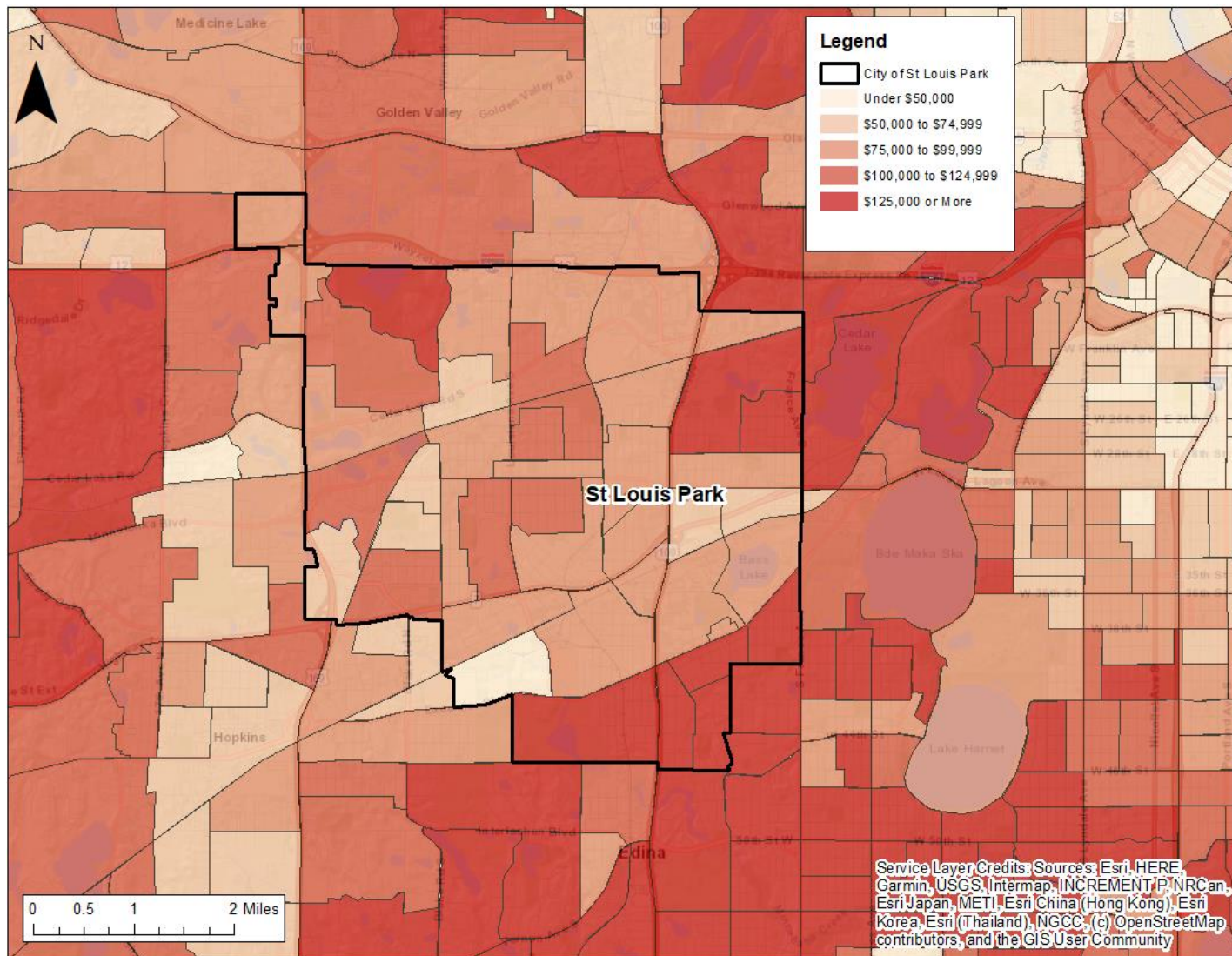
Single Family Homes in the Minikahda Vista  
Neighborhood



Single Family Homes in the Minikahda Vista  
Neighborhood



St. Louis Park Median Household Income by Block Group, 2022

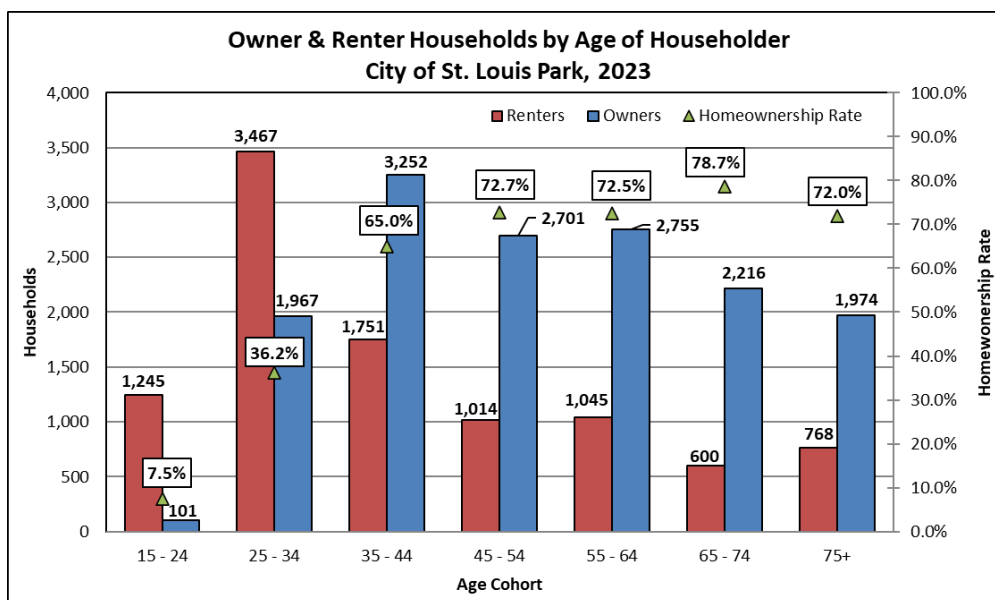




## Tenure by Age of Householder

Table D-6 shows the number of owner and renter households in St. Louis Park by age group in 2010 and 2023. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle. The following are key findings from Table D-6.

- In 2010, 60.7% of all households in St. Louis Park owned their housing. By 2023, that percentage decreased to 58.1%. This is primarily due to the large number of new rental buildings recently completed or under construction in the city. However, the homeownership rate has been declining for the last decade.
- Declines in homeownership are apparent in the surrounding areas. From 2010 to 2023, Hennepin County decreased in homeownership from 64.3% to 63.1% and the Metro Area experienced a decrease from 70.0% to 69.1%.
- As households progress through their life cycle, housing needs change. Typically, the proportion of renter households decreases as households age out of their young-adult years. However, in St. Louis Park, the 75+ age cohort is 28.0% renter households. For seniors, rental housing often becomes a more viable option than homeownership, reducing the responsibility of maintenance and a financial commitment.
- In 2022, 92.5% of St. Louis Park's households between the ages of 15 and 24 rented their housing, compared to 63.8% of households between the ages of 25 and 34. St. Louis Park's households between 65 and 74 were overwhelmingly homeowners, resulting in 78.7% homeownership rate. Also, note that in the recent 2020 Census 54.7% of white households owned versus only 27.6% of non-white households.



# DEMOGRAPHIC ANALYSIS

**TABLE D-6**  
**TENURE BY AGE OF HOUSEHOLDER**  
**ST. LOUIS PARK MARKET AREA**  
**2010 & 2023**

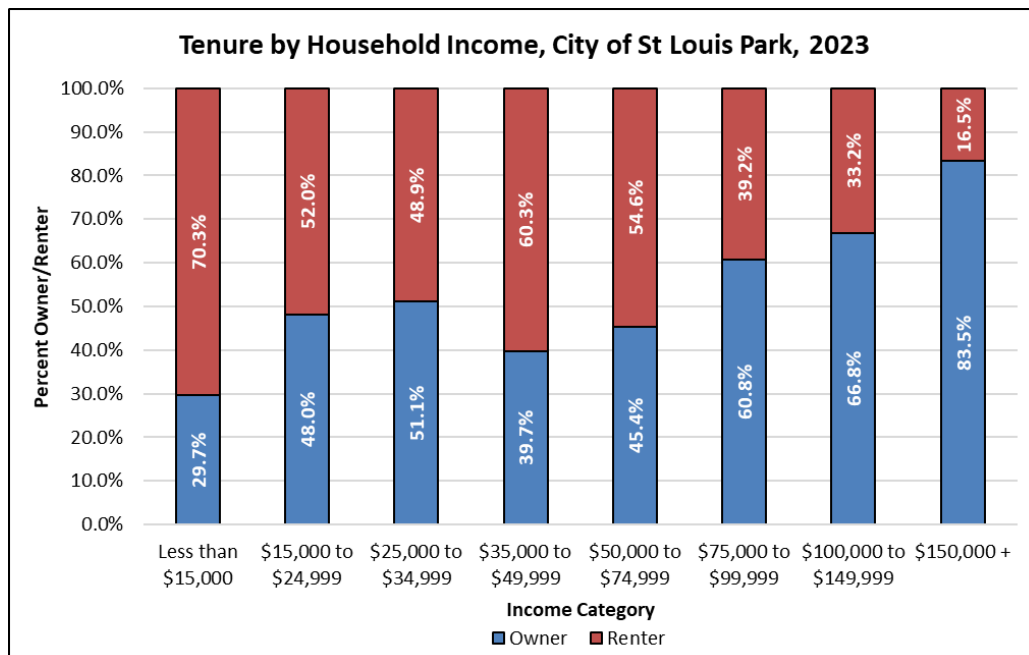
Age		City of St. Louis Park				Hennepin County				Metro Area			
		2010		2023		2010		2023		2010		2023	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	110	9.0%	95	7.5%	2,790	10.9%	2,034	9.2%	7,947	16.0%	7,132	16.1%
	Rent	1,113	91.0%	1,168	92.5%	22,734	89.1%	20,165	90.8%	41,789	84.0%	37,087	83.9%
	<b>Total</b>	<b>1,223</b>	<b>100.0%</b>	<b>1,263</b>	<b>100.0%</b>	<b>25,524</b>	<b>100.0%</b>	<b>22,199</b>	<b>100.0%</b>	<b>49,736</b>	<b>100.0%</b>	<b>44,218</b>	<b>100.0%</b>
25-34	Own	2,513	42.8%	2,593	36.2%	39,850	42.3%	42,185	39.0%	102,236	50.6%	102,553	46.5%
	Rent	3,365	57.2%	4,562	63.8%	54,312	57.7%	66,049	61.0%	99,716	49.4%	117,892	53.5%
	<b>Total</b>	<b>5,878</b>	<b>100.0%</b>	<b>7,156</b>	<b>100.0%</b>	<b>94,162</b>	<b>100.0%</b>	<b>108,234</b>	<b>100.0%</b>	<b>201,952</b>	<b>100.0%</b>	<b>220,445</b>	<b>100.0%</b>
35-44	Own	2,484	65.0%	2,831	65.0%	57,684	66.6%	66,046	64.6%	154,678	72.3%	168,280	70.1%
	Rent	1,338	35.0%	1,527	35.0%	28,946	33.4%	36,186	35.4%	59,303	27.7%	71,642	29.9%
	<b>Total</b>	<b>3,822</b>	<b>100.0%</b>	<b>4,358</b>	<b>100.0%</b>	<b>86,630</b>	<b>100.0%</b>	<b>102,231</b>	<b>100.0%</b>	<b>213,981</b>	<b>100.0%</b>	<b>239,923</b>	<b>100.0%</b>
45-54	Own	2,762	73.8%	2,142	72.7%	75,651	75.4%	66,321	73.7%	202,404	79.8%	178,254	78.3%
	Rent	979	26.2%	805	27.3%	24,688	24.6%	23,708	26.3%	51,379	20.2%	49,263	21.7%
	<b>Total</b>	<b>3,741</b>	<b>100.0%</b>	<b>2,947</b>	<b>100.0%</b>	<b>100,339</b>	<b>100.0%</b>	<b>90,029</b>	<b>100.0%</b>	<b>253,783</b>	<b>100.0%</b>	<b>227,517</b>	<b>100.0%</b>
55-64	Own	2,509	77.6%	2,591	72.5%	65,466	79.5%	75,783	76.4%	162,595	82.6%	198,846	80.5%
	Rent	723	22.4%	985	27.5%	16,891	20.5%	23,362	23.6%	34,355	17.4%	48,093	19.5%
	<b>Total</b>	<b>3,232</b>	<b>100.0%</b>	<b>3,576</b>	<b>100.0%</b>	<b>82,357</b>	<b>100.0%</b>	<b>99,145</b>	<b>100.0%</b>	<b>196,950</b>	<b>100.0%</b>	<b>246,940</b>	<b>100.0%</b>
65-74	Own	1,338	83.5%	2,256	78.7%	34,028	80.0%	56,554	79.1%	85,347	82.6%	141,416	81.9%
	Rent	265	16.5%	611	21.3%	8,502	20.0%	14,937	20.9%	17,998	17.4%	31,211	18.1%
	<b>Total</b>	<b>1,603</b>	<b>100.0%</b>	<b>2,867</b>	<b>100.0%</b>	<b>42,530</b>	<b>100.0%</b>	<b>71,491</b>	<b>100.0%</b>	<b>103,345</b>	<b>100.0%</b>	<b>172,627</b>	<b>100.0%</b>
75-84	Own	1,003	78.4%	1,215	78.6%	21,975	75.6%	23,681	73.9%	50,083	75.6%	60,815	75.7%
	Rent	277	21.6%	331	21.4%	7,108	24.4%	8,385	26.1%	16,185	24.4%	19,518	24.3%
	<b>Total</b>	<b>1,280</b>	<b>100.0%</b>	<b>1,546</b>	<b>100.0%</b>	<b>29,083</b>	<b>100.0%</b>	<b>32,066</b>	<b>100.0%</b>	<b>66,268</b>	<b>100.0%</b>	<b>80,333</b>	<b>100.0%</b>
85+	Own	472	49.0%	720	63.0%	8,677	56.8%	9,290	56.2%	17,185	54.2%	20,243	54.1%
	Rent	492	51.0%	423	37.0%	6,611	43.2%	7,243	43.8%	14,549	45.8%	17,146	45.9%
	<b>Total</b>	<b>964</b>	<b>100.0%</b>	<b>1,143</b>	<b>100.0%</b>	<b>15,288</b>	<b>100.0%</b>	<b>16,533</b>	<b>100.0%</b>	<b>31,734</b>	<b>100.0%</b>	<b>37,389</b>	<b>100.0%</b>
<b>TOTAL</b>	Own	13,191	60.7%	14,444	58.1%	306,121	64.3%	341,895	63.1%	782,475	70.0%	877,541	69.1%
	Rent	8,552	39.3%	10,412	41.9%	169,792	35.7%	200,034	36.9%	335,274	30.0%	391,851	30.9%
	<b>Total</b>	<b>21,743</b>	<b>100.0%</b>	<b>24,856</b>	<b>100.0%</b>	<b>475,913</b>	<b>100.0%</b>	<b>541,929</b>	<b>100.0%</b>	<b>1,117,749</b>	<b>100.0%</b>	<b>1,269,392</b>	<b>100.0%</b>

Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC.

## Tenure by Household Income

Table D-7 shows household tenure by age of householder for St. Louis Park, Hennepin County, and the Metro Area in 2023. Data is an estimate from the American Community Survey. Household tenure information is important to assess the propensity for owner-occupied or renter-occupied housing options based on household affordability. As stated earlier, the Department of Housing and Urban Development determines affordable housing as not exceeding 30% of the household's income. It is important to note that the higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well as many young and senior households, spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income.

- Typically, as income increases, so does the rate of homeownership. This can be seen in St. Louis Park, where the homeownership rate steadily increases from 29.7% of households with incomes below \$15,000 to 83.5% of households with incomes above \$150,000.
- A portion of renter households that are referred to as lifestyle renters, or those who are financially able to own but choose to rent, have household incomes above \$60,000 (\$1,500 rent | 53.8% of St. Louis Park's renters in 2023). In addition, 25.5% of St. Louis Park renters earn \$100,000 or more. Some renters choose to be cost burdened (i.e. pay more than 30% of income to housing) and pay higher rental costs for amenities and proximity to transit while giving up their vehicles.
- Households with incomes below \$15,000 are typically a market for deep subsidy rental housing (9.7% of St. Louis Park renters in 2023). About 2.8% of St. Louis Park's rental general-occupancy inventory (252) are deep subsidy units.



## DEMOGRAPHIC ANALYSIS

**TABLE D-7  
TENURE BY HOUSEHOLD INCOME  
ST. LOUIS PARK MARKET AREA  
2023**

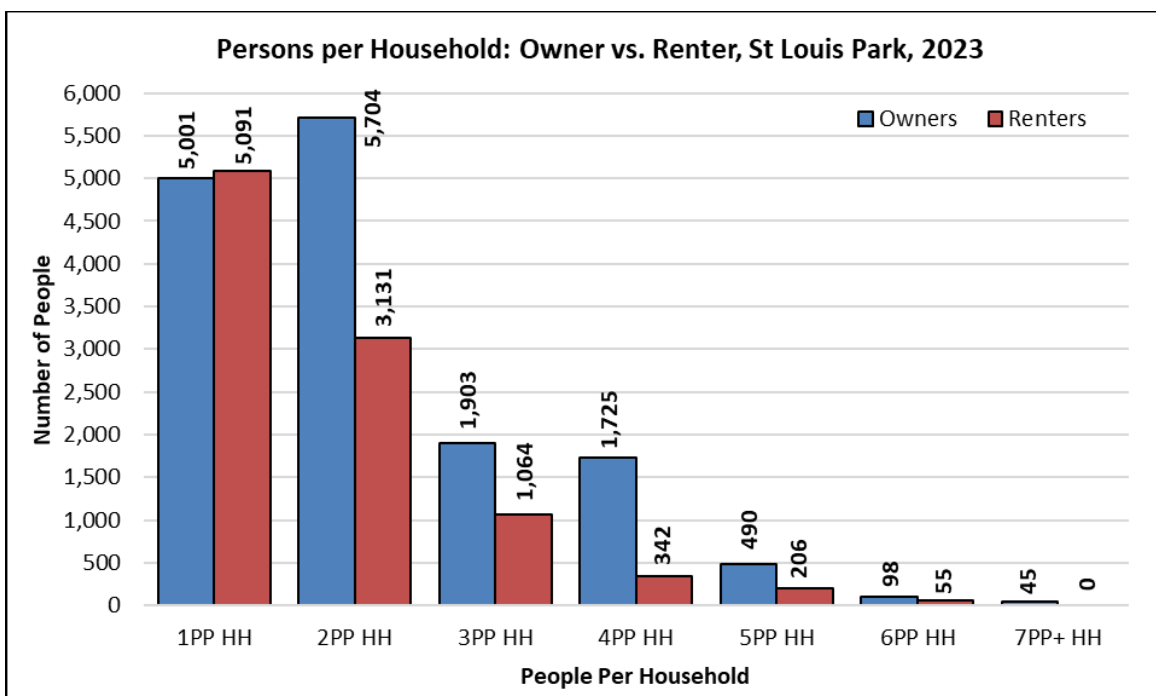
	St. Louis Park				Hennepin County				Metro Area			
	Own		Rent		Own		Rent		Own		Rent	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Less than \$15,000	404	29.7%	959	70.3%	11,008	27.8%	28,607	72.2%	24,255	30.8%	54,560	69.2%
\$15,000 to \$24,999	546	48.0%	591	52.0%	9,877	33.2%	19,839	66.8%	24,462	37.1%	41,522	62.9%
\$25,000 to \$34,999	664	51.1%	635	48.9%	13,090	39.0%	20,500	61.0%	34,991	45.0%	42,740	55.0%
\$35,000 to \$49,999	965	39.7%	1,465	60.3%	24,388	46.7%	27,880	53.3%	63,290	51.3%	59,964	48.7%
\$50,000 to \$74,999	1,917	45.4%	2,304	54.6%	46,843	55.2%	37,949	44.8%	124,779	62.0%	76,589	38.0%
\$75,000 to \$99,999	2,191	60.8%	1,413	39.2%	43,806	63.6%	25,033	36.4%	120,808	70.8%	49,840	29.2%
\$100,000 to \$149,999	2,957	66.8%	1,468	33.2%	74,379	75.3%	24,434	24.7%	203,553	82.3%	43,907	17.7%
\$150,000 +	5,323	83.5%	1,056	16.5%	119,507	89.0%	14,789	11.0%	279,005	91.7%	25,126	8.3%
Total	14,966	60.2%	9,890	39.8%	342,898	63.3%	199,031	36.7%	875,143	68.9%	394,249	31.1%

Source: U.S. Census Bureau; American Community Survey; Maxfield Research & Consulting, LLC.

## Tenure by Household Size

Table D-8 shows the distribution of households by size and tenure in St. Louis Park in 2023. This data is useful in that it sheds insight into the number of units by unit type that may be most needed in St. Louis Park.

- Household size for renters tends to be smaller than for owners. This trend is a result of the typical market segments for rental housing, including households that are younger and are less likely to be married with children as well as older adults and seniors who choose to downsize from their single-family homes. In 2021, the average St. Louis Park renter household consisted of 1.78 persons compared to the average owner household of 2.20 persons.



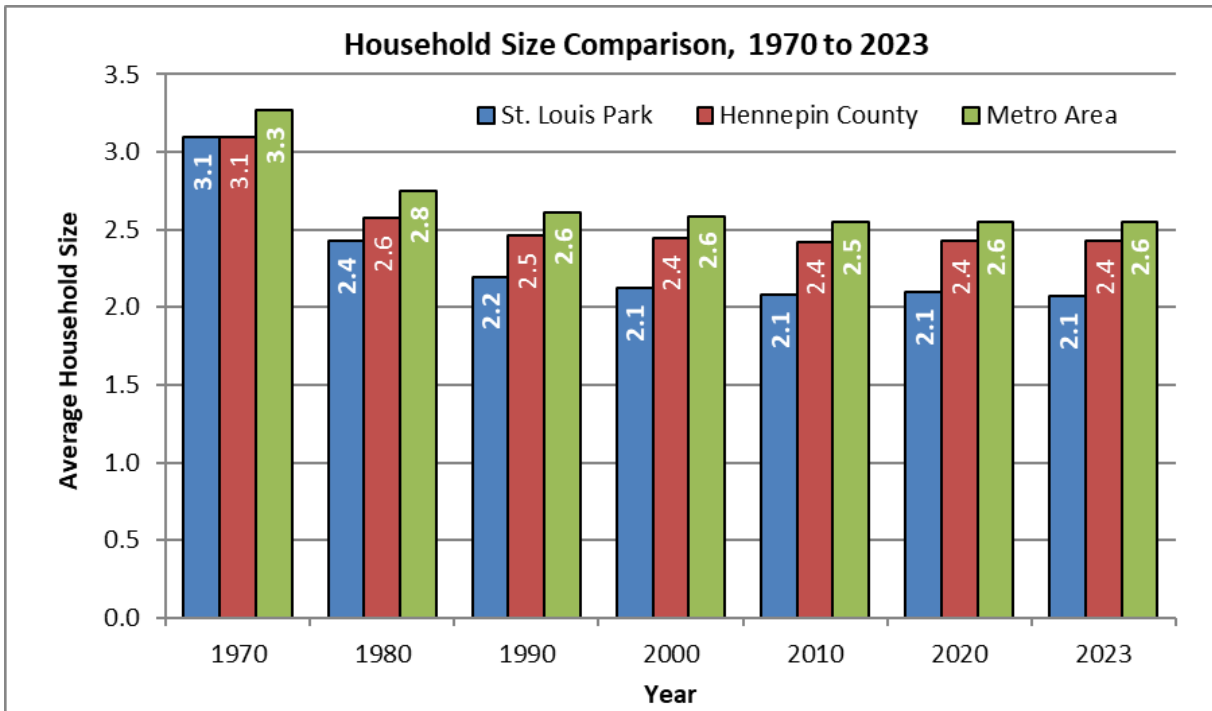
- An estimated 51.5% of renter households in the City of St. Louis Park in 2022 have one person while an additional 31.7% of renter households have two people. The one-person households would primarily seek one-bedroom units and two-person households that are couple would primarily seek one-bedroom units. Two-person households that consist of a parent and child or roommate would primarily seek two-bedroom units. Larger households would seek units with multiple bedrooms.
- The following chart illustrates declining household sizes in St. Louis Park compared to Hennepin County and the Metro. Over the past 40 years, St. Louis Park household sizes have decreased at a faster rate than both Hennepin County and the Metro Area. This is due to many young professionals deciding to live in St Louis Park combined with the move of young families to further out suburbs for more space.

## DEMOGRAPHIC ANALYSIS

**TABLE D-8  
HOUSEHOLD SIZE  
ST. LOUIS PARK MARKET AREA  
2023**

Household Size	St. Louis Park				Hennepin County				Metro Area			
	Owners	Pct.	Renters	Pct.	Owners	Pct.	Renters	Pct.	Owners	Pct.	Renters	Pct.
1PP Household	4,827	47.4%	5,359	52.6%	83,814	47.2%	93,792	52.8%	198,375	52.1%	182,072	47.9%
2PP Household	5,505	62.5%	3,297	37.5%	125,500	68.5%	57,692	31.5%	332,605	74.6%	112,976	25.4%
3PP Household	1,836	62.1%	1,121	37.9%	52,131	70.3%	22,076	29.7%	144,728	75.1%	47,963	24.9%
4PP Household	1,665	82.2%	360	17.8%	50,287	77.5%	14,581	22.5%	142,056	81.3%	32,707	18.7%
5PP Household	473	68.5%	217	31.5%	19,479	75.4%	6,356	24.6%	58,478	78.1%	16,398	21.9%
6PP Household	95	62.2%	58	37.8%	6,303	66.7%	3,142	33.3%	19,143	71.0%	7,815	29.0%
7PP+ Household	43	100.0%	0	0.0%	4,380	64.6%	2,396	35.4%	13,202	69.5%	5,783	30.5%
<b>Total</b>	<b>14,444</b>	<b>58.1%</b>	<b>10,412</b>	<b>41.9%</b>	<b>341,895</b>	<b>63.1%</b>	<b>200,034</b>	<b>36.9%</b>	<b>908,587</b>	<b>69.1%</b>	<b>405,714</b>	<b>30.9%</b>

Sources: U.S. Census & Maxfield Research & Consulting, LLC.



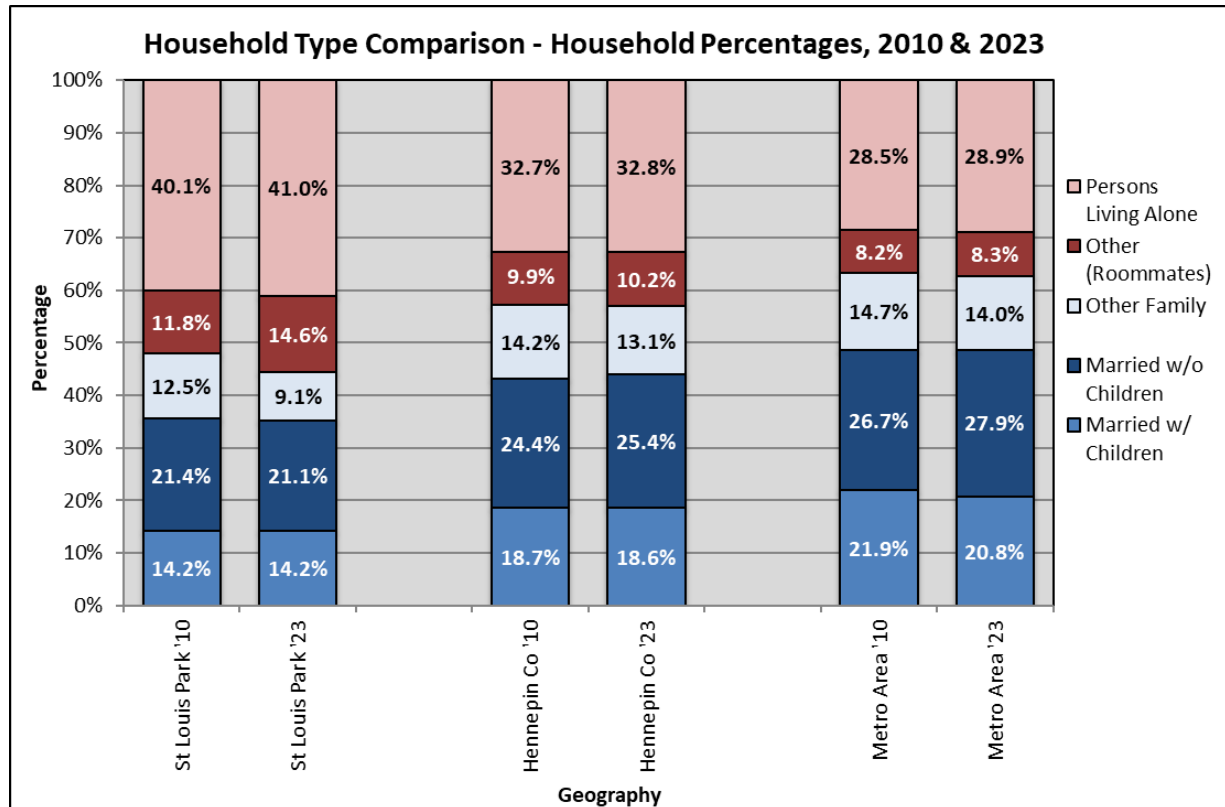
## Household Type

Table D-9 shows a breakdown of the type of households present in the City of St. Louis Park in 2010 and 2023. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

- Between 2010 and 2023, St. Louis Park experienced an increase in all types of households except other family households (-16.8%). “Other families” include single-parents and unmarried couples with children. Households with Roommates experienced the largest increase as a percentage (41.0%).
- Compared to Hennepin County and the Metro Area, St. Louis Park had a lower proportion of Married without Children households. In 2023, 21.1% of St. Louis Park households were in the Married without Children compared to 25.4% in Hennepin County and 27.9% in the Metro area.
- Persons Living Alone grew significantly adding 1,470 households (16.9%) between 2010 and 2023. As of 2023, Persons Living Alone comprised the largest percentage (41.0%) of all households consisting of an estimated 10,186 households. This household type is significantly larger in St. Louis Park compared to Hennepin County (32.8%) and the Metro Area (28.9%). This could indicate an aging senior population or millennials moving to the area.

## DEMOGRAPHIC ANALYSIS

- As the frailty level of seniors increases, they typically move out of their homes in pursuit of housing with services. Millennials are more likely to choose to live alone due to the generations' delayed marriage and home purchase rates and preference to live in smaller quarters in urban areas.





# DEMOGRAPHIC ANALYSIS

TABLE D-9  
HOUSEHOLD TYPE  
ST. LOUIS PARK MARKET AREA  
2010 & 2023

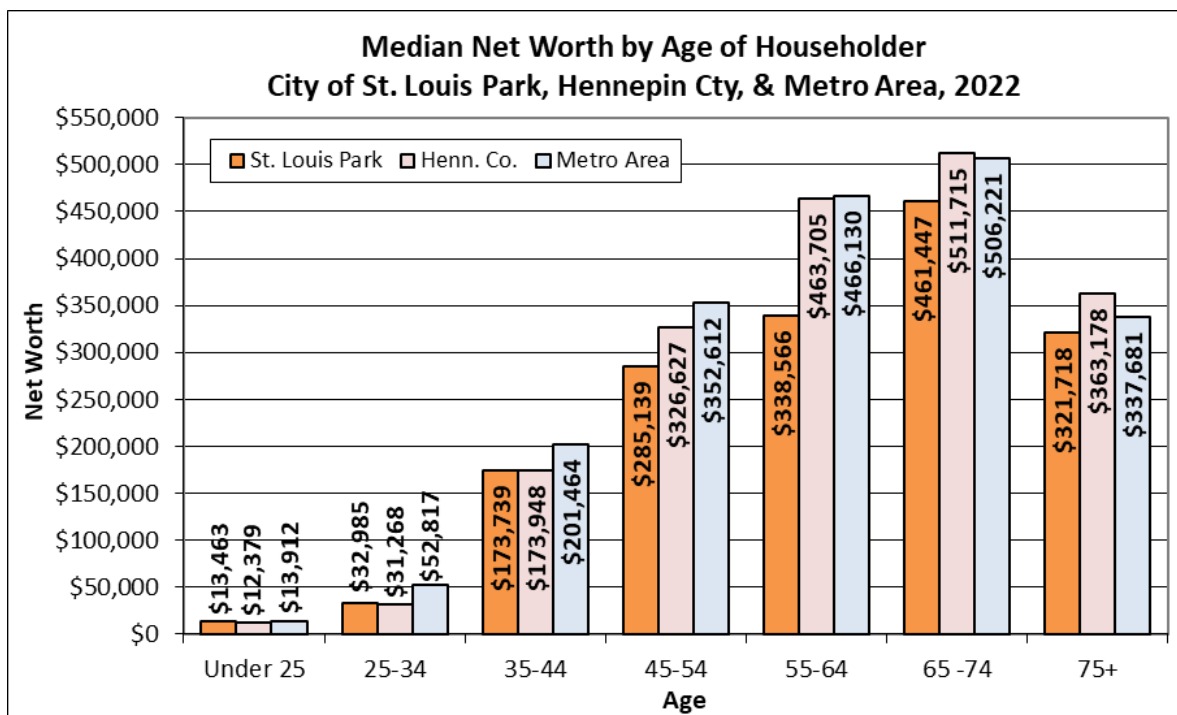
	Total HH's		Family Households						Non-Family Households			
			Married w/o Child		Married w/ Child		Other *		Living Alone		Roommates	
	2010	2023	2010	2023	2010	2023	2010	2023	2010	2023	2010	2023
<b>Number of Households</b>												
<b>St. Louis Park</b>	<b>21,743</b>	<b>24,856</b>	<b>4,647</b>	<b>5,256</b>	<b>3,084</b>	<b>3,520</b>	<b>2,728</b>	<b>2,271</b>	<b>8,716</b>	<b>10,186</b>	<b>2,568</b>	<b>3,622</b>
Hennepin County	475,913	<b>541,929</b>	116,099	137,406	89,084	100,613	67,702	70,864	155,807	177,606	47,221	55,440
Metro Area	1,117,749	<b>1,269,392</b>	298,723	354,260	244,687	264,031	164,086	178,000	319,030	367,447	91,223	105,654
<b>Percent Total</b>												
St. Louis Park	100.0%	100.0%	21.4%	21.1%	14.2%	14.2%	12.5%	9.1%	40.1%	41.0%	11.8%	14.6%
Hennepin County	100.0%	100.0%	24.4%	25.4%	18.7%	18.6%	14.2%	13.1%	32.7%	32.8%	9.9%	10.2%
Metro Area	100.0%	100.0%	26.7%	27.9%	21.9%	20.8%	14.7%	14.0%	28.5%	28.9%	8.2%	8.3%
<b>Change</b>												
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
<b>St. Louis Park</b>	<b>3,113</b>	<b>14.3%</b>	<b>609</b>	<b>13.1%</b>	<b>436</b>	<b>14.1%</b>	<b>-457</b>	<b>-16.8%</b>	<b>1,470</b>	<b>16.9%</b>	<b>1,054</b>	<b>41.0%</b>
Hennepin County	66,016	13.9%	21,307	18.4%	11,529	12.9%	3,162	4.7%	21,799	14.0%	8,219	17.4%
Metro Area	151,643	13.6%	55,537	18.6%	19,344	7.9%	13,914	8.5%	48,417	15.2%	14,431	15.8%
* Single-parent families, unmarried couples with children.												
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC												

## Net Worth

Table D-10 shows household net worth by age of householder in St. Louis Park in 2023 as well as the 2022 average and median net worth by age cohort for 2022. Simply stated, net worth is the difference between assets and liabilities, or the total value of assets after the debt is subtracted. The data was compiled and estimated by ESRI based on the Survey of Consumer Finances and Federal Reserve Board data with adjustments by Maxfield Research.

According to data released by the National Association of Realtors in February 2022, the average American homeowner has a net worth about 40 times greater than that of a renter which equates to an average net worth of \$300,000 for homeowners and \$8,000 for renters.<sup>2</sup>

St. Louis Park had an average net worth of \$882,911 in 2022, 32.9% lower than the average net worth of a Hennepin County householder (\$1,336,214) and 32.3% lower than the average net worth of a Metro Area householder (\$1,304,543). St. Louis Park had a 2022 median net worth of \$110,945, 18.6% lower than the median net worth in Hennepin County (\$204,345) and 30.4% less than the median net worth in the Metro Area (\$239,052). Median net worth is generally a better indicator of the net worth as it is not heavily impacted by uncommonly high- or low-income households. Median net worth peaked in the 65 to 74 age cohort at \$461,447 while average net worth peaked slightly earlier in the City's 55 to 64 age group at \$1,662,442.



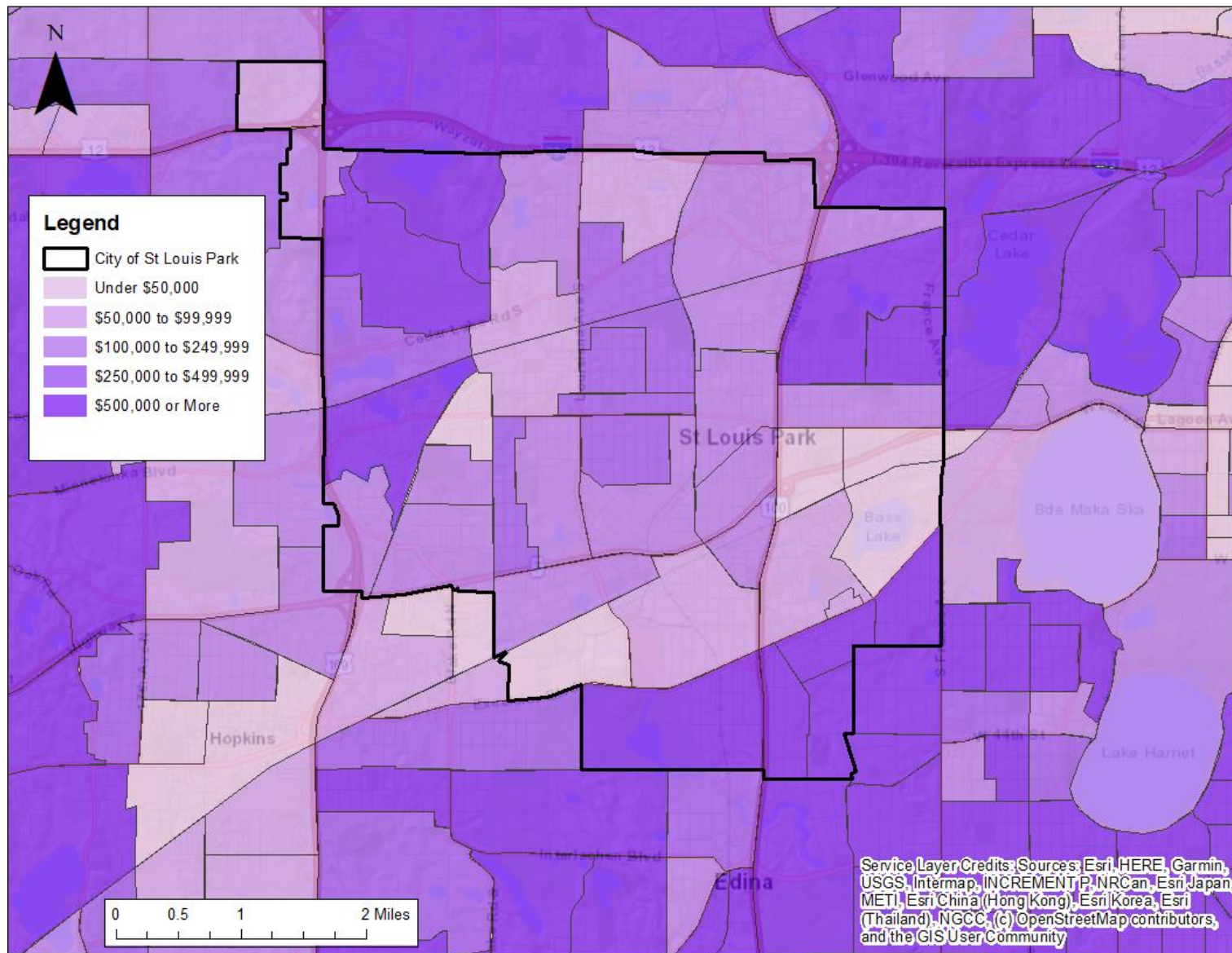
<sup>2</sup> "2022 Snapshot of Race and Home Buying in America." *National Association of Realtors Research® Group*, pp. 5, Feb. 2022. <https://www.nar.realtor/research-and-statistics/research-reports/a-snapshot-of-race-and-home-buying-in-america>. Accessed 7 Oct. 2022.

## DEMOGRAPHIC ANALYSIS

TABLE D-10  
NET WORTH BY AGE OF HOUSEHOLDER  
ST. LOUIS PARK MARKET AREA  
2023

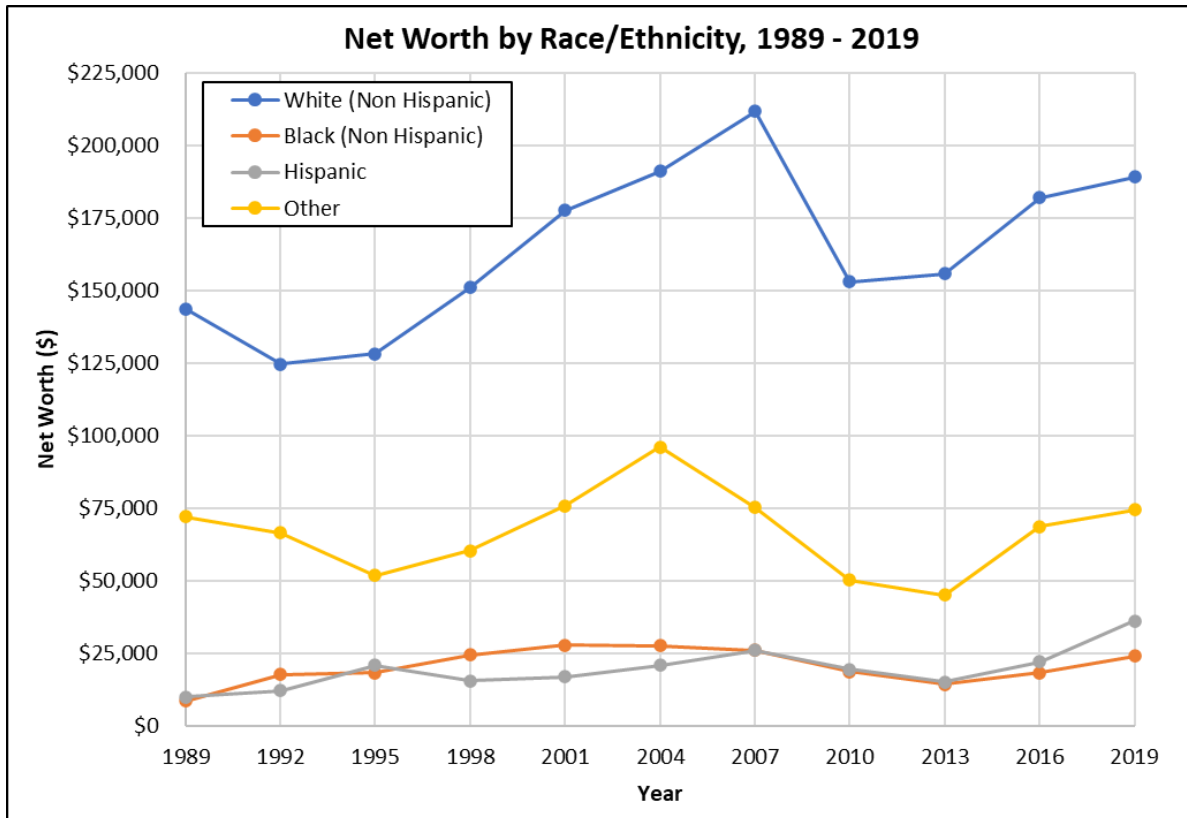
	Age of Householder							
	Total	Under 25	25-34	35-44	45-54	55-64	65 -74	75+
St. Louis Park								
Less than \$15,000	4,996	750	2,105	780	309	445	322	286
\$15,000 to \$34,999	1,544	274	654	302	102	88	90	34
\$35,000 to \$49,999	671	33	281	146	60	70	55	26
\$50,000 to \$99,999	2,855	152	859	717	404	336	150	236
\$100,000 to \$149,999	1,755	67	414	344	366	293	119	153
\$150,000 to \$249,999	2,729	43	535	668	460	410	225	387
\$250,000 to \$499,999	3,577	18	413	809	696	546	498	597
\$500,000 to \$999,999	3,244	9	136	802	640	608	639	412
\$1,000,000 or more	3,486	0	38	434	678	1,005	719	612
Subtotal	24,856	1,346	5,435	5,002	3,716	3,799	2,815	2,742
Median Net Worth (2022)	\$166,410	\$13,463	\$32,985	\$173,739	\$285,139	\$338,566	\$461,447	\$321,718
Average Net Worth (2022)	\$882,911	\$41,499	\$105,588	\$593,850	\$1,266,604	\$1,662,442	\$1,471,892	\$1,159,148
Hennepin County								
Less than \$15,000	112,989	16,628	39,116	19,703	9,719	11,651	10,509	5,662
\$15,000 to \$34,999	28,133	4,386	9,549	6,399	2,526	2,092	2,452	729
\$35,000 to \$49,999	11,832	623	3,988	2,489	1,373	1,564	1,242	553
\$50,000 to \$99,999	50,579	2,960	14,228	11,041	7,347	6,969	3,473	4,561
\$100,000 to \$149,999	32,771	1,375	7,371	6,116	6,494	5,549	2,536	3,329
\$150,000 to \$249,999	55,121	915	8,699	13,535	10,167	8,775	5,304	7,727
\$250,000 to \$499,999	73,434	373	7,505	14,390	14,764	13,276	11,780	11,346
\$500,000 to \$999,999	70,987	186	3,417	15,715	14,190	13,627	15,254	8,599
\$1,000,000 or more	106,083	0	1,118	10,768	21,292	33,671	23,329	15,906
Subtotal	541,929	27,446	94,990	100,155	87,872	97,174	75,881	58,411
Median Net Worth (2022)	\$204,345	\$12,379	\$31,268	\$173,948	\$326,627	\$463,705	\$511,715	\$363,178
Average Net Worth (2022)	\$1,336,214	\$39,907	\$121,500	\$765,727	\$1,718,111	\$2,399,866	\$2,103,521	\$1,558,113
Metro Area								
Less than \$15,000	222,902	27,240	76,442	39,870	20,262	25,203	21,893	11,990
\$15,000 to \$34,999	57,786	8,195	18,298	13,491	5,496	4,830	5,817	1,659
\$35,000 to \$49,999	25,784	1,376	8,179	5,108	3,041	3,824	2,964	1,293
\$50,000 to \$99,999	118,759	6,707	34,222	25,049	16,352	16,849	8,497	11,084
\$100,000 to \$149,999	80,450	3,462	18,920	14,893	15,747	13,404	6,211	7,812
\$150,000 to \$249,999	140,200	2,262	23,521	33,888	26,872	22,885	12,934	17,839
\$250,000 to \$499,999	195,625	835	20,392	40,281	39,738	35,863	31,262	27,256
\$500,000 to \$999,999	186,172	454	8,954	38,883	40,773	38,950	38,773	19,385
\$1,000,000 or more	241,713	0	3,006	26,772	50,281	77,494	52,596	31,564
Total	1,269,392	50,531	211,934	238,233	218,562	239,302	180,947	129,882
Median Net Worth (2022)	\$239,052	\$13,912	\$52,817	\$201,464	\$352,612	\$466,130	\$506,221	\$337,681
Average Net Worth (2022)	\$1,304,543	\$49,332	\$142,094	\$847,459	\$1,672,594	\$2,218,455	\$1,906,275	\$1,386,599
Note: Median and Average Net Worth data is as of 2022 as no data is yet available for 2023.								
Sources: ESRI & Maxfield Research& Consulting, LLC.								

Median Net Worth by Census Block in and Near St. Louis Park



## DEMOGRAPHIC ANALYSIS

- The following chart depicts median net worth by race and ethnicity nationwide between 1989 and 2019. The data is sourced to the Federal Reserve Survey of Consumer Finances. As of 2019 housing net worth by category were as follows: White (Non-Hispanic), \$189,100; Black (Non-Hispanic), \$24,100; Hispanic, \$36,050; and Other \$74,500. Between 1989 and 2019 net worth by category increased the following percentages: White (Non-Hispanic), 31.7%; Black (Non-Hispanic), 181.9%; Hispanic, 262.7%; and Other 3.5%.



## Demographic Summary

Table D-11 provides a demographic summary that compares St. Louis Park to Hennepin County and the Metro Area. Data in D-11 is as of 2023.

- St. Louis Park had a higher proportion of those age 25 to 34 and age 75+ than Hennepin County and the Metro Area. As of 2023, 18.9% of St. Louis Park's population was between the ages of 25 and 34 compared to 14.8% in Hennepin County and 14.9% in the Metro Area. An estimated 8.3% of St. Louis Park's population was age 75+ compared to 7.0% in Hennepin County and 5.1% in the Metro Area.
- St. Louis Park's median household income (\$94,491) was an estimated \$1,238 more than Hennepin County but \$246 less than the Metro Area.

## DEMOGRAPHIC ANALYSIS

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- St. Louis Park had a higher percentage of renters at 41.9% of its households compared to 36.9% of households in Hennepin County and 30.9% of households in the Metro Area.
- St. Louis Park had a low percentage of households that were married with children (14.2%). As a comparison, Hennepin County had 18.6% of households married with children and the Metro Area had 20.8% of households married with children. Conversely, St. Louis Park had a higher proportion of households living alone (41.0%); significantly higher than Hennepin County (32.8%) and the Metro Area (28.9%).

## DEMOGRAPHIC ANALYSIS

<b>TABLE D-11</b> <b>DEMOGRAPHIC SUMMARY</b> <b>ST. LOUIS PARK MARKET AREA</b> <b>2023</b>						
Summary	St. Louis Park		Hennepin		Metro Area	
	Num	Pct.	Num	Pct.	Num	Pct.
<b>Demographics</b>						
Population	51,500	100.0%	1,314,301	100.0%	3,239,384	100.0%
Households	24,856	100.0%	541,929	100.0%	1,269,392	100.0%
<b>Age Distribution</b>						
Under 18	9,013	17.5%	273,375	20.8%	811,750	25.1%
18-24	4,223	8.2%	128,801	9.8%	305,639	9.4%
25-34	9,734	18.9%	194,517	14.8%	483,106	14.9%
35-44	8,034	15.6%	181,374	13.8%	450,242	13.9%
45-54	5,871	11.4%	155,088	11.8%	506,111	15.6%
55-64	5,923	11.5%	165,602	12.6%	374,654	11.6%
65-74	4,429	8.6%	123,544	9.4%	190,613	5.9%
75-84	2,575	5.0%	61,772	4.7%	111,739	3.4%
85+	1,700	3.3%	30,229	2.3%	52,583	1.6%
<b>Household Income</b>						
Average Household Income	\$125,598		\$132,643		\$128,733	
Median Household Income	\$94,491		\$93,254		\$94,738	
<b>Net Worth</b>						
Average Net Worth (2022)	\$882,911		\$1,336,214		\$1,304,543	
Median Net Worth (2022)	\$166,410		\$204,345		\$239,052	
<b>Household Tenure</b>						
Own	14,444	58.1%	341,895	63.1%	877,541	69.1%
Rent	10,412	41.9%	200,034	36.9%	391,851	30.9%
<b>Household Type</b>						
Married with Children	3,520	14.2%	100,613	18.6%	264,031	20.8%
Married without Children	5,256	21.1%	137,406	25.4%	354,260	27.9%
Other	2,271	9.1%	70,864	13.1%	178,000	14.0%
Living Alone	10,186	41.0%	177,606	32.8%	367,447	28.9%
Roommates	3,622	14.6%	55,440	10.2%	105,654	8.3%
Source: U.S. Census Bureau; ESRI; & Maxfield Research & Consulting, LLC.						

### Introduction

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing functions as a building block for neighborhoods and goods and services. We examined the housing market in St. Louis Park by reviewing data on the age of the existing housing supply; examining residential building trends since 2010; and reviewing housing data from the American Community Survey. Data is also provided for Hennepin County and the Seven County Metro Area for comparison purposes.

### Residential Construction Trends

#### *Building Permits*

Maxfield Research obtained data on the number of new construction housing units from 2010 through 2022. Note that data for 2022 is preliminary. Data was obtained from the US Department of Housing and Urban Development's (HUD) State of the City Data Systems (SOCDS). Table HC-1 on the following page displays the number of building permits issued for new construction of residential units by city in St. Louis Park, Hennepin County, and the Seven County Metro Area.

Detached single-family is defined as fully detached housing units. Multifamily housing includes for-sale and rental projects includes duplex, triplex, and four-plex structures, in addition to buildings with five or more units. A multifamily structure is generally defined as a residential building containing units built one on top of another and those built side-by-side which do not have a ground-to-roof wall and/or have common facilities. Townhomes include attached single-family units, semi-attached units, side-by-side units, and rowhouses. Table HC-1 breaks down permit activity by single-family and low- and higher-density multifamily.

- Development activity has been high in the City of St. Louis Park with an average of 253 units built per year since 2010. A total of 3,286 residential housing units were permitted in St. Louis Park from 2010 through 2022.
- Of the 3,286 new residential units permitted in St. Louis Park, over 96% (96.5%) of those permits were issued for multi-family units while 3.5% were issued for single-family units. In comparison, single-family permits accounted for about 27.9% of units in Hennepin County and 30.9% of units in the Seven-County Metro Area.
- St. Louis Park accounted for 4.3% of the permitted units between 2010 and 2022 in Hennepin County and 1.9% of all units in the Seven-County Metro.
- Nearly all of St. Louis Park's 2022 multifamily units (99.5% - all but five units) permitted are in projects containing 5 or more units.

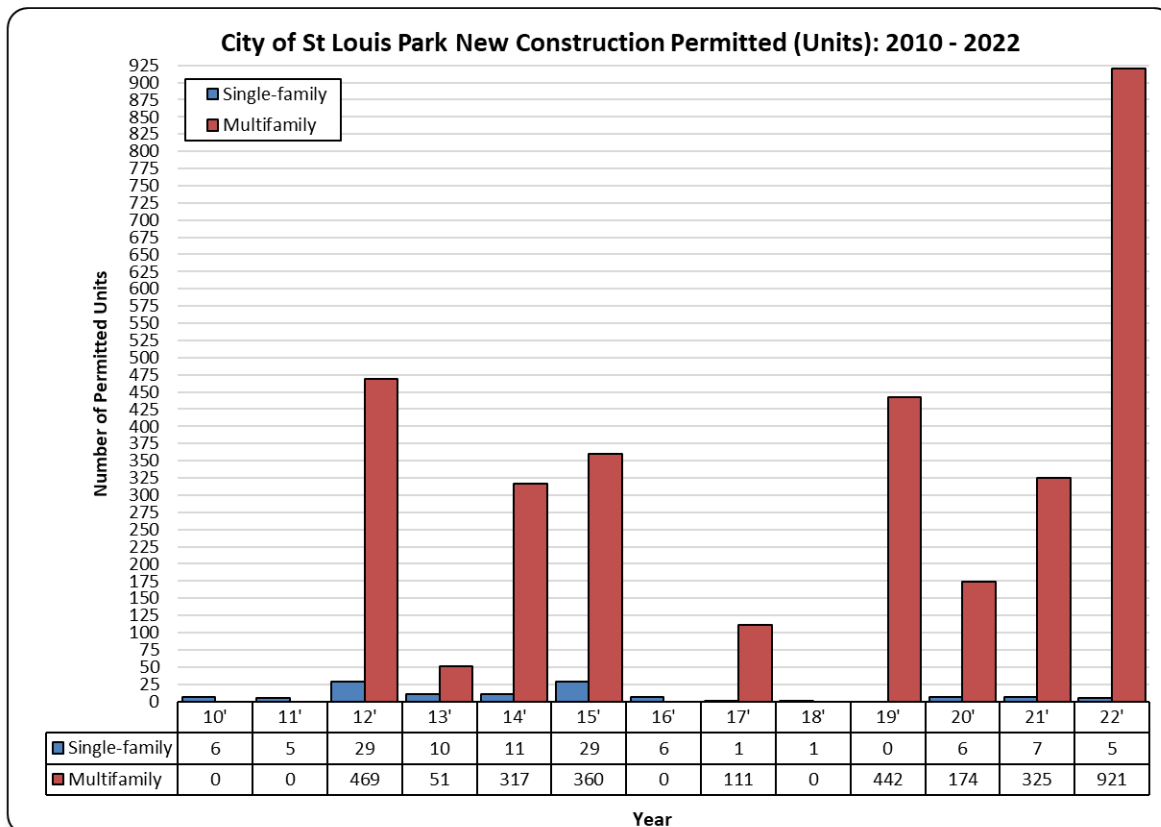


## HOUSING CHARACTERISTICS

- All of St. Louis Park's multifamily units, with the exception of three units in 2014, are multifamily units with five or more units.

<b>HC-1</b> <b>RESIDENTIAL CONSTRUCTION BUILDING PERMITS ISSUED</b> <b>CITY OF ST LOUIS PARK, HENNEPIN COUNTY, &amp; SEVEN COUNTY METRO</b> <b>2010 to 2022</b>												
Year	City of St Louis Park				Hennepin County				Seven County Metro			
	Units Permitted				Units Permitted				Units Permitted			
	SF Units	MF 2-4 units	MF 5+ units	Total Units	SF Units	MF 2-4 units	MF 5+ units	Total Units	SF Units	MF 2-4 units	MF 5+ units	Total Units
2010	6	0	0	6	846	24	1,045	1,915	3,253	105	1,674	5,032
2011	5	0	0	5	900	6	709	1,615	3,292	20	1,278	4,590
2012	29	0	469	498	1,346	14	4,145	5,505	4,823	74	5,612	10,509
2013	10	0	51	61	1,747	24	4,208	5,979	5,811	59	4,675	10,545
2014	11	3	314	328	1,655	24	2,986	4,665	5,200	104	4,478	9,782
2015	29	0	360	389	1,617	16	2,743	4,376	5,140	48	4,699	9,887
2016	6	0	0	6	1,641	23	3,700	5,364	5,825	110	6,003	11,938
2017	1	0	111	112	1,930	44	3,370	5,344	6,371	133	6,077	12,581
2018	1	0	0	1	1,955	82	5,020	7,057	6,372	154	8,807	15,333
2019	0	0	442	442	1,984	66	7,145	9,195	6,966	165	12,177	19,308
2020	6	0	174	180	1,942	79	5,673	7,694	7,163	190	11,093	18,446
2021	7	0	325	332	2,091	85	5,729	7,905	8,321	283	13,233	21,837
2022	5	0	921	926	1,656	116	7,637	9,409	6,643	234	13,370	20,247
<b>Total</b>	<b>116</b>	<b>3</b>	<b>3,167</b>	<b>3,286</b>	<b>21,310</b>	<b>603</b>	<b>54,110</b>	<b>76,023</b>	<b>75,180</b>	<b>1,679</b>	<b>93,176</b>	<b>170,035</b>

Sources: HUD's State of the City Data Systems (SOCDS); & Maxfield Research and Consulting LLC.



## American Community Survey

The American Community Survey (“ACS”) is an ongoing statistical survey administered by the U.S. Census Bureau that is sent to approximately 3 million addresses annually. The survey gathers data previously contained only in the long form of the decennial census. As a result, the survey provides a more “up-to-date” portrait of demographic, economic, social, and household characteristics every year, not just every ten years. The most recent ACS highlights data collected between 2016 and 2020. It should be noted that all ACS surveys are subject to sampling error and uncertainty. The ACS reports margins of errors (MOEs) with estimates for most standard census geographies. The MOE is shown by reliability from low, medium to high. Due to the MOE, 2020 ACS data may have inconsistencies with previous 2010 Census data and current available 2020 Census data.

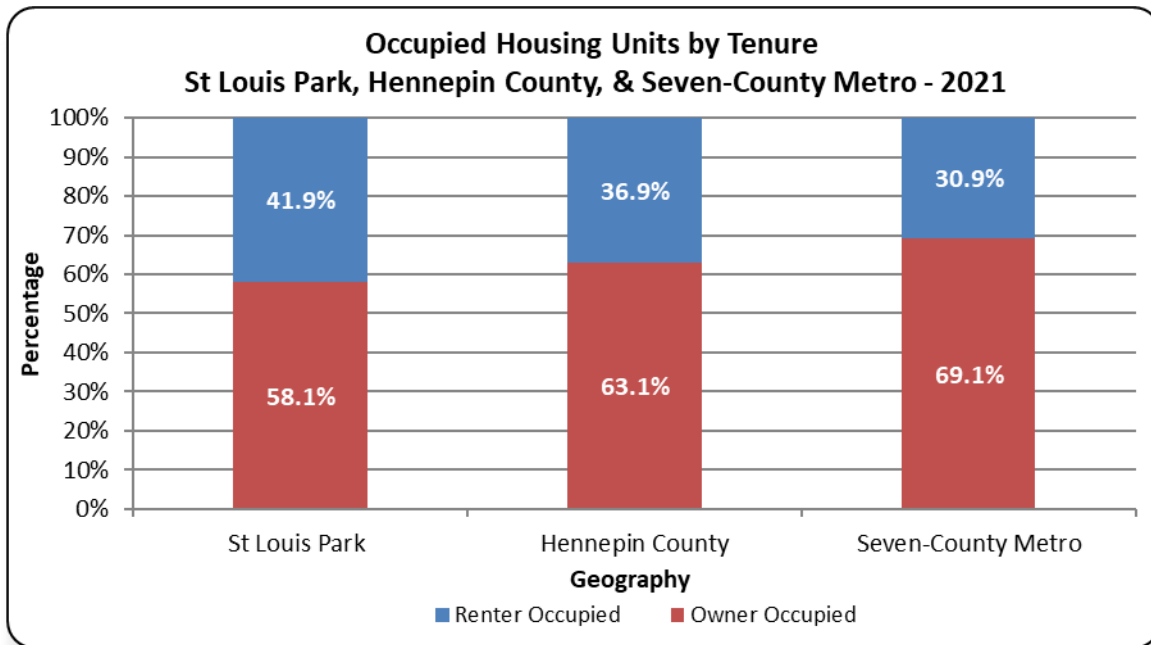
Tables HC-2 through HC-10 show key data from the American Community Survey for the City of St. Louis Park, PMA, and PMA Remainder.

## Occupied Housing Units by Tenure

Tenure is a key variable that analyzes the propensity for householders to rent or own their housing unit. Tenure is an integral statistic used by numerous governmental agencies and private sector industries to assess neighborhood stability. Table HC-2 shows the tenure by occupied housing units in 2021.

- Housing in St. Louis Park is predominantly owner occupied. In 2021, 58.1% of housing units were owner occupied in the City. However, in comparison to Hennepin County (63.1% owner-occupied) and the Seven County Metro (69.1% owner-occupied), the proportion of owner occupied units in St. Louis Park (58.1%) is less than in the other two geographies.
- The proportion of renter occupied units was higher within the City of St. Louis Park than in either Hennepin County or the Seven County Metro. In St. Louis Park, 41.9% of households were renter occupied in 2021 compared to 36.9% in Hennepin County and 30.9% in the Seven County Metro.

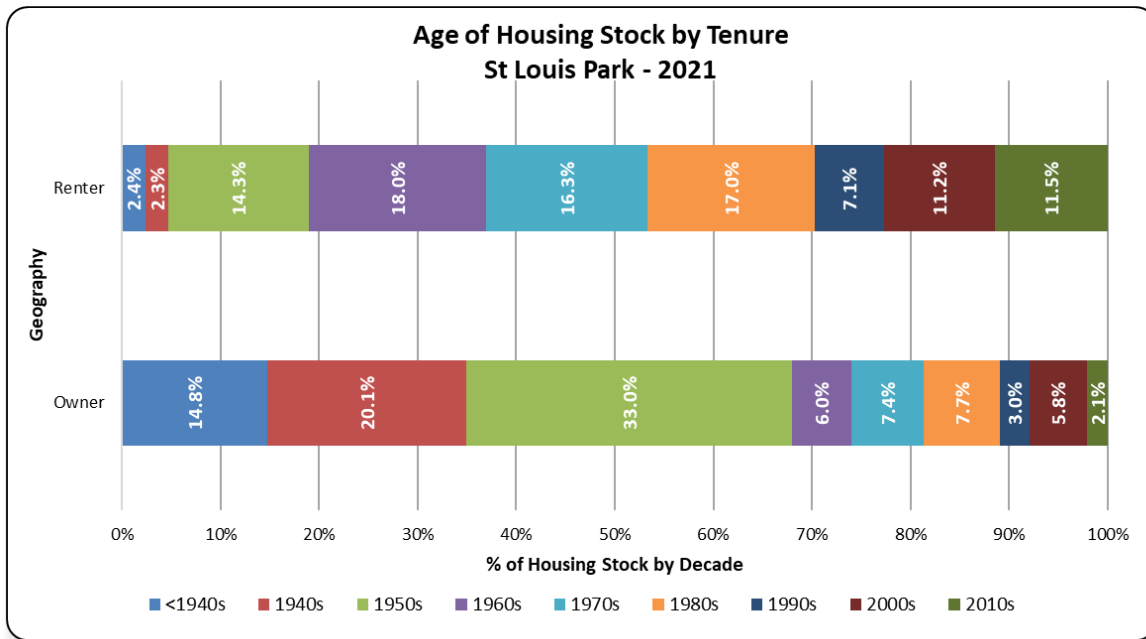
<b>TABLE HC-2</b> <b>OCCUPIED HOUSING UNITS BY TENURE</b> <b>ST LOUIS PARK MARKET AREA</b> <b>2021</b>						
<b>Year/Occupancy</b>	<b>St Louis Park</b>		<b>Hennepin County</b>		<b>Seven-County Metro</b>	
	<b>Pct.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>
Owner Occupied	14,025	58.1%	330,286	63.1%	848,779	69.1%
Renter Occupied	10,110	41.9%	193,242	36.9%	379,008	30.9%
<b>Total</b>	<b>24,135</b>	<b>100.0%</b>	<b>523,528</b>	<b>100.0%</b>	<b>1,227,787</b>	<b>100.0%</b>
Sources: U.S. Census Bureau-American Community Survey & Maxfield Research and Consulting, LLC.						



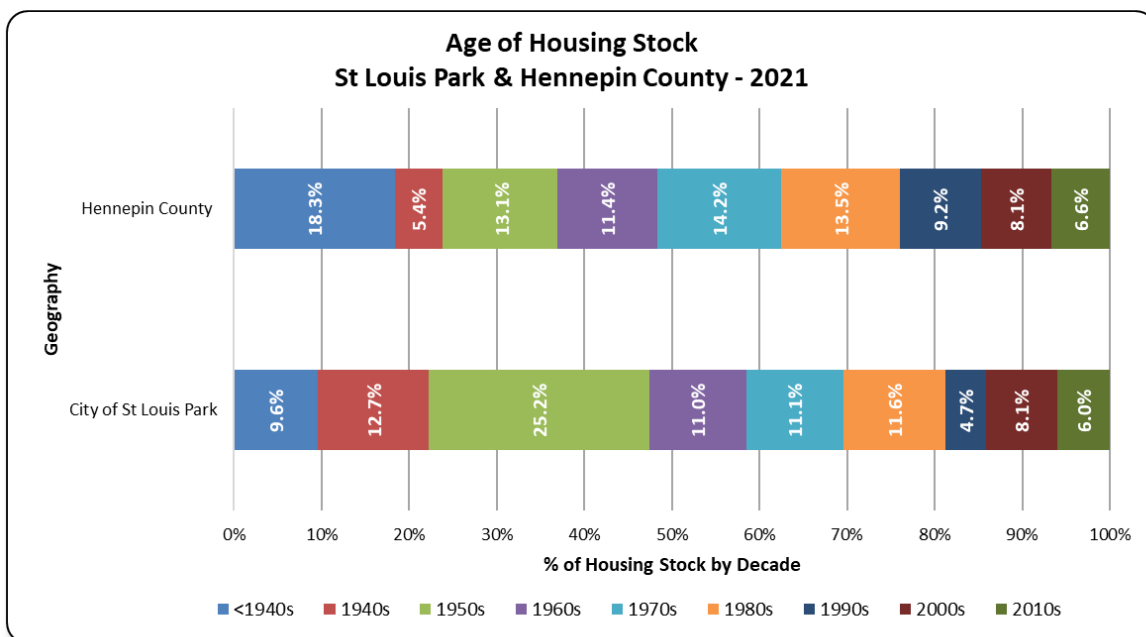
## Age of Housing Stock

The following graph shows the age distribution of the housing stock based on data from the U.S. Census Bureau and the American Community Survey (5-Year estimates). Table HC-3 includes the number of housing units built in the City of St. Louis Park, Hennepin County, and the Seven County Metro, prior to 1940 and during each decade since.

- In St. Louis Park, the highest proportion of homes were built in the 1950s (25.2%). In contrast, in Hennepin County, the highest proportion of homes were built prior to the 1940s (18.3%) while in the Seven County Metro Area most homes were built in the 1980s (14.7%).
- The second highest decade for which housing was built in St. Louis Park was the 1940s (12.7%). By comparison, the second highest decade in both Hennepin County and the Seven-County Metro was the 1970s (14.2% and 14.3%, respectively).
- Since the 2010s, 6.1% of St. Louis Park's housing stock has been built compared to 6.8% in Hennepin County and 6.9% in the Metro Area. With over 47% of homes in St. Louis Park built in the 1950s or earlier and being built-out, there are few property's available for housing development. As such, new housing development will be driven by infill and redevelopment.
- Charts on the following page illustrate the breakdown by decade of the housing stock in St. Louis Park as well as in the City compared to Hennepin County.



- Owner occupied units in St. Louis Park have an older median age (1954) than in Hennepin County (1968) or the Seven County Metro (1976). In contrast, renter occupied units in St. Louis Park have a newer median age (1977) than in Hennepin County (1974). The Seven County Metro had the same median age of its renter occupied units as (1977).
- St. Louis Park's median age of owner occupied homes (1954) was 23 years less than its renter occupied homes (1977). In comparison, the difference between owner and renter occupied homes was six years in Hennepin County and only one year in the Metro Area.



## HOUSING CHARACTERISTICS

TABLE HC-3  
AGE OF HOUSING STOCK  
ST LOUIS PARK MARKET AREA  
2021

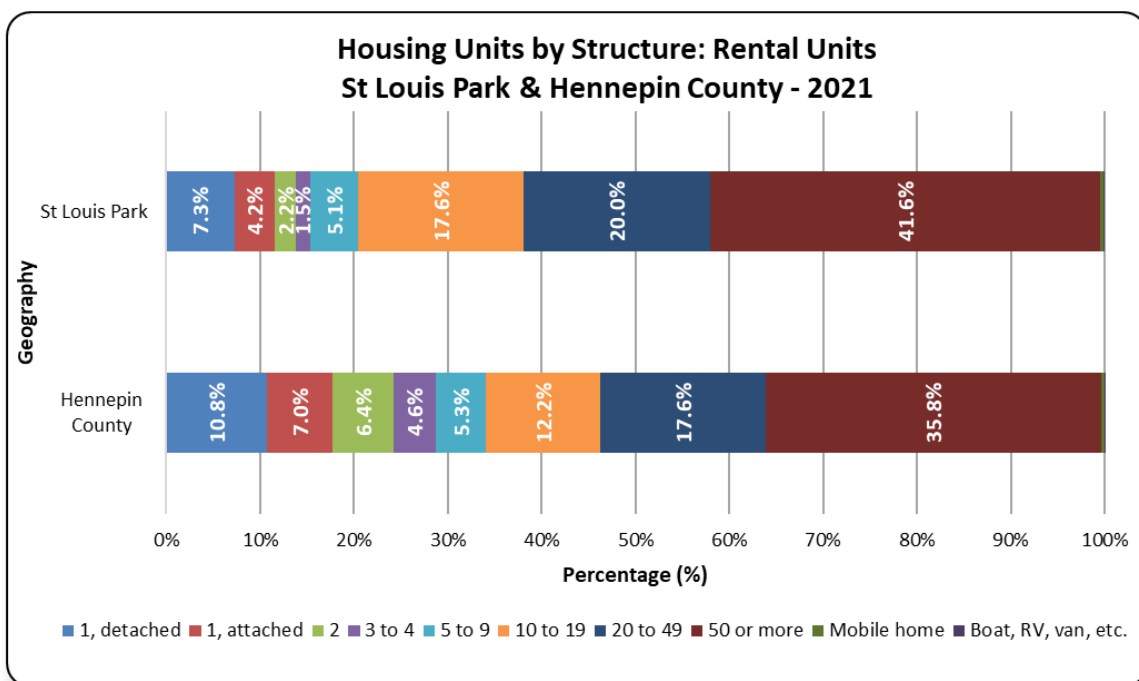
			Year Unit Built																			
			<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000s		2010s		2020s	
Total Units	Med. Yr. Built		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
City of St Louis Park																						
Owner-Occupied	14,025	1954	2,076	14.8%	2,824	20.1%	4,630	33.0%	844	6.0%	1,037	7.4%	1,080	7.7%	418	3.0%	818	5.8%	298	2.1%	0	0.0%
Renter-Occupied	10,110	1977	239	2.4%	234	2.3%	1,445	14.3%	1,815	18.0%	1,650	16.3%	1,717	17.0%	713	7.1%	1,132	11.2%	1,159	11.5%	6	0.1%
Total	24,135	1962	2,315	9.6%	3,058	12.7%	6,075	25.2%	2,659	11.0%	2,687	11.1%	2,797	11.6%	1,131	4.7%	1,950	8.1%	1,457	6.0%	6	0.0%
Hennepin County																						
Owner-Occupied	330,286	1968	63,761	19.3%	21,645	6.6%	53,271	16.1%	32,099	9.7%	40,641	12.3%	43,900	13.3%	31,713	9.6%	27,907	8.4%	14,568	4.4%	781	0.2%
Renter-Occupied	193,242	1974	32,138	16.6%	6,777	3.5%	15,315	7.9%	27,425	14.2%	33,660	17.4%	26,891	13.9%	16,382	8.5%	14,397	7.5%	20,127	10.4%	130	0.1%
Total	523,528	1971	95,899	18.3%	28,422	5.4%	68,586	13.1%	59,524	11.4%	74,301	14.2%	70,791	13.5%	48,095	9.2%	42,304	8.1%	34,695	6.6%	911	0.2%
Seven County Metro																						
Owner-Occupied	848,779	1976	117,305	13.8%	37,144	4.4%	99,585	11.7%	78,661	9.3%	107,261	12.6%	124,497	14.7%	126,734	14.9%	108,544	12.8%	47,050	5.5%	1,998	0.2%
Renter-Occupied	379,008	1977	53,441	14.1%	11,893	3.1%	28,025	7.4%	49,647	13.1%	68,907	18.2%	55,544	14.7%	39,505	10.4%	35,818	9.5%	35,999	9.5%	229	0.1%
Total	1,227,787	1977	170,746	13.9%	49,037	4.0%	127,610	10.4%	128,308	10.5%	176,168	14.3%	180,041	14.7%	166,239	13.5%	144,362	11.8%	83,049	6.8%	2,227	0.2%
Sources: U.S. Census Bureau - American Community Survey & Maxfield Research and Consulting LLC.																						

Sources: U.S. Census Bureau - American Community Survey & Maxfield Research and Consulting LLC.

## Housing Units by Structure and Tenure

Table HC-4 shows the housing stock in St. Louis Park, Hennepin County, and Minnesota by type of structure and tenure based on 2021 Five-year ACS estimates (2017-2021).

- Single-family detached units are the dominate housing type for owner-occupied units in the City of St. Louis Park (78.8%), Hennepin County (79.9%), and Minnesota (85.3%).
- Nearly 12% of St. Louis Park rentals are either single family or condo/townhome rentals.
- Structures with 50 or more units made of up the largest share of renter-occupied units in the City of St. Louis Park (41.6%), Hennepin County (35.8%), and the State of Minnesota (24.2%).
- Single-family units account for about 49% of all unit types in St. Louis Park, 54.0% of all unit types in Hennepin County, and 66.7% of all unit types in Minnesota. However, St. Louis Park has a relatively low amount of single-family rental units at 7.3% compared to the State of Minnesota at 19.2%. Single-family rental housing demand is on the rise as home prices continue to increase, due largely to rising home values and higher mortgage rates of the past year. Other Twin Cities ex-urban communities are now building purpose-built single-family rental housing.
- Rental properties with 50 or more units accounted for 41.6% of rental units and buildings in the City, 20.0% of rental units with 20 to 49 units in the City, and 17.6% of rental units with 10 to 19 units in the City.





## HOUSING CHARACTERISTICS

**TABLE HC-4**  
**HOUSING UNITS BY STRUCTURE & TENURE**  
**ST LOUIS PARK MARKET AREA**  
**2021**

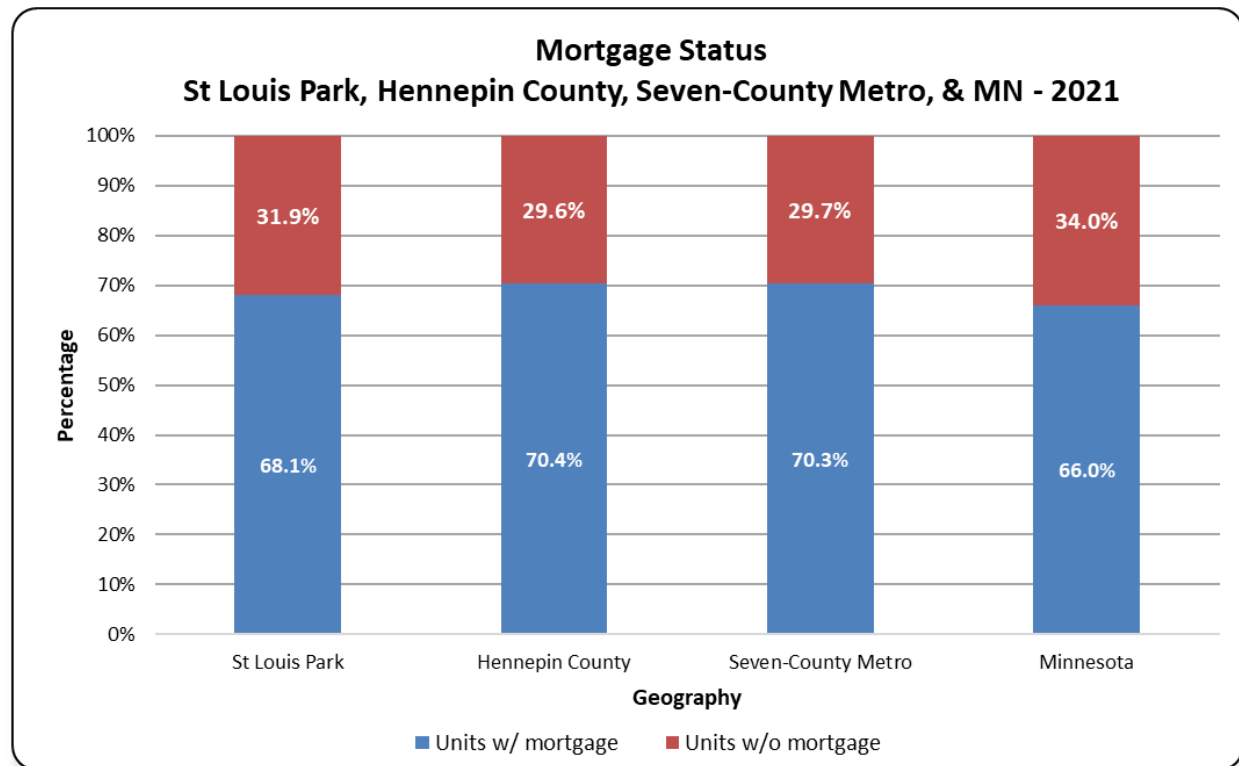
Units in Structure	St Louis Park				Hennepin County				Minnesota			
	Owner-		Renter-		Owner-		Renter-		Owner-		Renter-	
	Occupied	Pct.	Occupied	Pct.	Occupied	Pct.	Occupied	Pct.	Occupied	Pct.	Occupied	Pct.
1, detached	11,057	78.8%	737	7.3%	256,853	79.9%	20,721	10.8%	1,354,781	85.3%	118,680	19.2%
1, attached	971	6.9%	429	4.2%	32,007	10.0%	13,412	7.0%	123,436	7.8%	51,192	8.3%
2	62	0.4%	225	2.2%	4,917	1.5%	12,409	6.4%	10,569	0.7%	35,210	5.7%
3 to 4	50	0.4%	155	1.5%	2,683	0.8%	8,765	4.6%	8,157	0.5%	37,269	6.0%
5 to 9	387	2.8%	520	5.1%	2,937	0.9%	10,257	5.3%	7,180	0.5%	41,203	6.7%
10 to 19	127	0.9%	1,778	17.6%	2,654	0.8%	23,444	12.2%	4,489	0.3%	71,193	11.5%
20 to 49	423	3.0%	2,019	20.0%	5,182	1.6%	33,979	17.6%	10,184	0.6%	105,093	17.0%
50 or more	948	6.8%	4,203	41.6%	12,884	4.0%	68,997	35.8%	20,998	1.3%	149,772	24.2%
Mobile home	0	0.0%	37	0.4%	1,143	0.4%	485	0.3%	48,404	3.0%	9,357	1.5%
Boat, RV, van, etc.	0	0.0%	7	0.1%	54	0.0%	109	0.1%	413	0.0%	408	0.1%
<b>Total</b>	<b>14,025</b>	<b>100%</b>	<b>10,110</b>	<b>100%</b>	<b>321,314</b>	<b>100%</b>	<b>192,578</b>	<b>100%</b>	<b>1,588,611</b>	<b>100%</b>	<b>619,377</b>	<b>100%</b>

Sources: U.S. Census Bureau - American Community Survey & Maxfield Research and Consulting LLC.

### Owner-Occupied Housing Units by Mortgage Status

Table HC-5 shows mortgage status from the American Community Survey for 2021 (5-Year estimates). Mortgage status provides information on the cost of homeownership when analyzed in conjunction with mortgage payment data. A mortgage refers to all forms of debt where the property is pledged as security for repayment of debt. A first mortgage has priority claim over any other mortgage or if it is the only mortgage. A second (and sometimes third) mortgage is called a "junior mortgage," a home equity line of credit (HELOC) would also fall into this category. Finally, a housing unit without a mortgage is owned free and clear and is debt free.

- In St. Louis Park, 68.1% of homes have a mortgage while 31.9% own their homes without a mortgage. Thus, the percentage of housing units in St. Louis Park owned without a mortgage is less than the State of Minnesota (34.0% but higher than the Metro Area (29.7%).
- Of homes with a mortgage in St. Louis Park, 8.7% had an additional second mortgage, home equity loan, or both. In comparison, 9.8% of homes throughout the State of Minnesota had a second mortgage, home equity loan, or both.
- Housing units with a mortgage reported a higher median value than those without a mortgage. The median value of housing units with a mortgage was \$312,900 in St. Louis Park compared to \$299,000 for homes without a mortgage. Compared to St. Louis Park, homes with mortgages had a median value of \$315,400 in Hennepin County, \$302,988 in the Metro Area, and \$260,500 in Minnesota. Homes without a mortgage had a median value of \$315,400 in Hennepin County, \$302,988 in the Metro, and \$260,500 in Minnesota.



**TABLE HC-5**  
**OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS**  
**ST LOUIS PARK MARKET AREA**  
**2021**

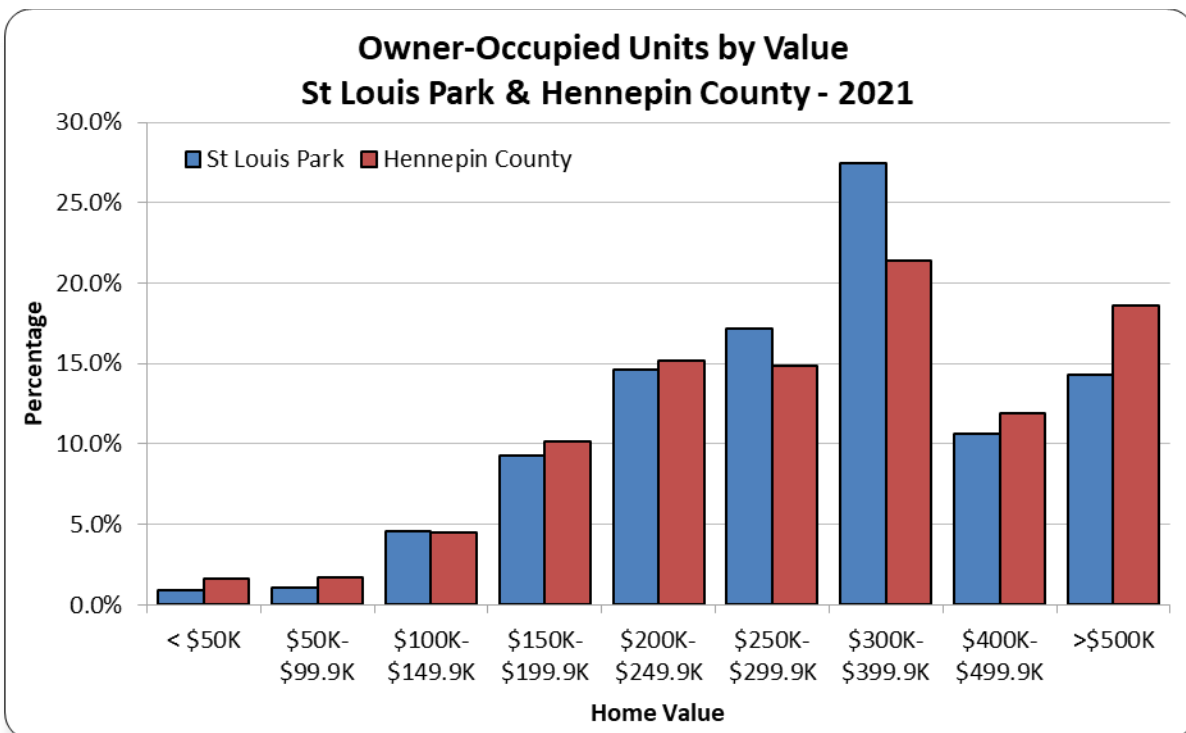
Mortgage Status	St Louis Park		Hennepin County		Seven County Metro		State of MN
	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Housing units without a mortgage	4,473	31.9%	97,647	29.6%	252,031	29.7%	34.0%
Housing units with a mortgage/debt	9,552	68.1%	232,639	70.4%	596,748	70.3%	66.0%
<i>Second mortgage only</i>	262	1.9%	7,569	2.3%	20,610	2.4%	2.3%
<i>Home equity loan only</i>	908	6.5%	26,168	7.9%	67,304	7.9%	7.2%
<i>Both second mortgage and equity loan</i>	49	0.3%	938	0.3%	2,322	0.3%	0.3%
<i>No second mortgage or equity loan</i>	8,256	58.9%	195,501	59.2%	500,683	59.0%	55.8%
<b>Total</b>	<b>14,025</b>	<b>100.0%</b>	<b>330,286</b>	<b>100.0%</b>	<b>848,779</b>	<b>100.0%</b>	<b>99.7%</b>
<b>Median Value by Mortgage Status</b>							
Housing units with a mortgage	\$312,900		\$315,400		\$302,988		\$260,500
Housing units without a mortgage	\$299,000		\$295,700		\$278,622		\$230,400

Sources: U.S. Census Bureau - American Community Survey & Maxfield Research and Consulting LLC.

## Owner-Occupied Housing Units by Value

Table HC-6 presents data on housing values summarized by nine price ranges. Housing value refers to the estimated price point the property would sell if the property were for sale. For single-family and townhome properties, value includes both the land and the structure. For condominium units, value refers to only the unit.

- The median owner-occupied home value in St. Louis Park (\$308,800) was slightly lower (0.1%) than the median home value in Hennepin County (\$309,200) in 2021. However, in comparison, the median owner-occupied home value in St. Louis Park was 3.9% higher than in the Metro Area and 23.4% greater than the State of Minnesota.
- In St. Louis Park, homes valued between \$300,000 and \$399,999 made up the largest proportion of homes, accounting for 27.5% of owner-occupied units. Another 17.2% of owner-occupied units were valued between \$200,000 and \$249,999.
- The largest proportion of owner-occupied homes in Hennepin County were priced between \$300,000 and \$399,999 (21.4%) followed by greater than \$500,000 (18.6%). The Metro Area's two largest categories of owner-occupied homes were between \$300,000 and \$399,999 (22.1%) followed by \$200,000 to \$249,999 (16.2%) while the two largest proportions in Minnesota were also between \$300,000 and \$399,999 (22.1%) and greater than \$500,000 (13.8%).



**TABLE HC-6**  
**OWNER-OCCUPIED UNITS BY VALUE**  
**ST LOUIS PARK MARKET AREA**  
**2021**

Home Value	St Louis Park		Hennepin County		Seven County Metro		State of MN
	No.	Pct.	No.	Pct.	No.	Pct.	Pct.
Less than \$50,000	123	0.9%	5,243	1.6%	21,773	2.6%	4.9%
\$50,000-\$99,999	148	1.1%	5,662	1.7%	14,112	1.7%	4.7%
\$100,000-\$149,999	637	4.5%	14,936	4.5%	37,967	4.5%	7.1%
\$150,000-\$199,999	1,300	9.3%	33,579	10.2%	97,413	11.5%	10.5%
\$200,000-\$249,999	2,055	14.7%	50,205	15.2%	137,491	16.2%	13.2%
\$250,000-\$299,999	2,411	17.2%	49,035	14.8%	133,114	15.7%	13.7%
\$300,000-\$399,999	3,855	27.5%	70,722	21.4%	187,957	22.1%	20.6%
\$400,000-\$499,999	1,493	10.6%	39,437	11.9%	98,777	11.6%	11.6%
Greater than \$500,000	2,003	14.3%	61,467	18.6%	120,175	14.2%	13.8%
Total	14,025	100.0%	330,286	100.0%	848,779	100.0%	100.0%
Median Home Value	\$308,800		\$309,200		\$297,239		\$250,200
Sources: U.S. Census Bureau - American Community Survey & Maxfield Research and Consulting LLC.							

## Renter-Occupied Units by Contract Rent

Table HC-7 presents information on the monthly housing costs for renters called contract rent (also known as asking rent) as sourced from the U.S. Census ACS. Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included.

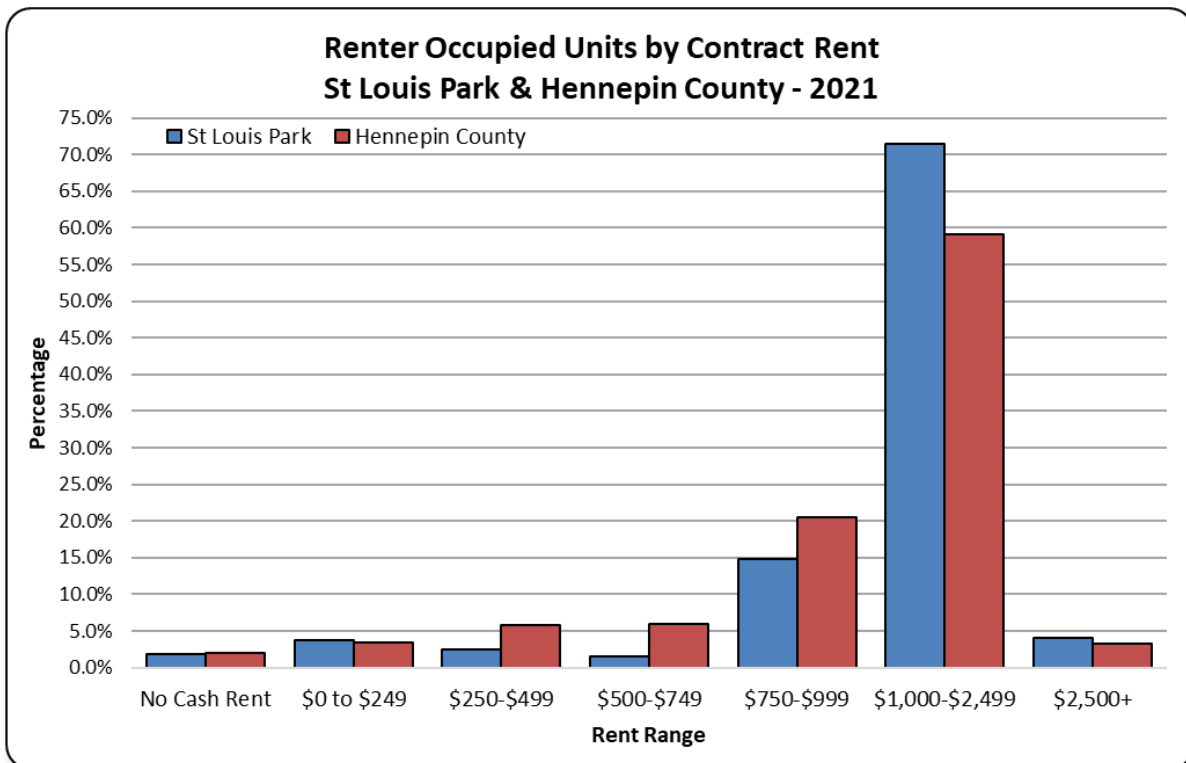
- St. Louis Park residents were most likely to pay between \$1,000 and \$2,499 in monthly rent, with an estimated 71.4% of renter occupied units reporting rents in this range. Reflecting the high rents in the City another 4.0% of renter occupied units paid \$2,500 in monthly rent or more. Therefore, over three-quarters (75.4%) of renter occupied units paid \$1,000 or more in monthly rent. In comparison, owner households in St Louis Park had a median monthly housing cost of \$1,876 (\$1,935 in Hennepin County).
- Compared to St. Louis Park, residents in Hennepin County, the Metro Area, and Minnesota were less likely than St. Louis Park to pay \$1,000 or more in monthly rent. The percentages of those paying \$1,000 or more were the following: 62.3% in Hennepin County, 60.4% in the Metro Area, and 45.4% in the State of Minnesota.
- The median rent in St. Louis Park was estimated at \$1,271 in 2021, 3.8% higher than in Hennepin County (\$1,225), 7.6% higher than in the Metro Area, and 25.7% higher than in Minnesota.

## HOUSING CHARACTERISTICS

- Housing units without payment of rent (“no cash rent”) make up 1.9% of St. Louis Park renters. The proportion was the same in Hennepin County (1.9%) but less than that in the Metro Area (2.3%), and Minnesota (4.1%). Typically, units may be owned by a relative or friend who lives elsewhere whom allow occupancy without charge. Other sources may include caretakers or ministers who may occupy a residence without charge.

<b>Contract Rent</b>	<b>St Louis Park</b>		<b>Hennepin County</b>		<b>Seven County Metro</b>		<b>State of MN</b>
	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>Pct.</b>
No Cash Rent	189	1.9%	3,750	1.9%	8,799	2.3%	4.1%
Cash Rent	9,921	98.1%	189,492	98.1%	370,209	97.7%	95.9%
\$0 to \$249	380	3.8%	6,556	3.4%	12,344	3.3%	4.4%
\$250-\$499	255	2.5%	11,216	5.8%	21,481	5.7%	9.7%
\$500-\$749	156	1.5%	11,608	6.0%	25,129	6.6%	14.7%
\$750-\$999	1,501	14.8%	39,700	20.5%	82,157	21.7%	21.8%
\$1,000-\$2,499	7,222	71.4%	114,279	59.1%	219,285	57.9%	43.4%
\$2,500+	407	4.0%	6,133	3.2%	9,813	2.6%	2.0%
<b>Total</b>	<b>10,110</b>	<b>100.0%</b>	<b>193,242</b>	<b>100.0%</b>	<b>379,008</b>	<b>100.0%</b>	<b>100.0%</b>
Median Contract Rent	\$1,271		\$1,224		\$1,182		\$1,011

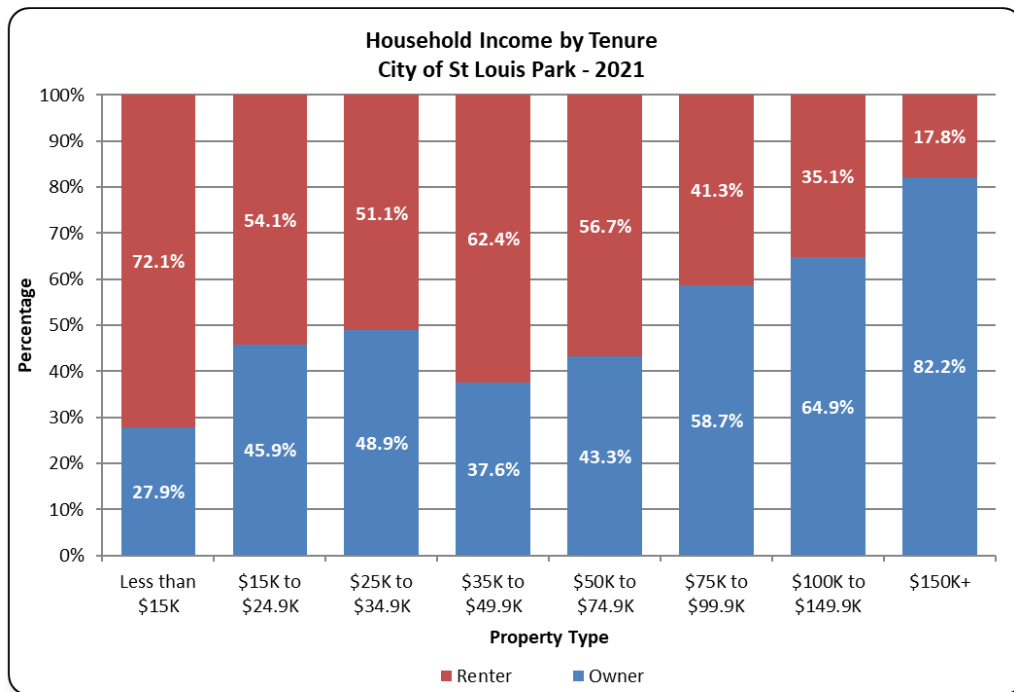
Sources: U.S. Census Bureau - American Community Survey & Maxfield Research and Consulting LLC.



## Tenure by Household Income

Table HC-8 presents information on tenure by household incomes in the PMA. Data was obtained through the American Community Survey for years 2017-2021.

- Larger communities attract development of rental properties due to the services offered and employment opportunities. St. Louis Park and its proximity to Minneapolis, St Paul, Bloomington, Interstate 394, U.S. Highway 169, and Minnesota State Highway 100 make the City a desirable location for renters. The City is estimated to have 41.9% renter-occupied households and 58.1% owner-occupied. By comparison Hennepin County is estimated to have 36.9% renter-occupied households and 63.1% owner-occupied households while the Metro Area is estimated to have 30.9% renter households and 69.1% owner households.
- Lower income householders are more likely to be renters. This is evident in St. Louis Park as an estimated 72.1% of households earning less than \$15,000 and 54.1% households earning between \$15,000 to \$24,999 live in renter-occupied units in 2021.
- As incomes rise, the proportion of owner-occupied units increases. In St. Louis Park, when incomes reached between \$75,000 to \$99,999, more owner households were reported (58.7%) than renter households (41.3%) in 2021.



- A portion of renter households are referred to as lifestyle renters, those who are financially able to own a home but choose to rent. Lifestyle renters typically have household incomes above \$60,000 (\$1,500 in monthly housing expenses). An estimated 53.8% of renter-occupied household have incomes of \$60,000 or greater in St. Louis Park.



## HOUSING CHARACTERISTICS

- The median income of renter households was 41.5% less than the median income owner households in St. Louis Park. In 2021, owner-occupied households in St. Louis Park reported a median income of \$111,272 compared to \$65,118 among renter-occupied households.

Income	City of St Louis Park				Hennepin County				Seven County Metro			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than \$15,000	379	27.9%	980	72.1%	10,603	27.6%	27,775	72.4%	23,533	31.0%	52,452	69.0%
\$15,000 to \$24,999	512	45.9%	604	54.1%	9,514	33.1%	19,262	66.9%	23,728	37.3%	39,917	62.7%
\$25,000 to \$34,999	622	48.9%	649	51.1%	12,609	38.8%	19,904	61.2%	33,942	45.2%	41,090	54.8%
\$35,000 to \$49,999	904	37.6%	1,498	62.4%	23,491	46.5%	27,069	53.5%	61,394	51.6%	57,647	48.4%
\$50,000 to \$74,999	1,796	43.3%	2,355	56.7%	45,120	55.0%	36,845	45.0%	121,033	62.2%	73,630	37.8%
\$75,000 to \$99,999	2,053	58.7%	1,444	41.3%	42,195	63.5%	24,305	36.5%	117,189	71.0%	47,913	29.0%
\$100,000 to \$149,999	2,771	64.9%	1,501	35.1%	71,643	75.1%	23,723	24.9%	197,450	82.4%	42,211	17.6%
\$150,000+	4,988	82.2%	1,079	17.8%	115,111	88.9%	14,359	11.1%	270,616	91.8%	24,155	8.2%
<b>Total</b>	<b>14,025</b>	<b>58.1%</b>	<b>10,110</b>	<b>41.9%</b>	<b>330,286</b>	<b>63.1%</b>	<b>193,242</b>	<b>36.9%</b>	<b>848,885</b>	<b>69.1%</b>	<b>379,015</b>	<b>30.9%</b>
<b>Median Household Income</b>	<b>\$111,272</b>		<b>\$65,118</b>		<b>\$113,159</b>		<b>\$51,517</b>		<b>\$110,016</b>		<b>\$49,830</b>	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research and Consulting LLC.

## Mobility in the Past Year

Table HC-9 shows the mobility patterns of PMA residents. The information reflects the proportion of residents that reported a move within the last year at the time the ACS survey was conducted. The table presents the estimates of mobility within the last year based on five years of data collection, 2017-2021.

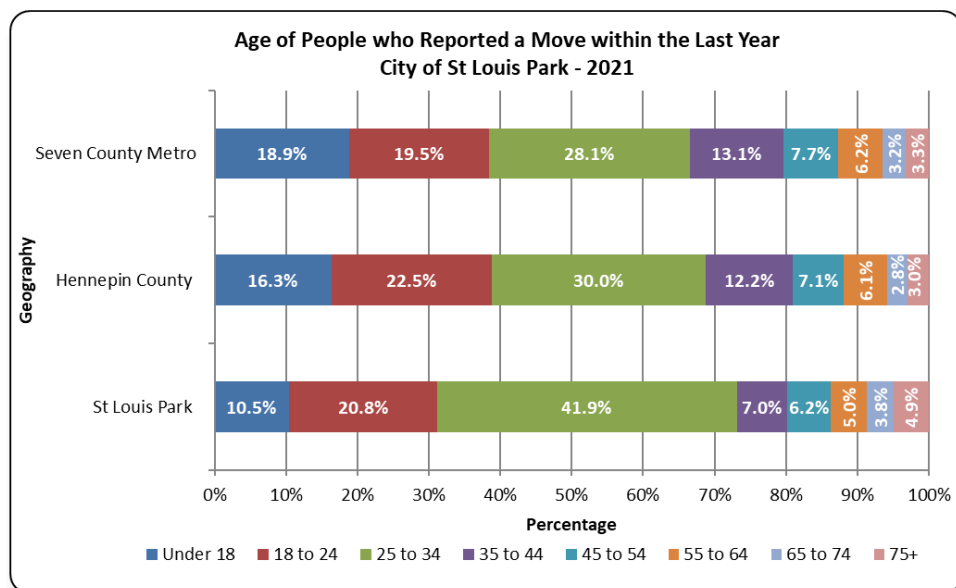
- The majority of St. Louis Park residents (81.2%) did not move during the last year. In Hennepin County (83.6%) of its residents did not move in the last year while 85.9% of Metro Area residents did not move.
- Among St. Louis Park residents that moved, they were most likely to move within their same county (11.7%) followed by a move from a different county within Minnesota (3.2%). Those moving from a different state represented 3.6% while those moving from abroad represented 0.3%.
- The age group most likely to move were between the ages of 25 and 34 as an estimated 59.2% moved within the past year followed by those ages of 18 to 24 at 31.1%. Those 25 to 34 may consider moving to further out suburbs as they begin families.
- Mobility experiences a slight uptick in each geography among those over age 75. This likely reflects a need, or desire to, downsize homes among retirees. This cohort may move to smaller homes, a senior living facility or to another community to be closer to family.

## HOUSING CHARACTERISTICS

**TABLE HC-9**  
**MOBILITY IN THE PAST YEAR BY AGE FOR CURRENT RESIDENCE**  
**ST LOUIS PARK MARKET AREA**  
**2021**

Age	Not Moved		Moved							
	Same House		Within Same County		Different County		Different State		Abroad	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
St Louis Park										
Under 18	6,994	87.9%	664	8.3%	124	1.6%	157	2.0%	18	0.2%
18 to 24	1,317	40.8%	852	26.4%	565	17.5%	430	13.3%	63	2.0%
25 to 34	8,530	68.9%	2,529	20.4%	618	5.0%	691	5.6%	18	0.1%
35 to 44	6,122	90.4%	342	5.1%	99	1.5%	198	2.9%	8	0.1%
45 to 54	4,228	88.1%	382	8.0%	19	0.4%	108	2.3%	60	1.3%
55 to 64	5,118	91.8%	328	5.9%	65	1.2%	64	1.1%	0	0.0%
65 to 74	4,062	92.1%	297	6.7%	20	0.5%	32	0.7%	0	0.0%
75+	3,328	88.0%	324	8.6%	69	1.8%	60	1.6%	0	0.0%
Total	39,699	81.2%	5,718	11.7%	1,579	3.2%	1,740	3.6%	167	0.3%
Hennepin County										
Under 18	231,180	87.3%	21,731	8.2%	6,489	2.5%	4,420	1.7%	932	0.4%
18 to 24	60,331	56.7%	22,884	21.5%	12,999	12.2%	8,361	7.9%	1,916	1.8%
25 to 34	149,051	70.7%	37,670	17.9%	12,164	5.8%	9,869	4.7%	1,986	0.9%
35 to 44	153,651	86.0%	15,873	8.9%	4,104	2.3%	4,068	2.3%	988	0.6%
45 to 54	138,909	90.5%	9,025	5.9%	3,102	2.0%	1,858	1.2%	534	0.3%
55 to 64	148,325	92.2%	7,909	4.9%	2,660	1.7%	1,496	0.9%	506	0.3%
65 to 74	103,440	94.7%	4,051	3.7%	742	0.7%	782	0.7%	179	0.2%
75+	64,482	91.2%	4,313	6.1%	721	1.0%	721	1.0%	452	0.6%
Total	1,049,369	83.6%	123,456	9.8%	42,981	3.4%	31,575	2.5%	7,493	0.6%
Seven County Metro										
Under 18	616,668	88.2%	46,942	6.7%	23,241	3.3%	9,414	1.3%	2,657	0.4%
18 to 24	176,674	67.5%	36,762	14.0%	30,028	11.5%	15,236	5.8%	3,079	1.2%
25 to 34	340,411	73.6%	60,323	13.0%	40,477	8.7%	18,107	3.9%	3,503	0.8%
35 to 44	375,406	86.8%	30,820	7.1%	16,834	3.9%	7,908	1.8%	1,594	0.4%
45 to 54	359,613	91.5%	18,121	4.6%	10,484	2.7%	3,731	0.9%	1,130	0.3%
55 to 64	380,380	93.3%	14,574	3.6%	8,506	2.1%	3,107	0.8%	911	0.2%
65 to 74	256,779	94.9%	7,632	2.8%	3,995	1.5%	1,725	0.6%	527	0.2%
75+	157,669	91.7%	8,113	4.7%	3,851	2.2%	1,524	0.9%	699	0.4%
Total	2,663,600	85.9%	223,287	7.2%	137,416	4.4%	60,752	2.0%	14,100	0.5%

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research and Consulting, LLC.



### Introduction

Employment characteristics are important components in assessing housing needs in any given Market Area. These trends are important to consider since employment growth often fuels household growth. Typically, households prefer to live near work for convenience, which is a primary factor in choosing a housing location. This preference is particularly true among renters. Young adults entering the workforce, a primary target market for rental housing, often place excellent value on living near employment, education, shopping, and entertainment. Many households commute greater distances to work provided their housing is affordable enough to offset the additional transportation costs.

Although employment growth often parallels population growth, it is tied more strongly to transportation access. Cities with interstate access and intra- and inter-metro transportation connections attract more businesses and post higher employment gains.

### Employment Growth and Projections

Table E-1 on the following page shows employment growth trends and projections from 2000 to 2030 based on the latest information available from the Minnesota Department of Employment and Economic Development (MN DEED). Data for 2000, 2005, 2010, 2015, 2020 and 2021 represents the annual average employment for that year. Data for 2025 and 2030 was based off historic and projected population from MN DEED with adjustments by Maxfield Research.

- Between 2000 and 2010, St. Louis Park and Hennepin County experienced employment declines of 18.0% and 8.1%, respectively. This was largely a product of the Great Recession. By comparison, the Seven County Metro and State of Minnesota also saw a decline in employment. The Metro declined by 4.0% while Minnesota declined by 1.7%.
- St. Louis Park accounted for 5.7% of the jobs in Hennepin County and 3.1% of jobs in the Seven County Metro in 2000 decreasing to 5.1% of the jobs in Hennepin County and 2.7% of the jobs in the Metro by 2010. In 2020, St. Louis Park's percentage of jobs in Hennepin County and the Metro decreased to 4.2% and 2.2%, respectively. By 2030 St. Louis Park is projected to make up 3.6% of jobs in Hennepin County and 2.0% of jobs in the Metro.
- Between 2010 and 2020, St. Louis Park lost 4,232 jobs (10.4%) while Hennepin County gained 59,194 jobs (7.4%). During those ten years the number of jobs also increased in the Metro (107,013 jobs, 12.0%) and the State of Minnesota (140,806, 5.5%). Note, the effects of the COVID-19 Pandemic on the workforce, in 2020, should keep one from reading too much into long term trends observed in this data.

## EMPLOYMENT TRENDS

- Due to the COVID-19 pandemic, between 2019 and 2020, St. Louis Park experienced a significant decline in jobs, losing 3,197 jobs (8.0%) while Hennepin County lost 74,841 jobs (8.0%). The Metro Area and the State of Minnesota also experienced declines of 131,485 jobs (7.4%) and 197,435 jobs (6.8%) respectively.

<b>TABLE E-1</b> <b>EMPLOYMENT GROWTH TRENDS AND PROJECTIONS</b> <b>ST LOUIS PARK, HENNEPIN COUNTY, SEVEN COUNTY METRO, &amp; MINNESOTA</b> <b>2000 to 2030</b>									
<b>Annual Employment</b>	<b>City of St Louis Park</b>		<b>Hennepin County</b>		<b>Seven County Metro</b>		<b>Minnesota</b>		
<b>2000</b>	49,734		874,882		1,600,741		2,608,844		
<b>2005</b>	39,386		833,720		1,593,962		2,637,323		
<b>2010</b>	40,779		803,733		1,537,041		2,563,391		
<b>2015</b>	41,441		883,511		1,675,292		2,774,426		
<b>2020</b>	36,547		862,927		1,644,054		2,704,197		
<b>2021</b>	37,066		879,028		1,676,409		2,759,918		
<b>2022</b>	38,227		901,056		1,722,741		2,835,754		
<b>2025 Forecast</b>	<b>38,112</b>		<b>949,839</b>		<b>1,776,268</b>		<b>2,970,267</b>		
<b>2030 Forecast</b>	<b>37,920</b>		<b>1,031,144</b>		<b>1,865,480</b>		<b>3,194,455</b>		
<b>Change</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	
<b>2000 - 2010</b>	-8,955	-18.0%	-71,149	-8.1%	-63,700	-4.0%	-45,453	-1.7%	
<b>2010 - 2020</b>	-4,232	-10.4%	59,194	7.4%	107,013	7.0%	140,806	5.5%	
<b>2020 - 2030</b>	<b>1,373</b>	<b>3.6%</b>	<b>168,217</b>	<b>18.7%</b>	<b>221,426</b>	<b>12.9%</b>	<b>490,258</b>	<b>17.3%</b>	

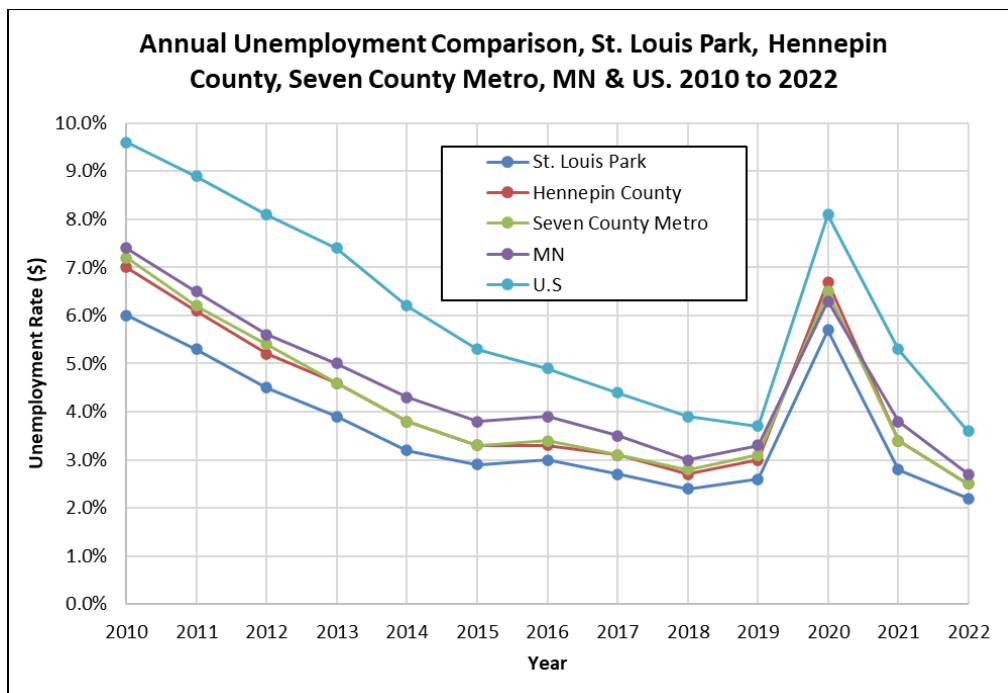
Sources: MN DEED; & Maxfield Research and Consulting, LLC.

- Recovery of jobs from the pandemic shut down occurred from 2020 to 2022 as St. Louis Park employment grew by 1,680 jobs (4.6%) while Hennepin County grew by 38,129 jobs (4.4%). The Seven County Metro grew by 78,687 jobs (4.8%) and the State of Minnesota grew by 131,557 jobs (4.9%).
- As the pandemic has subsided into an endemic, jobs in St. Louis Park increased by 1,161 between 2021 and 2022. While jobs are expected to decline slightly between 2022 and 2030 (307 jobs), employment is expected to remain relative stable. In contrast, growth is expected in the other three geographies. Hennepin County is projected to increase by 130,088, the Seven County Metro is projected to increase by 142,739, and the State of Minnesota is projected to increase by 358,701 jobs. Please note that these numbers do not account for the potential recession that is currently threatening the country at the time of this survey.

## Resident Labor Force

Table E-2, on the following page, presents resident employment data for the City of St. Louis Park from 2010 through 2022. Resident employment data is calculated as an annual average *and reveals the work force and number of employed persons living in the County*. It is important to note that not all of these individuals necessarily work in St. Louis Park. The data is obtained from the Minnesota Department of Economic Development (MN DEED). Data is also provided for 2010, 2015, 2020, 2021, and 2022 for Hennepin County, the Seven County Metro, Minnesota, and the US.

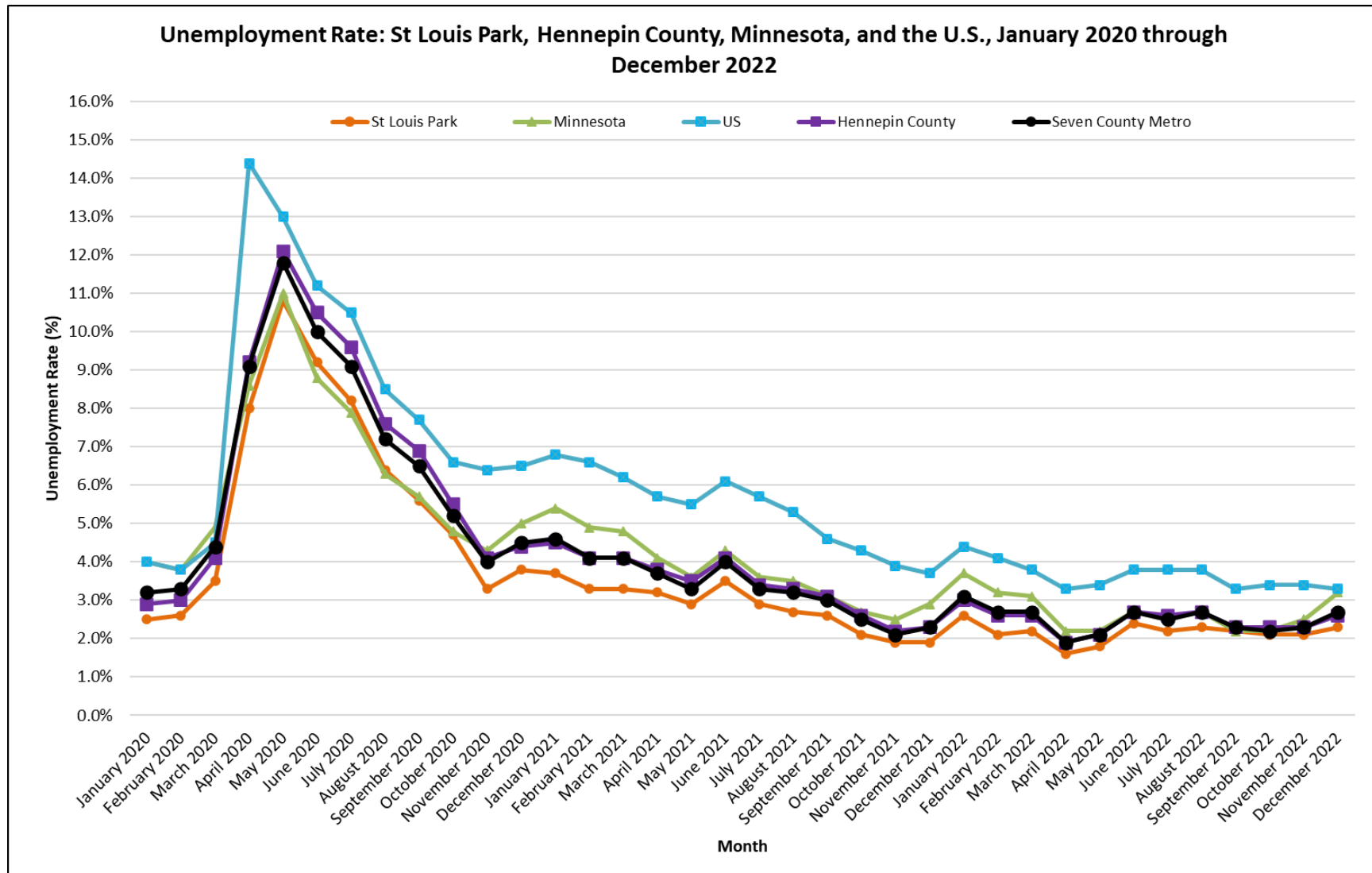
- In 2022, St. Louis Park had a labor force of 30,269 with 29,615 employed residents, which equates to a 2.2% unemployment rate. By comparison, 2022 unemployment rates were 2.5% in Hennepin County, 2.5% in the Seven County Metro, 2.7% in the State of Minnesota, and 3.6% in Nationally.
- St. Louis Park's unemployment rate has been lower than in Hennepin County, the Seven County Metro, Minnesota, and the US every year between 2010 and 2022. The City's average unemployment rate during that time frame has been 3.6%.
- The chart below illustrates how unemployment in St. Louis Park has mirrored national trends but has remained well below the national rate throughout the past twelve years.



<b>TABLE E-2</b> <b>ANNUAL AVERAGE RESIDENT EMPLOYMENT</b> <b>CITY OF ST LOUIS PARK, HENNEPIN COUNTY, SEVEN COUNTY METRO AREA, MN, &amp; US</b> <b>2010 to 2022</b>				
<b>Year</b>	<b>Labor Force</b>	<b>Employed</b>	<b>Unemployed</b>	<b>Rate</b>
<b>City of St Louis Park</b>				
2010	28,345	26,636	1,709	6.0%
2011	28,543	27,041	1,502	5.3%
2012	28,725	27,446	1,279	4.5%
2013	29,324	28,190	1,134	3.9%
2014	29,269	28,321	948	3.2%
2015	29,554	28,683	871	2.9%
2016	29,879	28,989	890	3.0%
2017	30,690	29,869	821	2.7%
2018	30,726	30,001	725	2.4%
2019	30,761	29,948	813	2.6%
2020	30,558	28,812	1,746	5.7%
2021	29,744	28,904	840	2.8%
2022	30,269	29,615	654	2.2%
<b>Change 2010-2022</b>				
<b>Number</b>	1,924	2,979	-1,055	--
<b>Percent</b>	6.8%	11.2%	-61.7%	--
<b>Hennepin County</b>				
2010	650,891	605,294	45,597	7.0%
2015	676,722	654,583	22,139	3.3%
2020	715,240	667,542	47,698	6.7%
2021	693,393	669,687	23,706	3.4%
2022	703,573	686,159	17,414	2.5%
<b>Seven County Metro Area</b>				
2010	1,593,385	1,479,385	114,000	7.2%
2015	1,649,759	1,594,798	54,961	3.3%
2020	1,742,842	1,629,444	113,398	6.5%
2021	1,690,504	1,633,867	56,637	3.4%
2022	1,717,199	1,674,601	42,598	2.5%
<b>Minnesota</b>				
2010	2,940,816	2,723,025	217,791	7.4%
2015	3,005,413	2,891,672	113,740	3.8%
2020	3,122,980	2,925,514	197,465	6.3%
2021	3,021,360	2,918,393	102,967	3.4%
2022	3,077,500	2,994,919	82,580	2.7%
<b>US</b>				
2010	153,888,583	139,063,916	14,824,750	9.6%
2015	157,129,916	148,833,416	8,296,333	5.3%
2020	160,742,333	147,794,750	12,947,583	8.1%
2021	161,203,916	152,580,666	8,623,250	5.3%
2022	164,287,166	158,291,083	5,996,000	3.6%
Note data is not seasonally adjusted.				
Sources: MN DEED, Maxfield Research and Consulting LLC.				

- St. Louis Park began the 2010s with a high unemployment rate of 6%, reached a low of 2.4% in 2018, before peaking again at 5.7% in 2020. It is important to note that the steep rise in unemployment in 2020 was a result the COVID-19 pandemic and its related shutdowns and layoffs. The unemployment rate has since decreased rapidly down to 2.2% through 2022.





## EMPLOYMENT TRENDS

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- The chart on the following page provides a month by month unemployment rate comparison for St. Louis Park, Hennepin County, the Seven County Metro, the State of Minnesota, and the US from January 2020 before the pandemic hit the US through December 2022.
- The chart shows that after the initial shut down due to the emerging pandemic, the resulting high unemployment rates throughout the country declined after the Spring and early Summer of 2020.
- Another uptick in unemployment occurred in between November and December of 2020 when the unemployment in St. Louis Park jumped from 3.3% to 3.8%. Since December 2020, the unemployment rate has fluctuated but has declined overall to 2.3% as of December 2022

### Covered Employment by Industry

Table E-3 presents covered employment workforce numbers for St. Louis Park, Hennepin County, and the Seven County Metro for 2000, 2005, 2010, 2015, 2020, and 2022. Covered employment data is calculated as an annual average and *reveals the number of jobs in the designated area*, which are covered by unemployment insurance. Many temporary workforce positions, agricultural, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. The data is sourced from the Minnesota Department of Employment and Economic Development. The following are key trends derived from the employment data:

- The Education and Health Services industry accounted for the largest share of employment in St. Louis Park, with 12,705 employees accounting for over a third of employment (33.2%) in 2022. The Education and Health Services industry is followed by the Professional and Business Services sector with 6,531 employees (17.1% of 2022 employment) and the Trade, Transportation, and Utilities sector with 5,819 employees (15.2% of 2022 employment)
- Between 2010 and 2022 the Education and Health Services industry experienced the largest numeric growth in St. Louis Park adding 720 employees, a 6.0% increase.
- The Public Information sector experienced the largest percentage increase in St. Louis Park between 2010 and 2022, growing 20.3% (70 employees).
- Between 2010 and 2022 St. Louis Park's Professional and Business Services industry reported the largest numeric decline in employment, decreasing by 2,871 employees (-30.5%). During the same 12 years the Other Services industry experienced the largest percentage decrease in St. Louis Park (-39.4% | - 597 jobs).

## EMPLOYMENT TRENDS

TABLE E-3 COVERED EMPLOYMENT TRENDS CITY OF ST LOUIS PARK, HENNEPIN COUNTY, & SEVEN COUNTY METRO 2000, 2005, 2010, 2015, 2020, 2022														
City of St Louis Park							Change		Percentage Of Total Employment					
Industry	2000	2005	2010	2015	2020	2022	No.	Pct.	2000	2005	2010	2015	2020	2022
Natural Resources & Mining	NA	NA	NA	NA	NA	NA	--	--	--	--	--	--	--	--
Construction	NA	2,150	NA	NA	1,909	NA	--	--	--	5.5%	--	--	5.2%	--
Manufacturing	3,470	3,455	2,449	2,729	NA	NA	--	--	8.5%	8.8%	6.0%	6.6%	--	--
Trade, Transportation, and Utilities	8,531	6,386	6,841	5,783	6,083	5,819	-1,022	-14.9%	20.9%	16.2%	16.8%	14.0%	16.6%	15.2%
Information	963	NA	NA	661	676	628	--	--	2.4%	--	--	1.6%	1.8%	1.6%
Financial Activities	4,182	4,404	3,963	4,355	4,186	4,373	410	10.3%	10.3%	11.2%	9.7%	10.5%	11.5%	11.4%
Professional and Business Services	8,697	7,904	9,402	9,721	5,585	6,531	-2,871	-30.5%	21.4%	20.1%	23.1%	23.5%	15.3%	17.1%
Education and Health Services	8,558	10,525	11,985	11,577	12,712	12,705	720	6.0%	21.0%	26.7%	29.4%	27.9%	34.8%	33.2%
Leisure and Hospitality	2,864	2,808	2,833	3,210	2,495	3,304	471	16.6%	7.0%	7.1%	6.9%	7.7%	6.8%	8.6%
Other Services	1,105	935	1,514	1,558	910	917	-597	-39.4%	2.7%	2.4%	3.7%	3.8%	2.5%	2.4%
Public Administration	348	340	344	358	350	414	70	20.3%	0.9%	0.9%	0.8%	0.9%	1.0%	1.1%
Totals	40,734	39,386	40,779	41,441	36,547	38,227	-2,552	-6.3%						
Hennepin County							Change		Percentage Of Total Employment					
Industry	2000	2005	2010	2015	2020	2022	No.	Pct.	2000	2005	2010	2015	2020	2022
Natural Resources & Mining	731	714	815	942	984	1,103	--	--	0.1%	0.1%	0.1%	0.1%	0.1%	0.1%
Construction	34,201	31,871	20,619	26,891	31,480	32,672	--	--	3.9%	3.8%	2.6%	3.0%	3.6%	3.6%
Manufacturing	104,217	86,623	70,978	74,506	72,344	76,245	5,267	7.4%	11.9%	10.4%	8.8%	8.4%	8.4%	8.5%
Trade, Transportation, and Utilities	190,600	173,107	151,837	159,950	143,939	151,137	-700	-0.5%	21.8%	20.8%	18.9%	18.1%	16.7%	16.8%
Information	31,980	NA	21,396	20,783	19,469	18,827	-2,569	-12.0%	3.7%	--	2.7%	2.4%	2.3%	2.1%
Financial Activities	85,299	88,963	85,456	91,970	94,577	90,225	4,769	5.6%	9.7%	10.7%	10.6%	10.4%	11.0%	10.0%
Professional and Business Services	171,622	153,403	160,468	182,569	190,924	199,642	39,174	24.4%	19.6%	18.4%	20.0%	20.7%	22.1%	22.2%
Education and Health Services	135,734	151,626	170,862	192,141	202,647	206,525	35,663	20.9%	15.5%	18.2%	21.3%	21.7%	23.5%	22.9%
Leisure and Hospitality	69,133	72,448	71,851	81,021	58,256	74,627	2,776	3.9%	7.9%	8.7%	8.9%	9.2%	6.8%	8.3%
Other Services	28,269	27,223	25,163	27,355	22,351	24,178	-985	-3.9%	3.2%	3.3%	3.1%	3.1%	2.6%	2.7%
Public Administration	23,095	23,689	24,267	25,380	25,953	25,871	1,604	6.6%	2.6%	2.8%	3.0%	2.9%	3.0%	2.9%
Totals	874,882	833,720	803,733	883,511	862,927	901,056	97,323	12.1%						
Seven County Metro							Change		Percentage Of Total Employment					
Industry	2000	2005	2010	2015	2020	2022	No.	Pct.	2000	2005	2010	2015	2020	2022
Natural Resources & Mining	3,220	3,568	1,537,041	3,427	3,668	4,097	--	--	0.4%	0.4%	191.2%	0.4%	0.4%	0.5%
Construction	75,163	78,475	3,444	66,709	73,128	78,209	--	--	8.6%	9.4%	0.4%	7.6%	8.5%	8.7%
Manufacturing	217,161	186,238	49,972	168,480	166,172	174,159	124,187	248.5%	24.8%	22.3%	6.2%	19.1%	19.3%	19.3%
Trade, Transportation, and Utilities	341,177	327,767	156,570	313,380	302,009	314,884	158,314	101.1%	39.0%	39.3%	19.5%	35.5%	35.0%	34.9%
Information	126,979	NA	294,894	38,798	NA	31,301	-263,593	-89.4%	14.5%	--	36.7%	4.4%	--	3.5%
Financial Activities	NA	137,347	41,010	137,046	140,939	133,073	92,063	224.5%	--	16.5%	5.1%	15.5%	16.3%	14.8%
Professional and Business Services	263,779	244,025	130,997	277,443	283,689	295,917	164,920	125.9%	30.2%	29.3%	16.3%	31.4%	32.9%	32.8%
Education and Health Services	263,963	302,256	250,111	380,336	398,486	409,878	159,767	63.9%	30.2%	36.3%	31.1%	43.0%	46.2%	45.5%
Leisure and Hospitality	138,716	150,712	341,678	164,825	124,780	156,756	-184,922	-54.1%	15.9%	18.1%	42.5%	18.7%	14.5%	17.4%
Other Services	55,632	55,269	148,531	56,000	48,170	53,379	-95,152	-64.1%	6.4%	6.6%	18.5%	6.3%	5.6%	5.9%
Public Administration	NA	63,754	52,359	68,847	70,798	71,086	18,727	35.8%	--	7.6%	6.5%	7.8%	8.2%	7.9%
Totals	1,600,741	1,593,962	1,537,041	1,675,292	1,644,054	1,722,741	185,700	12.1%						
Sources: MN DEED & Maxfield Research and Consulting LLC.														

Sources: MN DEED & Maxfield Research and Consulting LLC.

## EMPLOYMENT TRENDS

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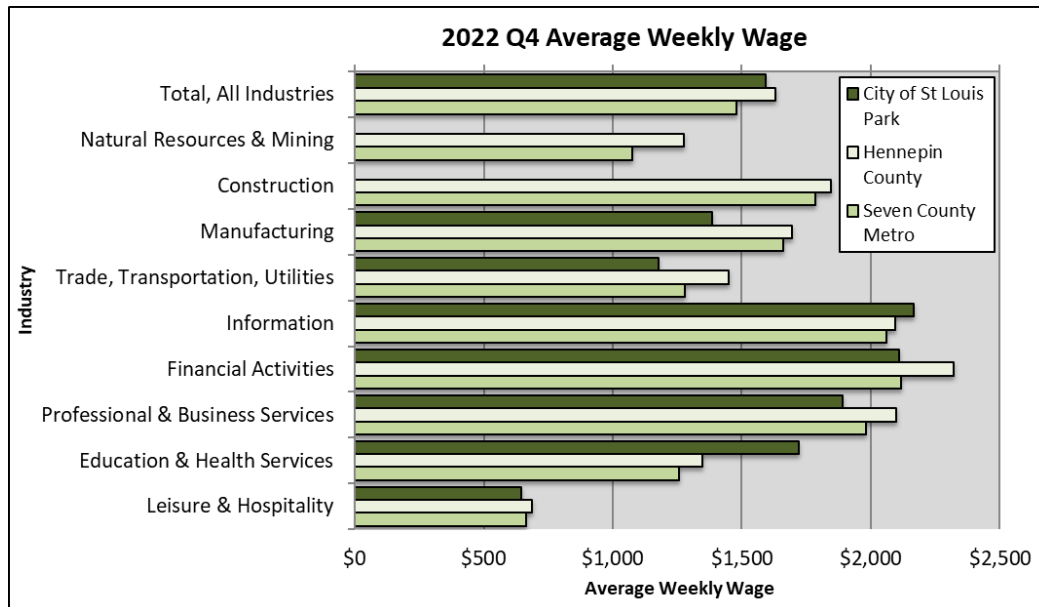
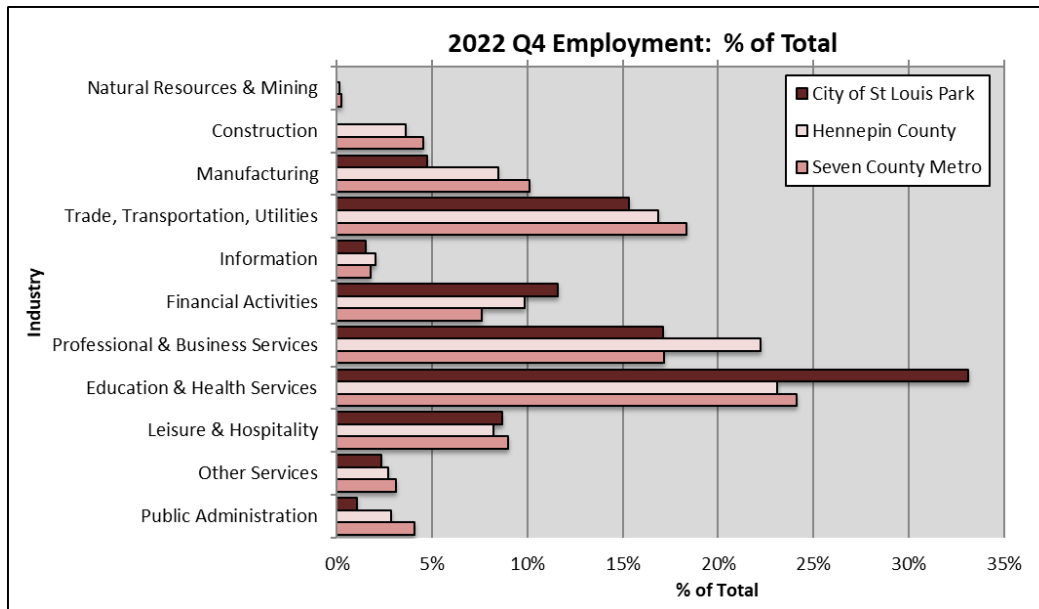
- In both Hennepin County and the Seven County Metro, similar to St. Louis Park, the Education and Health Services Industry represented the largest percentage of employment in 2022 at 22.9% of employees and 45.5% of employees, respectively.
- In Hennepin county, the Professional and Business Services sector represented the second highest percentage of 2022 employment at 22.2%, followed by the Trade, Transportation, and Utilities sector at 16.8% of employment.
- Similar to St. Louis Park, in the Seven County Metro, the Trade, Transportation, and Utilities sector represented the second highest percentage of 2022 employment at 34.9%, followed by the Professional and Business Services sector at 32.8% of employment.

### Employment and Wages

Table E-4 displays information on employment and wages in the City of St. Louis Park, Hennepin County, and the Seven County Metro Area. Quarterly Census of Employment and Wages (QCEW) data is sourced from Minnesota DEED for the fourth quarter of 2021 and 2022. All establishments covered under the Unemployment Insurance (UI) Program are required to report wage and employment statistics quarterly to DEED. Federal government establishments are also covered by the QCEW program.

It should be noted that certain industries in the table may not display any information which means that there is either no reported economic activity for that industry or the data has been suppressed to protect the confidentiality of cooperating employers. This generally occurs when there are too few employers, or one employer comprises too much of the employment in that geography.

- In St. Louis Park, the Information industry reported the highest weekly wage, \$2,165; or approximately \$86,600 annually in the fourth quarter of 2022. Following not far behind is the Financial Services sector with an average weekly wage of \$2,109 (\$84,360 annually).
- The Education and Health Services industry accounts for 33.1% of the employment in the City of St. Louis Park. Other large industries in the City include the Professional and Business Services sector (17.1% of employment in St. Louis Park) and the Trade, Transportation, and Utilities sector (15.3% of St. Louis Park employment).
- Similar to St. Louis Park, the largest industries in both Hennepin County and the Seven County Metro were in the Education and Health Services, Professional and Business Services, and Trade, Transportation, and Utilities sectors.



- The Public Administration industry experienced the highest percentage of employment growth in St. Louis Park between the fourth quarters of 2021 and 2022, increasing by 10.1% (37 jobs). The industry with the largest percentage growth in both Hennepin County and the Seven County Metro Area was the Other Services Sector at 8.5% and 8.3%, respectively.
- Despite having the largest numeric decline in employment between 2010 and 2022, the Professional and Business Services industry actually experienced the highest numeric employment growth in St. Louis Park between the fourth quarters of 2021, increasing by 477 jobs as the recovery from COVID continued. The industry with the largest numeric growth in both Hennepin County and the Seven County Metro Area was also the Other Services sector at 445 jobs and 878, respectively.

## EMPLOYMENT TRENDS

TABLE E-4 QUARTERLY CENSUS OF EMPLOYMENT AND WAGES CITY OF ST LOUIS PARK, HENNEPIN COUNTY, & SEVEN COUNTY METRO										
Industry	2021 Q4			2022 Q4			Change 2021 Q4 - 2022 Q4			
	Establish- ments	Employ- ment	Weekly Wage	Establish- ments	Employ- ment	Weekly Wage	Employment #	%	Wage #	%
City of St Louis Park										
Total, All Industries	2,078	37,836	\$1,587	2,122	38,486	\$1,592	650	1.7%	\$5	0.3%
Natural Resources & Mining	NA	NA	NA	NA	NA	NA	--	--	--	--
Construction	107	1,829	1,740	NA	NA	NA	--	--	--	--
Manufacturing	NA	NA	NA	69	1,828	\$1,385	--	--	--	--
Trade, Transportation, Utilities	350	5,943	\$1,234	348	5,903	\$1,176	-40	-0.7%	(\$58)	-4.7%
Information	54	619	\$2,076	58	592	\$2,165	-27	-4.4%	\$89	4.3%
Financial Activities	309	4,261	\$2,108	308	4,469	\$2,109	208	4.9%	\$1	0.0%
Professional & Business Services	498	6,102	\$1,897	520	6,579	1,889	477	7.8%	(\$8)	-0.4%
Education & Health Services	294	12,884	\$1,685	299	12,745	\$1,722	-139	-1.1%	\$37	2.2%
Leisure & Hospitality	140	3,154	\$649	135	3,328	\$644	174	5.5%	(\$5)	-0.8%
Other Services	250	899	\$895	269	900	\$934	1	0.1%	\$39	4.4%
Public Administration	3	366	\$1,656	3	403	\$1,552	37	10.1%	-\$104	-6.3%
Hennepin County										
Total, All Industries	43,060	899,592	\$1,676	44,480	907,115	\$1,631	1,420	3.3%	-\$45	-2.7%
Natural Resources & Mining	95	972	\$1,467	103	1,076	\$1,276	8	8.4%	-\$191	-13.0%
Construction	2,473	32,714	\$1,860	2,551	32,777	\$1,844	78	3.2%	-\$16	-0.9%
Manufacturing	1,789	74,543	\$1,761	1,790	76,839	\$1,696	1	0.1%	-\$65	-3.7%
Trade, Transportation, Utilities	7,201	150,851	\$1,432	7,302	152,970	\$1,451	101	1.4%	\$19	1.3%
Information	1,141	19,162	\$2,244	1,220	18,490	\$2,094	79	6.9%	-\$150	-6.7%
Financial Activities	4,966	93,861	\$2,519	5,063	89,172	\$2,322	97	2.0%	-\$197	-7.8%
Professional & Business Services	9,516	198,989	\$2,143	9,922	201,425	\$2,097	406	4.3%	-\$46	-2.1%
Education & Health Services	6,528	209,376	\$1,347	6,767	209,454	\$1,347	239	3.7%	\$0	0.0%
Leisure & Hospitality	3,899	70,172	\$674	3,867	74,726	\$687	-32	-0.8%	\$13	1.9%
Other Services	5,237	23,660	\$961	5,682	24,284	\$1,002	445	8.5%	\$41	4.3%
Public Administration	215	25,288	\$1,587	213	25,898	\$1,526	-2	-0.9%	-\$61	-3.8%
Seven County Metro										
Total, All Industries	90,411	1,711,848	\$1,515	93,651	1,737,171	\$1,478	3,240	3.6%	-\$37	-2.4%
Natural Resources & Mining	337	3,820	\$1,136	349	4,017	\$1,076	12	3.6%	-\$60	-5.3%
Construction	6,950	77,931	\$1,789	7,261	78,328	\$1,784	311	4.5%	-\$5	-0.3%
Manufacturing	4,059	170,705	\$1,722	4,117	175,192	\$1,660	58	1.4%	-\$62	-3.6%
Trade, Transportation, Utilities	15,725	314,935	\$1,274	15,973	318,967	\$1,280	248	1.6%	\$6	0.5%
Information	1,904	30,733	\$2,161	2,052	30,860	\$2,059	148	7.8%	-\$102	-4.7%
Financial Activities	9,411	137,502	\$2,286	9,600	131,872	\$2,118	189	2.0%	-\$168	-7.3%
Professional & Business Services	17,148	294,829	\$2,025	17,922	298,133	\$1,983	774	4.5%	-\$42	-2.1%
Education & Health Services	15,211	413,783	\$1,266	15,837	418,792	\$1,257	626	4.1%	-\$9	-0.7%
Leisure & Hospitality	8,295	146,997	\$654	8,296	156,065	\$664	1	0.0%	\$10	1.5%
Other Services	10,562	51,751	\$933	11,440	53,807	\$957	878	8.3%	\$24	2.6%
Public Administration	809	68,859	\$1,580	804	71,133	\$1,537	-5	-0.6%	-\$43	-2.7%
NA: Not Applicable										
Sources: MN DEED & Maxfield Research and Consulting LLC.										

- In St. Louis Park, the Information industry reported the largest numeric growth in wages between the fourth quarters of 2021 and 2022. Wages increased by \$89 in this sector. In contrast, in both Hennepin County and the Metro Area, the Other Services industry experienced the largest wage increase of any sector, increasing by \$41 and \$24, respectively, between the fourth quarters of 2021 and 2022.

- Percentage wise, the Other Services industry reported the highest percentage growth in wages between the first quarters of 2021 and 2022 in St. Louis Park. Wages in both Hennepin County and the Metro Area also experienced the largest percentage increase in the Other Services category, increasing by 4.3% and 2.6%, respectively.

### Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often account for a considerable proportion of households' budgets. Tables E-5 highlights the commuting patterns of workers in the City of St. Louis Park in 2020 and Hennepin County in 2020 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau. Home destination is defined as where workers live who are employed in the selection area. Work destination is defined as where workers are employed who live in the selection area. Please note: Data is unavailable post 2020, hence these numbers do not reflect the shift in commuting patterns post pandemic and the work from home/hybrid shift in employment.

- As Table E-5 illustrates, Minneapolis was the largest work destination for St. Louis Park residents (27.2%) and the largest home destination for St. Louis Park workers (12.9%).
- St. Louis Park was the second largest work destination for St. Louis Park residents (10.6%) and the second largest home destination for St. Louis Park workers (7.1%).
- In Hennepin County, Minneapolis was the largest work destination for PMA residents (27.6%) and the largest home destination for Hennepin County workers (15.4%).
- Bloomington was the second largest work destination for Hennepin County residents (6.0%) while St Paul was the second largest home destination for PMA workers (5.5%).



**TABLE E-5  
COMMUTING PATTERNS  
CITY OF ST LOUIS PARK  
2020**

Home Destination			Work Destination		
<u>Place of Residence</u>	<u>Count</u>	<u>Share</u>	<u>Place of Employment</u>	<u>Count</u>	<u>Share</u>
Minneapolis city, MN	5,193	12.9%	Minneapolis city, MN	7,259	27.2%
St. Louis Park city, MN	2,839	7.1%	St. Louis Park city, MN	2,839	10.6%
St. Paul city, MN	1,773	4.4%	Eden Prairie city, MN	1,552	5.8%
Plymouth city, MN	1,496	3.7%	Bloomington city, MN	1,448	5.4%
Minnetonka city, MN	1,357	3.4%	Minnetonka city, MN	1,360	5.1%
Brooklyn Park city, MN	1,312	3.3%	St. Paul city, MN	1,229	4.6%
Bloomington city, MN	1,179	2.9%	Edina city, MN	1,115	4.2%
Maple Grove city, MN	1,074	2.7%	Plymouth city, MN	1,048	3.9%
Eden Prairie city, MN	982	2.4%	Golden Valley city, MN	1,036	3.9%
Edina city, MN	907	2.3%	Hopkins city, MN	506	1.9%
All Other Locations	22,064	54.9%	All Other Locations	7,273	27.3%
Total All Jobs	40,176		Total All Jobs	26,665	

Home Destination = Where workers live who are employed in the City of St Louis Park  
Work Destination = Where workers are employed who live in the City of St Louis Park

Sources: US Census Bureau On the Map; Maxfield Research and Consulting LLC.

**TABLE E-6  
COMMUTING PATTERNS  
HENNEPIN COUNTY  
2020**

Home Destination			Work Destination		
<u>Place of Residence</u>	<u>Count</u>	<u>Share</u>	<u>Place of Employment</u>	<u>Count</u>	<u>Share</u>
Minneapolis city, MN	140,711	15.4%	Minneapolis city, MN	169,120	27.6%
St. Paul city, MN	50,430	5.5%	St. Paul city, MN	36,503	6.0%
Plymouth city, MN	30,353	3.3%	Bloomington city, MN	35,263	5.7%
Brooklyn Park city, MN	30,085	3.3%	Eden Prairie city, MN	29,545	4.8%
Bloomington city, MN	29,656	3.2%	Plymouth city, MN	27,984	4.6%
Maple Grove city, MN	27,319	3.0%	Minnetonka city, MN	23,907	3.9%
Eden Prairie city, MN	23,094	2.5%	St. Louis Park city, MN	21,644	3.5%
St. Louis Park city, MN	20,691	2.3%	Edina city, MN	20,741	3.4%
Minnetonka city, MN	19,776	2.2%	Golden Valley city, MN	18,626	3.0%
Edina city, MN	17,354	1.9%	Maple Grove city, MN	17,933	2.9%
All Other Locations	526,805	57.5%	All Other Locations	212,019	34.6%
Total All Jobs	916,274		Total All Jobs	613,285	

Home Destination = Where workers live who are employed in Hennepin County  
Work Destination = Where workers are employed who live in Hennepin County

Sources: US Census Bureau On the Map; Maxfield Research and Consulting LLC.

## Inflow/Outflow

Table E-7 provides a summary of the inflow and outflow of workers in St. Louis Park. Outflow reflects the number of workers living in the City but employed outside of the City while inflow measures the number of workers that are employed in the City but live outside. Data is sourced to “On the Map” and subject to specified categories as identified by the U.S Census ACS.

- St. Louis Park is a net importer of workers, with 37,337 workers commuting into the city compared to 23,826 workers leaving the city for work. In addition, 2,839 workers live and work in the city.
- Inflow workers and interior flow workers were most like to work in the “All Other Services” industry, followed by the “Trade, Transportation, and Utilities” industry.

TABLE E-7 COMMUTING INFLOW/OUTFLOW CHARACTERISTICS CITY OF ST LOUIS PARK 2020						
	Outflow		Inflow		Interior Flow	
City Total	23,826	100.0%	37,337	100.0%	2,839	100.0%
<u>By Age</u>						
Workers Aged 29 or younger	6,599	27.7%	7,676	20.6%	651	22.9%
Workers Aged 30 to 54	12,588	52.8%	20,799	55.7%	1,480	52.1%
Workers Aged 55 or older	4,639	19.5%	8,862	23.7%	708	24.9%
<u>By Monthly Wage</u>						
Workers Earning \$1,250 per month or less	4,202	17.6%	7,669	20.5%	749	26.4%
Workers Earning \$1,251 to \$3,333 per month	3,997	16.8%	8,707	23.3%	745	26.2%
Workers Earning More than \$3,333 per month	15,627	65.6%	20,961	56.1%	1,345	47.4%
<u>By Industry</u>						
"Goods Producing"	2,498	10.5%	4,040	10.8%	162	5.7%
"Trade, Transportation, and Utilities"	3,623	15.2%	5,660	15.2%	519	18.3%
"All Other Services"	17,705	74.3%	27,637	74.0%	2,158	76.0%
Sources: US Census Bureau Local Employment Dynamics; Maxfield Research and Consulting, LLC.						

### St. Louis Park 2020 Employment Inflow/Outflow

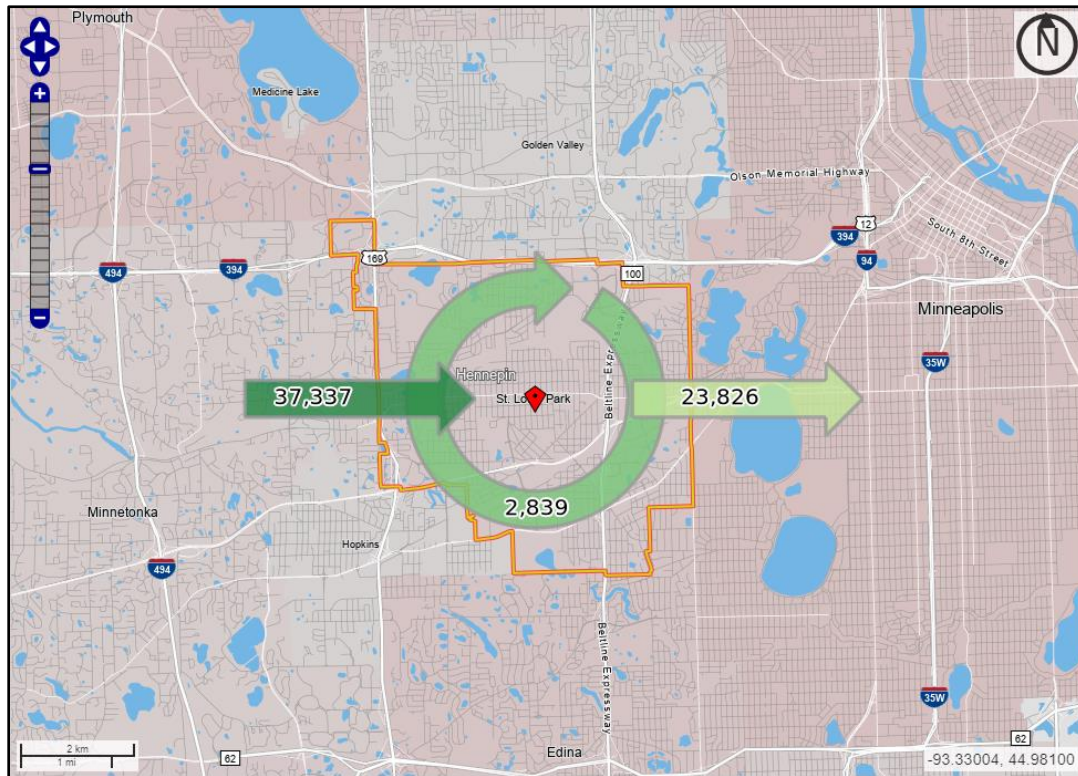


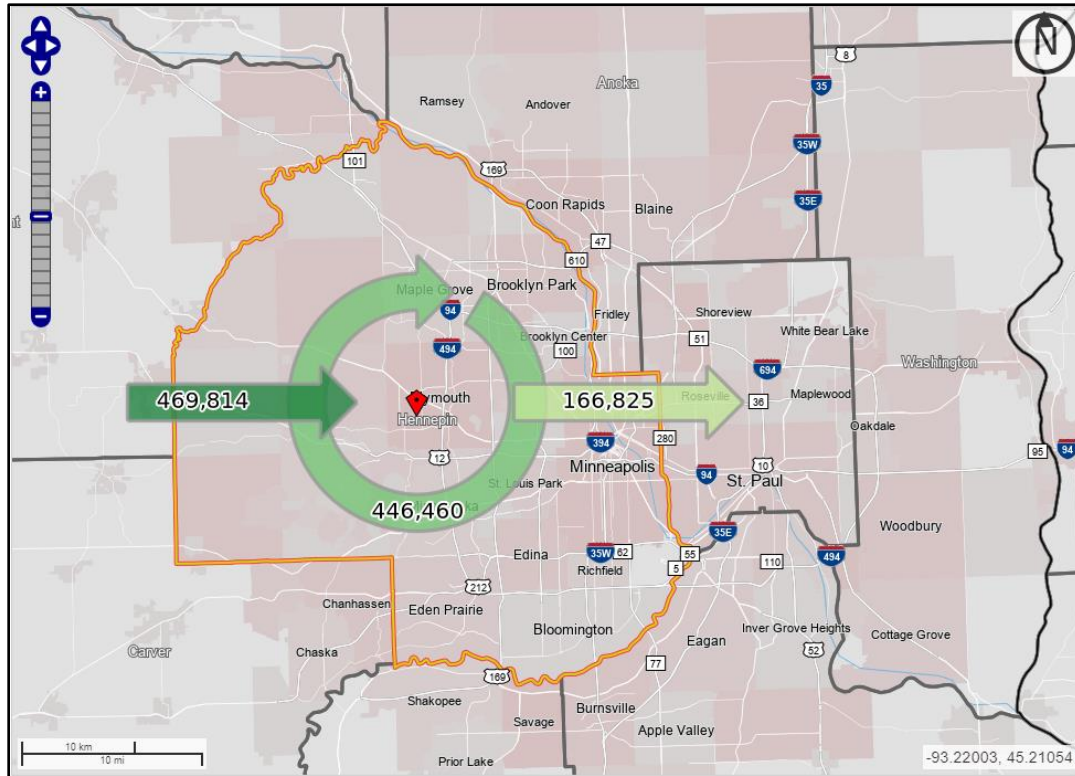
Table E-8 provides a summary of the inflow and outflow of workers in Hennepin County. Outflow reflects the number of workers living in the PMA but employed outside of the PMA while inflow measures the number of workers that are employed in the PMA but live outside.

TABLE E-8 COMMUTING INFLOW/OUTFLOW CHARACTERISTICS HENNEPIN COUNTY 2020						
	Outflow		Inflow		Interior Flow	
Total	166,825	100.0%	469,814	100.0%	446,460	100.0%
<b><u>By Age</u></b>						
Workers Aged 29 or younger	41,984	25.2%	99,330	21.1%	102,409	22.9%
Workers Aged 30 to 54	88,612	53.1%	266,963	56.8%	243,731	54.6%
Workers Aged 55 or older	36,229	21.7%	103,521	22.0%	100,320	22.5%
<b><u>By Monthly Wage</u></b>						
Workers Earning \$1,250 per month or less	37,219	22.3%	90,106	19.2%	95,265	21.3%
Workers Earning \$1,251 to \$3,333 per month	36,781	22.0%	92,342	19.7%	91,700	20.5%
Workers Earning More than \$3,333 per month	92,825	55.6%	287,366	61.2%	259,495	58.1%
<b><u>By Industry</u></b>						
"Goods Producing"	31,274	18.7%	60,923	13.0%	45,040	10.1%
"Trade, Transportation, and Utilities"	30,386	18.2%	76,526	16.3%	65,827	14.7%
"All Other Services"	105,165	63.0%	332,365	70.7%	335,593	75.2%

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research and Consulting, LLC.

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research and Consulting, LLC.

### Hennepin County 2020 Employment Inflow/Outflow



- Similar to St. Louis Park, Hennepin County is a net importer of workers, with 469,814 workers commuting into the city compared to 166,825 workers leaving the County for work. In addition, 446,460 workers live and work in the PMA.
- A little under 57% (56.8%) of workers coming into (Inflow) Hennepin County and 53.1% of workers leaving Hennepin County were between 30 to 54. In addition, 55.6% of outflow workers and 58.1% of interior flow and earned more than \$3,333. Inflow workers were also most likely to earn more than \$3,333 per month, but at a higher proportion (61.2%) than outflow and interior flow workers.

### Resident Profile

Table E-9 compares characteristics of employed residents living in St. Louis Park, Hennepin County, the Seven County Metro, and State of Minnesota in 2020. Information on monthly earnings, age, race and ethnicity, educational attainment and job classification is provided. Both primary and private jobs are included.

<b>TABLE E-9</b> <b>RESIDENT PROFILE</b> <b>CITY OF ST LOUIS PARK, HENNEPIN COUNTY, SEVEN-COUNTY METRO, &amp; MN</b> <b>2020</b>							
	<b>City of St Louis Park</b>		<b>Hennepin County</b>		<b>Seven County Metro</b>		<b>MN</b>
	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>Pct.</b>
<b>Total Jobs</b>							
Total All Jobs	26,665	100.0%	613,285	100.0%	1,528,718	100.0%	100.0%
<b>Monthly Earnings</b>							
\$1,250 per month or less	4,951	18.6%	132,484	21.6%	335,553	21.9%	23.2%
\$1,251 to \$3,333 per month	4,742	17.8%	128,481	20.9%	329,992	21.6%	24.0%
More than \$3,333 per month	16,972	63.6%	352,320	57.4%	863,173	56.5%	52.8%
<b>Worker Ages</b>							
Age 29 or younger	7,250	27.2%	144,393	23.5%	348,226	22.8%	23.1%
Age 30 to 54	14,068	52.8%	332,343	54.2%	831,937	54.4%	53.1%
Age 55 or older	5,347	20.1%	136,549	22.3%	348,555	22.8%	23.8%
<b>Worker Race and Ethnicity</b>							
White Alone	22,487	84.3%	471,522	76.9%	1,215,424	79.5%	85.3%
Black or African American Alone	2,131	8.0%	75,511	12.3%	147,767	9.7%	6.6%
American Indian or Alaska Native Alone	162	0.6%	3,931	0.6%	9,210	0.6%	0.9%
Asian Alone	1,365	5.1%	48,418	7.9%	124,253	8.1%	5.4%
Native Hawaiian or Other Pacific Islander Alone	29	0.1%	523	0.1%	1,255	0.1%	0.1%
Two or More Race Groups	491	1.8%	13,380	2.2%	30,809	2.0%	1.7%
<b>Ethnicity</b>							
Not Hispanic or Latino	25,583	95.9%	580,273	94.6%	1,449,041	94.8%	95.2%
Hispanic or Latino	1,082	4.1%	33,012	5.4%	79,677	5.2%	4.8%
<b>Worker Educational Attainment</b>							
Less than high school	1,585	5.9%	43,135	7.0%	105,826	6.9%	6.7%
High school or equivalent, no college	4,284	16.1%	107,097	17.5%	276,519	18.1%	19.8%
Some college or Associate degree	6,143	23.0%	148,068	24.1%	380,772	24.9%	26.4%
Bachelor's degree or advanced degree	7,403	27.8%	170,592	27.8%	417,375	27.3%	24.0%
Educational attainment not available (workers aged 29 or younger)	7,250	27.2%	144,393	23.5%	348,226	22.8%	23.1%
Sources: U.S. Census Bureau, Maxfield Research and Consulting, LLC.							

- St. Louis Park residents earning more than \$3,333 per month (monthly earning figures used by the U.S. Census) account for 63.6% of workers. This is above the proportion of residents earning more than \$3,333 per month in Hennepin County (57.4%), the Seven County Metro Area (56.5%) and Minnesota (52.8%).
- Workers between the ages of 30 and 54 account for 54.2% of workers in St. Louis Park. This is below the proportion of residents 30 to 54 in Hennepin County (54.2%), the Seven County Metro Area (54.4%) and Minnesota (53.1%).
- The proportion of workers who live in St. Louis Park with a high school diploma (16.1%) was below that of Hennepin County (17.5%), Seven County Metro Area (18.1%), and Minnesota (19.8%).
- The proportion of those with a bachelor's degree or higher in St. Louis Park (27.8%) was the same as in Hennepin County (27.8%) but more than that in either the Seven County Metro Area (27.3%) or Minnesota (24.0%).

### Major Employers

A portion of the employment growth in St. Louis Park will be generated by the largest employers in the City. Table E-10 lists the top employers in the PMA along with a description of their primary industry and number of employees based on data from the City of St. Louis Park.

The following are key points from the major employers table.

- Health Partners, at 3800 Park Nicollet Boulevard, and in the Health Services industry, is the largest employment location in St. Louis Park with 6,708 employees. The city's next largest employer, at 600 Highway 169 South, is Wells Fargo Home Mortgage with 1,450 employees.
- Among the largest employers in St. Louis Park many were in the technology, business, medical, and retail related fields.
- Approximately two-thirds of St. Louis Park's largest employers have between 200 and 700 employees.
- In terms of location, the majority of St. Louis Park's largest employers can be found in the 55416 Zip Code.

## EMPLOYMENT TRENDS

**TABLE E-10  
MAJOR EMPLOYERS  
CITY OF ST LOUIS PARK**

Employer	Address	Zip Code	Industry/Product/Service	Employee Size
Health Partners Park Nicollet Health Services	3800 Park Nicollet Blvd	55416	Health Services	6,708
Wells Fargo Home Mortgage	600 Hwy 169 S	55426	Financial Services	1,450
Nvent	1665 Utica Ave S #700	55416	Electrical Products Manufacturing	1,393 (MN)
Coherent Solutions	1600 Utica Ave S #120	55416	Info Technology Consulting & Software Development	1,300 (MN)
St Louis Park Public Schools	6425 W 33rd St	55426	Public Elementary & Secondary School	1,100
Magenic	1600 Utica Ave S #200	55416	Info Technology Consulting & Software Development	675
Japs-Olson Co	7500 Excelsior Blvd	55426	Other Comm. Printing	645
Loffler Companies	3745 Louisiana Ave	55426	Business to Business Office Technology & Services	500
Northland Aluminium Products (NordicWare)	Hwy 7 & 100	55416	Household Cookware Manufacturing	500
Shalom Home SLP	Multiple Locations	--	Senior Housing	500
MoneyGram International	1550 Utica Ave S	55416	Financial Transaction Processing	442
Health Partners	5100 Gamble Dr #100	55416	Health Services	400
Center for Diagnostic Imaging	5775 Wayzata Blvd #190	55416	Medical Laboratories	400
Knutson Construction	7515 Wayzata Blvd	55426	General Contracting. Construction Management	392
Lunds & Byerlys	3777 Park Center Blvd	55416	Grocery	300
City of St Louis Park	5005 Minnetonka Blvd	55416	Executive Offices	440
Horizontal Inc	1660 Hwy 100 S #200	55416	Digital Consultants and Talent Solutions	250
Magenic Technologies	1600 Utica Ave S #800	55416	Info Technology Consulting & Software Development	250
Electric Wire Products	3965 Meadowbrook Rd	55426	Electrical	250
Sabes Jewish Community Center	4330 Cedar Lake Rd	55416	Individual & Family Services	313
Total Expert	1600 Utica Ave S	55416	Financial Services Software	220
AAA Minneapolis	5400 Auto Club Way	55416	Travel Arrangement Reservation Services	205
Target (SLP)	3601 Hwy 100 S	55416	Retail Store	200
The Excelsior Group	1660 Hwy 100 S #400	55416	Real Estate Firm	194
Target (Knollwood)	8900 Hwy 7	55426	Retail Store	177
Q Consulting	600 Hwy 169 S #730	55426	IT & Management Consultant	110
Magnet 360 (Mintree parent Co)	1665 Utica Ave S	55416	Tech Salesforce Specialist	100
Sources: City of St Louis Park & Maxfield Research & Consulting.				



City of St. Louis Park: Major Employers





## Major Employers & Office Buildings



Lunds & Byerly's



10 West End (New Office Building)



600 Highway 169 South Office Building



St. Louis Park City Hall



Northland Aluminum Products (Nordicware)



Sabes Jewish Community Center

### Introduction

Maxfield Research and Consulting identified and surveyed larger rental properties of eight or more units in the City of St. Louis Park. In addition, interviews were conducted with real estate agents, developers, rental housing management firms, and others in the community familiar with St. Louis Park's rental housing stock.

For purposes of our analysis, we have classified rental projects into two groups, general occupancy and senior (age restricted). All senior projects are included in the *Senior Rental Analysis* section of this report. The general occupancy rental projects are divided into three groups, market rate (those without income restrictions), affordable (those with income restrictions), and subsidized (those with income restrictions based on 30% allocation of income to housing).

### Rental Market Overview

Table R-1 shows average monthly rents and vacancy from 2<sup>nd</sup> Quarter 2021 and 2<sup>nd</sup> Quarter 2022 by unit type in St. Louis Park and its neighboring communities. Data is from Marquette Advisors, Inc., which compiles apartment trends quarterly, with 2<sup>nd</sup> Quarter 2022 being the most recent information available.

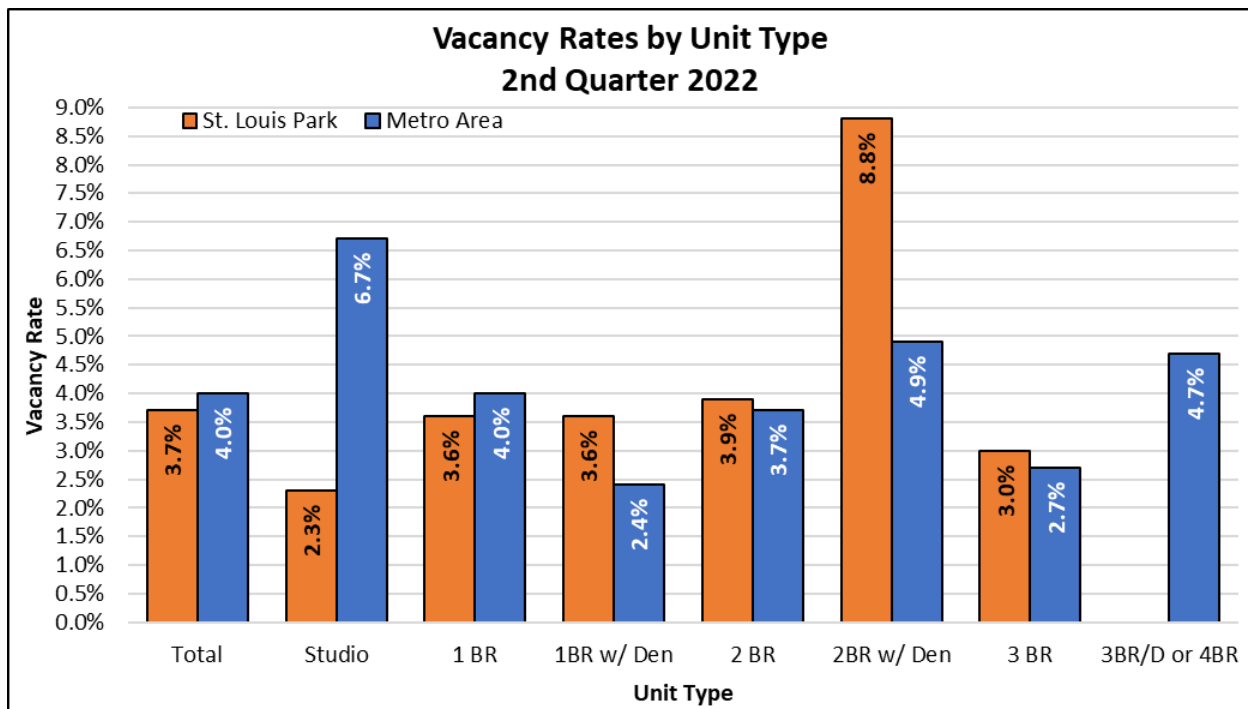
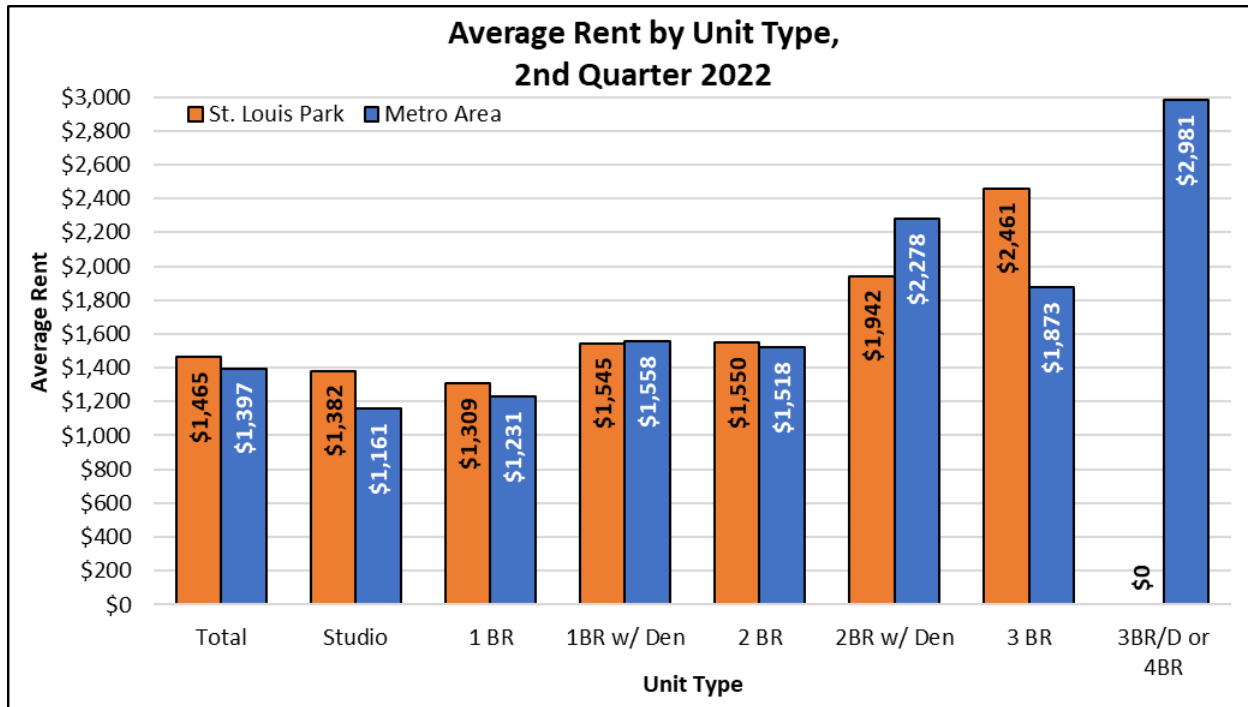
While St. Louis Park has its own employment base that drives housing demand, much of its housing growth is tied to the health of the Twin Cities Metro Area as a whole. Table R-1 provides average monthly rents and vacancy as a comparison.

- Average monthly rent as of the 2<sup>nd</sup> Quarter of 2022 in the City of St. Louis Park were \$1,382 for studio units, \$1,309 for one-bedroom units, \$1,545 for one-bedroom plus den units, \$1,550 for two-bedroom units, \$1,942 for two-bedroom plus den units, and \$2,461 for three-bedroom units. Overall, the average monthly rent was \$1,465; which was a \$61 (+4.3%) increase from the previous year.
- The properties included in the survey are both newer and older. Since the Apartment Trend Report does not segment newer properties in each submarket, average rents shown in Table R-1 are less than what is currently being achieved by the newest properties that have come on-line.
- The overall vacancy rate in St. Louis Park was 3.7%. Vacancy rates below 5% indicate that pent-up demand exists for additional rental units in the market. The overall Metro Area vacancy rate throughout the Metro Area was similar to St. Louis Park at 4.0%.
- St. Louis Park's 2<sup>nd</sup> Quarter 2022 overall rent was 4.8% (+\$68) higher than the overall Metro Area (\$1,397). In addition, the Cities 2<sup>nd</sup> Quarter rent was also higher than its neighboring communities of Plymouth (\$1,369) and Hopkins (\$1,328) but less than rents in the other

## RENTAL MARKET ANALYSIS

neighboring communities of Edina (\$1,888), Golden Valley (\$1,818), Minnetonka (\$1,549), and Southwest Minneapolis (\$1,486).

TABLE R-1 AVERAGE RENTS/VACANCIES TRENDS ST LOUIS PARK AND NEIGHBORING COMMUNITIES SECOND QUARTER 2021 & SECOND QUARTER 2022											
		Total	Studio	1 BR	1 BR w/ Den	2 BR	2 BR w/ Den	3 BR	3 BR/D or 4BR	PH	Average Increase
St Louis Park											
Q2/2022	Units	6,755	342	2,982	281	2,893	57	200	--	--	--
	No. Vacant	250	8	108	10	113	5	6	--	--	--
	Avg. Rent	\$1,465	\$1,382	\$1,309	\$1,545	\$1,550	\$1,942	\$2,461	--	--	4.3%
	Vacancy	3.7%	2.3%	3.6%	3.6%	3.9%	8.8%	3.0%	--	--	-0.6%
Q2/2021	Units	6,480	342	2,911	281	2,689	57	200	--	--	--
	No. Vacant	278	10	116	9	129	6	8	--	--	--
	Avg. Rent	\$1,404	\$1,375	\$1,221	\$1,549	\$1,499	\$1,936	\$2,449	--	--	1.3%
	Vacancy	4.3%	2.9%	4.0%	3.2%	4.8%	10.5%	4.0%	--	--	-1.8%
Hopkins											
Q2/2022	Units	3,332	212	1,541	13	1,333	11	222	--	--	--
	No. Vacant	72	9	28	0	28	0	7	--	--	--
	Avg. Rent	\$1,328	\$1,067	\$1,148	\$1,400	\$1,480	\$1,601	\$1,897	--	--	2.5%
	Vacancy	2.2%	4.2%	1.8%	0.0%	2.1%	0.0%	3.2%	--	--	-0.3%
Q2/2021	Units	3,332	212	1,541	13	1,333	11	222	--	--	--
	No. Vacant	83	8	33	0	37	0	5	--	--	--
	Avg. Rent	\$1,296	\$998	\$1,146	\$1,384	\$1,422	\$1,611	\$1,850	--	--	-0.4%
	Vacancy	2.5%	3.8%	2.1%	0.0%	2.8%	0.0%	2.3%	--	--	0.8%
Golden Valley											
Q2/2022	Units	2,137	141	1,120	21	736	16	103	--	--	--
	No. Vacant	74	2	34	2	34	1	1	--	--	--
	Avg. Rent	\$1,818	\$1,428	\$1,589	\$1,876	\$2,118	\$2,351	\$2,699	--	--	10.9%
	Vacancy	3.5%	1.4%	3.0%	9.5%	4.6%	6.3%	1.0%	--	--	-0.1%
Q2/2021	Units	1,759	141	828	21	650	16	103	--	--	--
	No. Vacant	63	3	31	2	25	0	2	--	--	--
	Avg. Rent	\$1,639	\$1,435	\$1,392	\$1,876	\$1,810	\$2,349	\$2,669	--	--	-0.8%
	Vacancy	3.6%	2.1%	3.7%	9.5%	3.8%	0.0%	1.9%	--	--	-2.0%
Edina											
Q2/2022	Units	4,392	216	1,869	142	1,786	93	259	9	18	--
	No. Vacant	249	22	89	9	110	4	12	1	2	--
	Avg. Rent	\$1,888	\$1,325	\$1,563	\$1,835	\$2,044	\$2,712	\$2,964	\$3,420	\$5,171	12.1%
	Vacancy	5.7%	10.2%	4.8%	6.3%	6.2%	4.3%	4.6%	11.1%	11.1%	0.8%
Q2/2021	Units	4,027	171	1,768	147	1,595	98	239	9	18	--
	No. Vacant	196	6	73	10	92	4	11	0	1	--
	Avg. Rent	\$1,678	\$1,207	\$1,416	\$1,813	\$1,735	\$2,709	\$2,160	\$3,421	\$3,421	0.0%
	Vacancy	4.9%	3.5%	4.1%	6.8%	5.8%	4.1%	4.6%	0.0%	5.6%	1.7%
CONTINUED											



## **General-Occupancy Rental Projects**

Our research of St. Louis Park's general occupancy rental market included a survey of 101 market rate apartment properties, 11 affordable communities and four subsidized units as of February 2023. Table R-2, on the following page, displays those properties along with information displaying their total units, vacancies/vacancy rate, unit mix, square footage by unit mix, and rent by unit mix. Following Table R-2 is Table R-3, a summary of the rental properties by their affordability (market rate, affordable, and subsidized).

These projects represent a combined total of 9,002 units, including 8,316 market rate units (92.4%) of all units, 434 affordable units (4.8% of all units) and 252 subsidized units (2.8% of all units).

At the time of our survey, including newly constructed units, which have not yet reached stabilized occupancy, there were 427 vacant market rate units and 131 vacant affordable units. There were no subsidized units vacant. As a result, market rate general occupancy units had a vacancy rate of 5.1%, affordable units had a vacancy rate of 30.2%, and subsidized units had no vacancies. The overall vacancy rate in St. Louis Park for all property types was 6.2%. Vacancy rates were based only on properties where unit mix and vacancies were obtained during the survey. This is higher than the industry standard of 5% vacancy for a stabilized rental market, which promotes competitive rates, ensures adequate choice, and allows for unit turnover.

Note that vacancies in the previous paragraph includes properties still in initial lease up. Excluding properties in initial lease up leaves an overall stabilized vacancy rate of 3.7% (322 vacancies), below market equilibrium (5% vacancy rate). Market rate properties had a stabilized vacancy rate of 4.0% (322 vacancies) while affordable and subsidized units each had a vacancy rate of 0% (no vacancies). As a result, all unit types have pent up demand.

# RENTAL MARKET ANALYSIS

TABLE R-2 MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS CITY OF ST. LOUIS PARK FEBRUARY 2023									
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range Min Max	Rent Range Min Max	Price per Sq.Ft Min Max	
Market Rate Rental									
Parkway Commons 4141 31st St W	2023	34	0	0.0%	NA - studio NA - 1BR NA - 1BR+D NA - 2BR	550 620 - 815 860 - 890 1,200	NA \$1,399 - \$2,200 \$1,840 \$2,190 - \$3,550	NA \$2.26 - \$2.70 \$2.07 - \$2.14 \$1.83 - \$2.96	
VOLO at Texa Tonka 7920 Minnetonka Blvd (In Intial Lease Up)	2022 Oct	89	37	41.6%	23 - studio 47 - 1BR 6 - 2BR 2 - 2BR+D 1 - 1BR TH 10 - 2BR TH	443 - 569 532 - 787 861 - 1,067 1,228 1,044 1,176 - 1,470	\$1,153 - \$1,506 \$1,520 - \$1,814 \$2,037 - \$2,813 \$2,753 - \$2,853 \$2,100 \$2,995 - \$3,500	\$2.60 - \$3.40 \$2.30 - \$2.86 \$2.37 - \$2.64 \$2.32 - \$2.24 \$2.01 \$2.38 - \$2.55	
Via Sol 5585 Highway 7 E (In Intial Lease Up)	2022 Sept	65	63	96.9%	18 - studio 19 - 1BR 22 - 2BR 6 - 3BR	508 - 641 577 - 767 886 - 1,277 1,333 - 1,560	\$1,400 - \$1,520 \$1,519 - \$1,724 \$2,105 - \$2,509 \$2,539 - \$2,753	\$2.76 - \$2.99 \$2.25 - \$2.63 \$1.96 - \$2.38 \$1.76 - \$1.90	
Parkway Place 4040 W 31st St	2022	95	0	0.0%	69 - 1BR 2 - 1BR+D 24 - 2BR	585 - 975 850 900 - 1,450	\$1,399 - \$2,200 \$1,840 \$2,190 - \$3,550	\$2.26 - \$2.39 \$2.16 \$2.43 - \$2.45	
The Quentin 4900 Cedar Lake Rd S (In Intial Lease Up)	2021 July	71	5	7.0%	11 - studio 19 - 1BR 27 - 1BR+D 12 - 2BR 1 - 2BR+D 1 - 3BR	532 780 - 927 945 - 1,067 1,167 - 1,440 1,176 1,328	\$1,550 - \$1,785 \$1,824 - \$2,087 \$2,250 - \$2,460 \$2,485 - \$3,450 \$3,200 \$2,950	\$2.91 - \$3.36 \$2.25 - \$2.34 \$2.31 - \$2.38 \$2.13 - \$2.40 \$2.72 \$2.22	
Elan West End Apartments 1325 Utica Ave S	2020 August	164	14	8.5%	7 - studio 55 - 1BR 3 - 1BR+D 70 - 2BR 24 - 3BR	606 - 618 694 - 758 945 960 - 1,159 1,428 - 1,455	\$1,730 - \$1,785 \$1,824 - \$2,100 \$2,390 \$2,485 - \$2,875 \$3,445 - \$3,735	\$2.85 - \$2.89 \$2.63 - \$2.77 \$2.53 \$2.48 - \$2.59 \$2.41 - \$2.57	
Urban Park Apartments I & II 3601 Phillips Pkwy (Phase I) 3675 Phillips Pkwy (Phase II)	2020 (Phase II) 2003 (Phase I)	151	0	0.0%	28 - studio 59 - 1BR 50 - 2BR 14 - 3BR	533 561 - 802 975 - 1,147 1,307	\$1,263 - \$1,425 \$1,282 - \$1,654 \$1,717 - \$1,997 \$2,200	\$2.37 - \$2.67 \$2.06 - \$2.29 \$1.74 - \$1.76 \$1.68	
Parkway25 4015 County Rd 25	2018 Oct	112	0	0.0%	65 - 1BR 12 - 1BR+D 45 - 2BR	514 - 1,019 839 - 986 1,093 - 1,417	\$1,350 - \$2,327 \$1,882 - \$2,234 \$2,151 - \$2,895	\$2.28 - \$2.63 \$2.24 - \$2.27 \$1.97 - \$2.04	
4800 Excelsior Apartments 4800 Excelsior Ave	2018 Jan	164	9	5.5%	9 - studio 80 - 1BR 57 - 2BR	557 746 - 960 995 - 1,406	\$1,655 \$1,775 - \$2,298 \$2,357 - \$3,445	\$2.97 \$2.38 - \$2.39 \$2.37 - \$2.45	
Central Park West 1511 Utica Ave S	2018 Jan	193	9	4.7%	29 - studio 73 - 1BR 10 - 1BR+D 74 - 2BR 7 - 3BR	546 - 730 728 - 743 849 - 1,047 1,029 - 1,265 1,395 - 1,450	\$1,680 - \$2,365 \$1,850 - \$1,970 \$2,280 - \$2,340 \$2,495 - \$2,745 \$3,260 - \$3,530	\$3.08 - \$4.33 \$2.54 - \$2.65 \$2.69 - \$2.76 \$2.17 - \$2.42 \$2.34 - \$2.43	
The Shoreham 3915 Highway 7	2017	148	2	1.4%	15 - studio 54 - 1BR 5 - 1BR+D 74 - 2BR	468 - 581 677 - 828 862 1,070 - 1,323	\$1,193 - \$1,581 \$1,559 - \$2,123 \$1,765 - \$2,509 \$2,399 - \$3,094	\$2.55 - \$2.72 \$2.30 - \$2.56 \$2.05 - \$2.91 \$2.24 - \$2.34	
Millenium West End 5245 Wayzata Blvd	2015 Oct	158	10	6.3%	20 - studio 61 - 1BR 5 - 1BR+D 66 - 2BR 6 - 3BR	540 - 639 691 - 823 901 1,039 - 1,188 1,414	\$1,541 - \$1,635 \$1,800 - \$2,046 \$2,051 \$1,929 - \$2,861 \$3,550	\$2.56 - \$2.85 \$2.49 - \$2.60 \$2.28 \$1.86 - \$2.41 \$2.51	
Siena Apartment Homes 6800 Cedar Lake Rd S	2015 July	138	19	13.8%	85 - 1BR 4 - 1BR+D 43 - 2BR 6 - 3BR	668 - 860 1,029 999 - 1,190 1,332 - 1,503	\$1,565 - \$1,885 \$2,252 \$2,170 - \$2,458 \$3,183 - \$3,456	\$2.19 - \$2.34 \$2.19 \$2.07 - \$2.17 \$2.30 - \$2.39	
The Curtis Apartments 4101 W 31st St	2015	13	1	7.7%	2 - 1BR 10 - 2BR 1 - 3BR	675 825 - 1,000 1,170	\$1,456 \$1,602 - \$1,939 \$2,620	\$2.16 \$1.94 - \$1.94 \$2.24	
CONTINUED									



# RENTAL MARKET ANALYSIS

TABLE R-2 (continued)									
MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS									
CITY OF ST. LOUIS PARK									
FEBRUARY 2023									
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range Min    Max	Rent Range Min    Max	Price per Sq.Ft Min    Max	
Medley Row Townhomes - Hoigaard Village 5690 W 36th St	2013 Late	22	0	0.0%	22 - 2BR	2,259 - 2,304	\$2,937 - \$3,037	\$1.30 - \$1.32	
E2 3924 Excelsior Blvd	2013 Sept	58	0	0.0%	13 - studio 20 - 1BR 8    1BR+D 14    2BR 3 - 2BR+D	449 - 560 699 - 817 843 - 1,106 1,027 - 1,161 1,161 - 1,759	\$1,340 - \$1,383 \$1,537 - \$1,540 \$1,586 - \$2,229 \$1,920 - \$2,207 \$2,192 - \$3,541	\$2.47 - \$2.98 \$1.88 - \$2.20 \$1.88 - \$2.02 \$1.87 - \$1.90 \$1.89 - \$2.01	
The Adagio - Hoigaard Village 5690 W 36th St	2013 June	100	7	7.0%	79 - 1BR 5 - 1BR+D 16 - 2BR	728 - 950 794 - 943 1,067 - 1,337	\$1,570 - \$1,776 \$1,716 - \$1,724 \$1,935 - \$2,284	\$1.87 - \$2.16 \$2.16 \$1.71    \$1.81	
The Flats at West End 5310 16th St W	2013 May	119	8	6.7%	11 - studio 54 - 1BR 9    1BR+D 35 - 2BR 10    2BR+D	539 697 - 752 805 - 1,051 1,000 - 1,175 1,189 - 1,258	\$1,480 \$1,750 - \$2,095 \$1,980 - \$2,512 \$2,395 - \$3,198 \$2,763 - \$3,045	\$0.00 - \$2.75 \$2.51 - \$3.01 \$2.46 - \$3.12 \$2.40 - \$3.20 \$2.32 - \$2.56	
Verge Apartments 3601 Park Center Blvd	2013 Mar	184	9	4.9%	46 - 1BR 61 - 1BR+D 77 - 2BR	692 - 802 822 - 949 1,047 - 1,267	\$1,340 - \$1,887 \$1,726 - \$2,025 \$1,685 - \$2,449	\$1.94 - \$2.73 \$2.10 - \$2.46 \$1.61 - \$2.34	
The Ellipse on Excelsior 3920 Excelsior Blvd	2010	189	9	4.8%	8 - studio 63 - 1BR 16 - 1BR+D 38 - 2BR 7 - 2BR+D	554 - 607 705 - 866 893 - 1,106 1,027 - 1,651 1,251 - 1,262	\$1,207 - \$1,469 \$1,305 - \$1,687 \$2,067 - \$2,229 \$1,955 - \$2,189 \$2,569 - \$2,569	\$2.18 - \$2.42 \$1.85 - \$1.95 \$2.02 - \$2.31 \$1.33 - \$1.90 \$2.04 - \$2.05	
The Camerata - Hoigaard Village 5600 Camerata Way	2008	220	2	0.9%	14 - studio 111 - 1BR 3 - 1BR+D 88 - 2BR 4 - 2BR+D	515 668 - 910 928 1,095 - 1,280 1,142	\$1,319 - \$1,339 \$1,528 \$1,732 \$2,007 - \$2,240 \$2,076	\$2.56 - \$2.60 \$1.95 - \$2.29 \$1.87 \$1.75 - \$1.83 \$1.82	
Harmony Vista - Hoigaard Village 5650 36th St. W.	2008	74	3	4.1%	49 - 1BR 24    2BR	721 - 1,139 968 - 1,417	\$1,784 - \$2,120 \$1,888 - \$2,228	\$1.86 - \$2.47 \$1.57 - \$1.95	
The Gables at Park Pointe 1361 Hampshire Ave South	2006	49	2	4.1%	1 - studio 12 - 1BR 30 - 2BR 6 - 3BR	552 792 - 876 1,053 - 1,102 1,227 - 1,360	\$1,400 \$1,667 - \$1,752 \$1,884 - \$2,242 \$2,480 - \$2,540	\$2.54 \$2.00 - \$2.10 \$1.79 - \$2.03 \$1.87 - \$2.02	
Arrive St Louis Park 7201 Walker St.	2001	200	7	3.5%	88 - 1BR 98 - 2BR 14 - 3BR	742 - 899 1,041 - 1,310 1,368 - 1,415	\$1,655 - \$1,830 \$1,755 - \$2,515 \$2,460 - \$2,610	\$2.04 - \$2.23 \$1.69 - \$1.92 \$1.80 - \$1.84	
Inglewood Trails 3200 Inglewood	1999	124	7	5.6%	4 - studio 100 - 1BR 20    2BR	653 760 - 954 1,028 - 1,378	\$1,185 - \$1,320 \$1,250 - \$2,160 \$1,830 - \$2,745	\$1.81 - \$2.02 \$1.64 - \$2.26 \$1.78 - \$1.99	
3106 Inglewood Ave 3106 Inglewood Ave S	1995	8	0	0.0%	8 - 2BR	1,200	N/A	N/A	
Excelsior & Grand 3820 Grand Way	1995	338	2	0.6%	9 - studio 178 - 1BR 151 - 2BR	669 644 - 1,129 1,148 - 1,750	\$1,499 \$1,599 - \$2,099 \$2,099 - \$2,699	\$2.24 \$1.86 - \$2.48 \$1.54 - \$1.83	
Cityscape Apartments 5707 Highway 7	1990	156	7	4.5%	36 - 1BR 39    1BR+D 65    2BR 16 - 2BR+D	860 925 - 940 1,110 - 1,188 1,270	\$1,412 \$1,469 - \$1,601 \$1,781 - \$1,870 \$1,919	\$1.64 \$1.59 - \$1.73 \$1.60 - \$1.68 \$1.51	
Arrive 4301 4301 Park Glen	1988	108	5	4.6%	2 - studio 70 - 1BR 36 - 2BR	510 592 - 777 944 - 1,092	\$1,215 - \$1,275 \$1,065 - \$1,590 \$1,540 - \$1,905	\$2.38 - \$2.50 \$1.80 - \$2.05 \$1.63 - \$1.74	
Park Glen Apartments/TH Apts 4401 Park Glen	1987	290	2	0.7%	50 - studio 176 - 1BR 12 - 1BR+D 52 - 2BR	520 - 602 734 - 1,074 870 - 907 1,041 - 1,220	\$1,195 - \$1,300 \$1,400 - \$1,785 \$1,615 - \$1,750 \$1,750 - \$2,100	\$2.30 - \$2.50 \$1.66 - \$1.91 \$1.86 - \$2.01 \$1.68 - \$1.72	
CONTINUED									

## RENTAL MARKET ANALYSIS

TABLE R-2 (continued)											
MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS											
CITY OF ST. LOUIS PARK											
FEBRUARY 2023											
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range		Rent Range		Price per Sq.Ft	
						Min	Max	Min	Max	Min	Max
Tamarind 2300 Ridge Dr	1986	102	2	2.0%	69 - 1BR 33 - 2BR	672 920		\$1,199 - \$1,249 \$1,559 - \$1,584		\$1.78 - \$1.86 \$1.69 - \$1.72	
Westwind Apartments 255 Shelard Pkwy	1986	186	9	4.8%	72 - 1BR 114 - 2BR	754 - 814 986 - 1,046		\$1,295 - \$1,490 \$1,470 - \$1,650		\$1.72 - \$1.83 \$1.49 - \$1.58	
Helix 7450 Highway 7	1985	167	3	1.8%	98 - 1BR 65 - 2BR 4 - 3BR	630 - 890 1,110 - 1,250 2,470 - 2,783		\$1,276 - \$1,649 \$1,751 - \$3,201 \$2,182 - \$2,738		\$1.85 - \$2.03 \$1.58 - \$2.56 \$0.71 - \$0.98	
Park Pointe Apts 1425 & 1435 Hampshire Ave S	1984	133	6	4.5%	1 - studio 60 - 1BR 60 - 2BR 12 - 3BR	N/A 768 - 886 1,010 - 1,093 1,270		N/A \$1,300 - \$1,425 \$1,453 - \$1,770 \$2,075		N/A \$1.61 - \$1.69 \$1.44 - \$1.62 \$1.63	
Somerset Oaks 7400 Oak Park Village Dr	1984	100	5	5.0%	20 - 1BR 40 - 2BR 20 - 2BR TH 20 - 3BR TH	812 1,048 1,118 1,514		\$1,355 - \$1,685 \$1,600 - \$1,920 \$1,775 - \$2,095 \$2,140 - \$2,260		\$1.67 - \$2.08 \$1.53 - \$1.83 \$1.59 - \$1.87 \$1.41 - \$1.49	
Hampshire Cove 1436 Hampshire Ave	1980	9	0	0.0%	9 - 2BR	680		N/A		N/A	
Lou Park Apartments 1351 Hampshire	1977	76	3	3.9%	2 - studio 41 - 1BR 33 - 2BR	500 - 600 740 - 800 1,050 - 1,100		\$965 \$1,275 - \$1,305 \$1,500 - \$1,585		\$1.61 - \$1.93 \$1.63 - \$1.72 \$1.43 - \$1.44	
Park West Apartments 1425 Colorado Ave S	1972	60	2	3.3%	36 - 1BR 24 - 2BR	700 - 750 850 - 900		\$1,099 \$1,351		\$1.47 - \$1.57 \$1.50 - \$1.59	
ReNew PARKone Apartments 301 Shelard Pkwy	1971	186	4	2.2%	6 - studio 60 - 1BR 102 - 2BR 18 - 3BR	550 875 1,125 - 1,475 1,350 - 1,425		\$1,241 \$1,583 \$1,546 - \$1,940 \$2,070 - \$2,095		\$2.26 \$1.81 \$1.32 - \$1.37 \$1.47 - \$1.53	
Shelard Village 400-420 Ford Rd	1971	126	1	0.8%	39 - 1BR 75 - 2BR 12 - 3BR	750 1,045 1,300		\$1,300 \$1,535 - \$1,580 \$1,985		\$1.73 \$1.47 - \$1.51 \$1.53	
Colorado Court 1410 Colorado	1969	48	0	0.0%	30 - 1BR 18 - 2BR	850 1,000		\$1,012 \$1,383		\$1.19 \$1.38	
Dakota Pointe 1421 Dakota Ave S	1969	20	0	0.0%	19 - 2BR 1 - 3BR	950 1,100		\$1,289 \$1,440		\$1.36 \$1.31	
Texas Terrace 8008 W 28th St	1969	17	3	17.6%	5 - 1BR 12 - 2BR	820 980		\$949 \$1,350		\$1.16 \$1.38	
West Lake Estates 5700 W Lake St	1969	27	0	0.0%	9 - 1BR 18 - 2BR	750 1,100		\$1,040 \$1,450 - \$1,551		\$1.39 \$1.32 - \$1.41	
Baycliff Apartments 1436 Colorado Ave S	1969	24	0	0.0%	17 - 1BR 6 - 2BR	867 - 876 999 - 1,250		\$1,042 - \$1,057 \$1,383 - \$1,447		\$1.20 - \$1.21 \$1.16 - \$1.38	
Edge of Uptown 4725 Minnetonka	1968	144	7	4.9%	4 - studio 75 - 1BR 65 - 2BR	585 720 - 971 986 - 1,191		\$960 - \$980 \$1,125 - \$1,375 \$1,500 - \$1,680		\$1.64 \$1.42 - \$1.56 \$1.41 - \$1.52	
CONTINUED											

# RENTAL MARKET ANALYSIS

TABLE R-2 (continued) MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS CITY OF ST. LOUIS PARK FEBRUARY 2023									
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range Min Max	Rent Range Min Max	Price per Sq.Ft Min Max	
Liv Apartments 4505 W 36 1/2	1968	66	5	7.6%	12 - studio	500	\$993 - \$1,025	\$1.99	
					36 - 1BR	700	\$1,191 - \$1,385	\$1.70 - \$1.98	
					18 - 2BR	1,000	\$1,450	\$1.45	
Rhode Island Chateau 2700 - 2727 Rhode Island S	1968	107	12	11.2%	40 - 1BR	750 - 800	\$1,149 - \$1,199	\$1.44 - \$1.53	
					67 - 2BR	975 - 1,200	\$1,450 - \$1,499	\$1.49 - \$1.54	
Villa Capri 3043 Inglewood	1968	12	0	0.0%	12 - 2BR	1,200	\$1,550 - \$1,725	\$1.29 - \$1.44	
Westwood Chateau 2242 Nevada South	1968	46	2	4.3%	33 - 1BR	650 - 775	\$1,020 - \$1,040	\$1.34 - \$1.57	
					13 - 2BR	700 - 800	\$1,280 - \$1,285	\$1.60 - \$1.83	
Brittany Apartments 3127 Highway 100	1967	39	3	7.7%	1 - studio	840	\$850 - \$913	\$1.01 - \$1.09	
					26 - 1BR	1,200	\$1,000	\$0.83	
					12 - 2BR	1,700	\$1,300 - \$1,400	\$0.76 - \$0.82	
The Park at One Hundred 2480 South 100 Highway	1967	93	0	0.0%	81 - 1BR	660	\$1,145 - \$1,195	\$1.73 - \$1.81	
					12 - 2BR	850	\$1,295 - \$1,325	\$1.52 - \$1.56	
Courtyard 2524 Hwy. 100	1966	151	25	16.6%	50 - 1BR	549	\$1,125 - \$1,215	\$2.05 - \$2.21	
					101 - 2BR	835 - 949	\$1,280 - \$1,415	\$1.53 - \$1.69	
Jersey Manor 1325 Jersey Ave	1966	21	0	0.0%	16 - 1BR	N/A	N/A	N/A	
					5 - 2BR	N/A	N/A	N/A	
Target Apartments 8800-8812-8814 W 36 St	1966	33	0	0.0%	1 - Studio	500	\$629	\$1.26	
					32 - 1BR	700	\$851	\$1.22	
8 plex on Texas 3607 Texas Ave S	1965	8	0	0.0%	4 - 1BR	N/A	N/A	N/A	
					4 - 2BR	N/A	N/A	N/A	
Colonial Terrace 5621-35 Minnetonka Blvd	1965	54	3	5.6%	3 - studio	450	\$1,029	\$2.29	
					18 - 1BR	800 - 900	\$1,049 - \$1,209	\$1.31 - \$1.34	
					33 - 2BR	900 - 1,000	\$1,299 - \$1,419	\$1.42 - \$1.44	
Hampshire House (3 parcels) 1360-1428 Hampshire Ave	1965	36	6	16.7%	3 - 1BR	750	\$995	\$1.33	
					33 - 2BR	800 - 950	\$1,095 - \$1,280	\$1.35 - \$1.37	
The Hamilton 6211 Hamilton St	1965	8	0	0.0%	N/A - 1BR	N/A	N/A	N/A	
					N/A - 2BR	N/A	N/A	N/A	
Virginia Terrace 8201 W 30 1/2	1965	12	0	0.0%	1 - studio	600	\$807	\$1.35	
					11 - 2BR	775	\$1,142	\$1.47	
1328 Idaho Ave 1328 Idaho Ave	1964	11	0	0.0%	11 - 1BR	750	\$1,225	\$1.63	
Anderson 34th 6227 W 34 St	1964	11	0	0.0%	5 - 1BR	N/A	N/A	N/A	
					5 - 2BR	N/A	N/A	N/A	
					1 - 3BR	N/A	N/A	N/A	
Hampshire Apts (2 parcels) 2401-2407 Hampshire	1964	16	0	0.0%	2 - Studio	N/A	\$663	N/A	
					14 - 2BR	1,000	\$860	\$0.86	
Joppa Lane I & II 2888 Joppa Ave.	1964	144	5	3.5%	84 - 1BR	750	\$1,125 - \$1,475	\$1.50 - \$1.97	
					60 - 2BR	1,050 - 1,500	\$1,335 - \$1,775	\$1.18 - \$1.27	
Knollwood Estates 3528 Aquila	1964	36	0	0.0%	3 - 1BR	750	\$979	\$1.31	
					33 - 2BR	900 - 1,000	\$1,160	\$1.16 - \$1.29	
Aquila Park & Royal Park 8224 W 30 1/2 St	1963	189	12	6.3%	26 - studio	450 - 457	\$1,010 - \$1,025	\$2.24	
					49 - 1BR	830	\$1,157 - \$1,265	\$1.39	
					100 - 2BR	1,100 - 1,300	\$1,325 - \$1,625	\$1.20 - \$1.25	
					14 - 3BR	1,300 - 1,350	N/A	N/A	
6224 Hamilton St 6224 Hamilton St	1963	8	0	0.0%	2 - 1BR	N/A	\$726	N/A	
					6 - 2BR	630	\$950	\$1.51	
Lynn Ave Apartments 3016-3030 Lynn Ave	1963	30	2	6.7%	10 - 1BR	560 - 800	\$900 - \$1,195	\$1.61 - \$2.13	
					20 - 2BR	987 - 1,175	\$1,495 - \$1,625	\$1.51 - \$1.65	
Minnetonka Blvd Apartments 4411 Minnetonka Blvd	1963	14	0	0.0%	14 - 2BR	949	\$1,280 - \$1,316	\$1.35 - \$1.39	

CONTINUED

## RENTAL MARKET ANALYSIS

<b>TABLE R-2 (continued)</b> <b>MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS</b> <b>CITY OF ST. LOUIS PARK</b> <b>FEBRUARY 2023</b>										
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range		Rent Range		Price per Sq.Ft
						Min	Max	Min	Max	Min Max
<b>8200 W 31st St (2 parcels)</b>	1962	22	0	0.0%	10 - 1BR	689		\$804		\$1.17
8200 W 31st St					10 - 2BR	963		\$965		\$1.00
					2 - 3BR	1,245		\$1,195		\$0.96
<b>Boulevard 100</b>	1962	62	2	3.2%	2 - studio	500		\$937		\$1.87
3000 Highway 100					41 - 1BR	750		\$995 - \$1,110		\$1.33 - \$1.48
					16 - 2BR	950		\$1,385		\$1.46
					3 - 3BR	1,475 - 1,880		\$1,935		\$1.03 - \$1.31
<b>Park Embassy</b>	1962	107	2	1.9%	72 - 1BR	700 - 850		\$1,155 - \$1,220		\$1.44 - \$1.65
4400 - 4450 Minnetonka Blvd					35 - 2BR	1,100 - 1,200		\$1,490 - \$1,492		\$1.24 - \$1.35
<b>Park Towers</b>	1962	143	5	3.5%	5 - studio	350 - 600		\$1,148 - \$1,276		\$3.28 - \$3.65
4820 Hwy 7					67 - 1BR	700 - 884		\$1,345 - \$1,491		\$1.92 - \$2.13
					65 - 2BR	1,000		\$1,545		\$0.00 - \$1.55
					6 - 3BR	1,200 - 1,350		\$1,975 - \$1,976		\$1.65 - \$1.65
<b>Park Villa</b>	1962	21	0	0.0%	18 - 1BR	550		\$899		\$1.63
4320 W 36 1/2					3 - 2BR	820		\$1,200		\$1.46
<b>Pennsylvania Apartments</b>	1962	17	0	0.0%	2 - 1BR	750		N/A		N/A
1357 Pennsylvania Ave S					15 - 2BR	1,100		N/A		N/A
<b>Virginia Court Apartments</b>	1962	23	0	0.0%	10 - 1BR	750		\$818		\$1.09
3063 Virginia					13 - 2BR	900		\$880		\$0.98
<b>Westwood Gardens (3 parcels)</b>	1962	152	9	5.9%	75 - 1BR	690 - 725		\$1,150		\$1.59 - \$1.67
7316 Cedar Lake Road					77 - 2BR	925 - 980		\$1,350 - \$1,450		\$1.46 - \$1.48
<b>White Gate Manor</b>	1962	36	0	0.0%	13 - 1BR	737		\$908 - \$940		\$1.23 - \$1.28
8300 W 31 St					19 - 2BR	787 - 1,140		\$1,048 - \$1,198		\$1.05 - \$1.33
					4 - 3BR	N/A		\$2,069		N/A
<b>4421 Minnetonka Blvd</b>	1961	8	0	0.0%	8 - 2BR	1,000		\$991		\$0.99
4421 Minnetonka Blvd										
<b>4815 Cedar Lake Rd S</b>	1961	25	0	0.0%	25 - 1BR	700		N/A		N/A
4815 Cedar Lake Rd S										
<b>6309 Excelsior Blvd</b>	1961	12	0	0.0%	12 - 2BR	900		\$1,300		\$1.44
6309 Excelsior Blvd										
<b>Colonial Apartments</b>	1961	11	0	0.0%	10 - 2BR	1,000		N/A		N/A
3117 Virginia Ave S					1 - 3BR	N/A		N/A		N/A
<b>Idaho Park East Apartments</b>	1961	12	1	8.3%	1 - studio	410		\$850 - \$995		\$2.07
1345 Idaho Ave S					1 - 1BR	750		\$1,225		\$1.63
					10 - 2BR	900		\$1,495		\$1.66
<b>Virginia East Apartments</b>	1961	11	0	0.0%	10 - 2BR	787		\$1,269		\$1.61
3109 Virginia					1 - 3BR	1,075		\$1,370		\$1.27
<b>Idaho Park West Apartments</b>	1960	14	2	14.3%	4 - studio	440		\$995		\$2.26
1346-1356 Idaho Ave					2 - 1BR	800		\$1,195		\$1.49
					8 - 2BR	850		\$1,495		\$1.76
<b>4040 36 St W</b>	1960	14	1	7.1%	14 - 2BR	1,100		1,150		\$1.05
4040 36 St W										
<b>Highway 7 Apartments</b>	1960	11	0	0.0%	7 - 1BR	581		\$942		\$1.62
4405 Highway 7					4 - 2BR	730		\$1,253		\$1.72
CONTINUED										

## RENTAL MARKET ANALYSIS

TABLE R-2 (continued) MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS CITY OF ST. LOUIS PARK FEBRUARY 2023									
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range Min    Max	Rent Range Min    Max	Price per Sq.Ft Min    Max	
Aquila Court 8225 30 1/2 St.	1960	35	1	2.9%	1 - 1BR 1 - 2BR 33 - 3BR	650 800 - 900 950	\$995 \$1,095 - \$1,295 \$1,269 - \$1,350	\$1.53 \$1.37 - \$1.62 \$1.34 - \$1.42	
Park Trails 4531 W 36 1/2	1960	120	0	0.0%	12 - studio 53 - 1BR 55 - 2BR	400 - 500 600 - 700 800 - 850	\$1,019 - \$1,039 \$1,049 - \$1,299 \$1,269 - \$1,449	\$2.08 - \$2.55 \$1.75 - \$1.86 \$1.59 - \$1.70	
Royal Terrace 8217 W 30 1/2	1960	15	1	6.7%	18 - 2BR	900	\$1,279	\$1.42	
Lynn Plaza 3612-3624 Lynn	1959	44	2	4.5%	5 - studio 30 - 1BR 9 - 2BR	500 - 600 750 - 825 895	\$950 \$1,075 N/A	\$1.90 \$1.43 N/A	
Trailways Apartments 8340, 8400 Minnetonka Blvd	1958	38	0	0.0%	21 - 1BR 17 - 2BR	600 700	\$725 \$846	\$1.21 \$1.21	
Era on Excelsior 6860 Excelsior	1955	556	18	3.2%	36 - studios 360 - 1BR 160 - 2BR	485 550 1,150	\$1,015 - \$1,375 \$1,030 - \$1,835 \$1,555 - \$2,205	\$2.09 - \$2.84 \$1.87 - \$3.34 \$1.35 - \$1.92	
Uptown West 3100 Raleigh	1955	120	0	0.0%	40 - studio 80 - 1BR	387 - 455 612 - 698	\$915 - \$925 \$1,004 - \$1,026	\$2.03 - \$2.36 \$1.47 - \$1.64	
Huntington Ave Apartments 3551 Huntington Ave	1951	20	0	0.0%	18 - 1BR 2 - 2BR	700 - 750 825 - 850	\$1,029 - \$1,049 \$1,350	\$1.40 - \$1.50 \$1.59 - \$1.64	
5918 W 35th St 5918-5924 W 35th St	1950	22	0	0.0%	22 - 1BR	N/A	N/A	N/A	
Minikahda Court 3504 Minikahda Ct	1950	125	19	15.2%	39 - studio 41 - 1BR 45 - 2BR	425 - 450 600 - 610 680	\$1,024 - \$1,240 \$1,285 - \$1,380 \$1,395 - \$1,570	\$2.41 - \$2.92 \$2.14 - \$2.30 \$2.05 - \$2.31	
Park Place Apartments 6005, 6017 W 35 St	1950	22	0	0.0%	11 - 1BR 11 - 2BR	750 N/A	N/A N/A	N/A N/A	
6000 35 St W 6000 35 St W	1949	8	0	0.0%	4 - studio 4 - 1BR	580 642	\$781 \$910	\$1.35 \$1.42	
Hansen Apartments 6114 Excelsior Blvd	1949	11	0	0.0%	6 - 1BR 5 - 2BR	N/A N/A	N/A N/A	N/A N/A	
Park Point Apartments (5 parcels) 4301-4325 Minnetonka Blvd	1948	75	5	6.7%	50 - 1BR 25 - 2BR	630 - 700 700 - 800	\$1,075 - \$1,095 \$1,150 - \$1,175	\$1.71 - \$1.74 \$1.64 - \$1.68	
CONTINUED									

## RENTAL MARKET ANALYSIS

TABLE R-2 (continued) AFFORDABLE/SUBSIDIZED RENTAL PROJECTS CITY OF ST. LOUIS PARK FEBRUARY 2023									
Property Name	Year Built	Total Units	Vac.	Vac. Rate	Unit Mix	Sq. Ft. Range Min Max	Rent Range Min Max	Price per Sq.Ft Min Max	
Affordable Rental									
VOLO at Texa Tonka 7920 Minnetonka Blvd (In Intial Lease Up)	2022 Oct	23	0	0.0%	7 - studio 12 - 1BR 4 - 2BR	443 - 569 780 - 927 861 - 1,067	\$958 - \$1,022 \$1,022 \$1,225	\$2.16 - \$2.31 \$1.31 \$1.15 - \$1.42	
Via Sol 5585 Highway 7 E (In Intial Lease Up)	2022 Sept	152	131	86.2%	66 - studio 52 - 1BR 17 - 2BR 15 - 3BR	422 - 577 577 730 - 1,132 1,132 - 1,319	\$1,027 - \$1,400 \$1,411 \$1,662 - \$1,940 \$1,965 - \$2,509	\$2.43 - \$3.32 \$2.45 \$1.47 - \$2.28 \$1.74 - \$1.90	
Parkway Flats 3915 31st St W	2022	6	0	0.0%	6 - 2BR	950	\$1,470	\$1.55	
Parkway Residences - Rehab 3925, 4001, & 4009 31st St W	2022	24	0	0.0%	1 - studio 15 - 1BR 8 - 2BR	N/A N/A N/A	N/A N/A N/A	N/A N/A N/A	
The Quentin 4900 Cedar Lake Rd S	2021 July	8	0	0.0%	3 - studio 4 - 1BR 1 - 2BR	532 780 - 927 1,167 - 1,440	\$1,000 N/A - N/A N/A - N/A	\$1.88 N/A - N/A N/A - N/A	
Elan West End Apartments 1325 Utica Ave S	2020 August	5	0	0.0%	1 - studio 1 - 1BR 2 - 2BR 1 - 3BR	N/A 704 1,084 1,435	N/A N/A N/A N/A	N/A N/A N/A N/A	
Central Park West 1511 Utica Ave S	2018 Jan	6	0	0.0%	1 - studio 2 - 1BR 2 - 2BR 1 - 3BR	N/A N/A N/A N/A	N/A N/A N/A N/A	N/A N/A N/A N/A	
4800 Excelsior Apartments 4800 Excelsior Ave	2018 Jan	18	0	0.0%	1 - studio 10 - 1BR 7 - 2BR	557 746 1,067 - 1,120	N/A N/A N/A - N/A	N/A N/A N/A - N/A	
The Shoreham 3915 Highway 7	2017	30	0	0.0%	4 - studio 13 - 1BR 13 - 2BR	468 - 472 677 - 784 1,082 - 1,116	\$967 \$1,056 \$1,253	\$2.05 - \$2.07 \$1.35 - \$1.56 \$1.12 - \$1.16	
Park Glen Townhomes 4410 Park Glen Road	1996	34	0	0.0%	34 - 3BR	1,406	\$1,100 - \$1,250	\$0.78 - \$0.89	
Louisiana Court (11 Parcels) 2711-2759 Louisiana	1963	128	0	0.0%	3 - studio 58 - 1BR 55 - 2BR 12 - 3BR	595 628 - 680 830 - 860 1,009 - 1,360	\$772 \$849 \$1,029 \$1,209	\$1.30 \$1.25 - \$1.35 \$0.00 - \$1.24 \$0.89 - \$1.20	
Subsidized Rental									
Oak Park Village Apartments 7267 Oak Park Village Drive	1978	100	0	0.0%	27 - 1BR 45 - 2BR 28 - 3BR	759 1,000 1,200	30 %AMI 30 %AMI 30 %AMI	N/A N/A N/A	
Lou Park Apartments 1351 Hampshire	1977	32	0	0.0%	10 - 1BR 22 - 2BR	N/A N/A	30 %AMI 30 %AMI	N/A	
Hamilton House* 2400 Nevada Ave. S.	1976	108	0	0.0%	108 - 1BR	511	30% AMI	N/A	
Louisiana Court 2730 Louisiana Court S	1963	12	0	0.0%	12 - 2BR	N/A	30 %AMI	N/A	
Market Rate Totals	8,316	Market Rate Vacancies		427		Market Rate Vacancy Rate		5.1%	
Stabilized Market Rate Totals	8,091	Stabilized Market Rate		322		Stabilized Market Rate		4.0%	
Affordable Rental Totals	434	Affordable Vacancies		131		Affordable Vacancy Rate		30.2%	
Stabilized Affordable Totals	282	Stabilized Affordable		0		Stabilized Affordable Vacancy		0.0%	
Subsidized Rental Totals	252	Subsidized Vacancies		0		Subsidized Vacancy Rate		0.0%	
Stabilized Subsidized Totals	252	Stabilized Subsidized		0		Stabilized Subsidized Vacancy		0.0%	
Totals	9,002	All Vacancies		558		Vacancy Rate		6.2%	
Stabilized Totals	8,625	Stabilized Vacancies		322		Stabilized Vacancy Rate		3.7%	
*Priority is given to elderly and disabled									
N/A: Not Assessed.									
Sources: Apartment Listing & Property Management Sites; Local News Sources; City of St. Louis Park; Local Architecture/Engineering Firms; & Maxfield Research and Consulting, LLC.									

## RENTAL MARKET ANALYSIS

Table R-3, on the following page, summarizes information on St. Louis Park's rental projects by type (market rate, affordable, and subsidized).

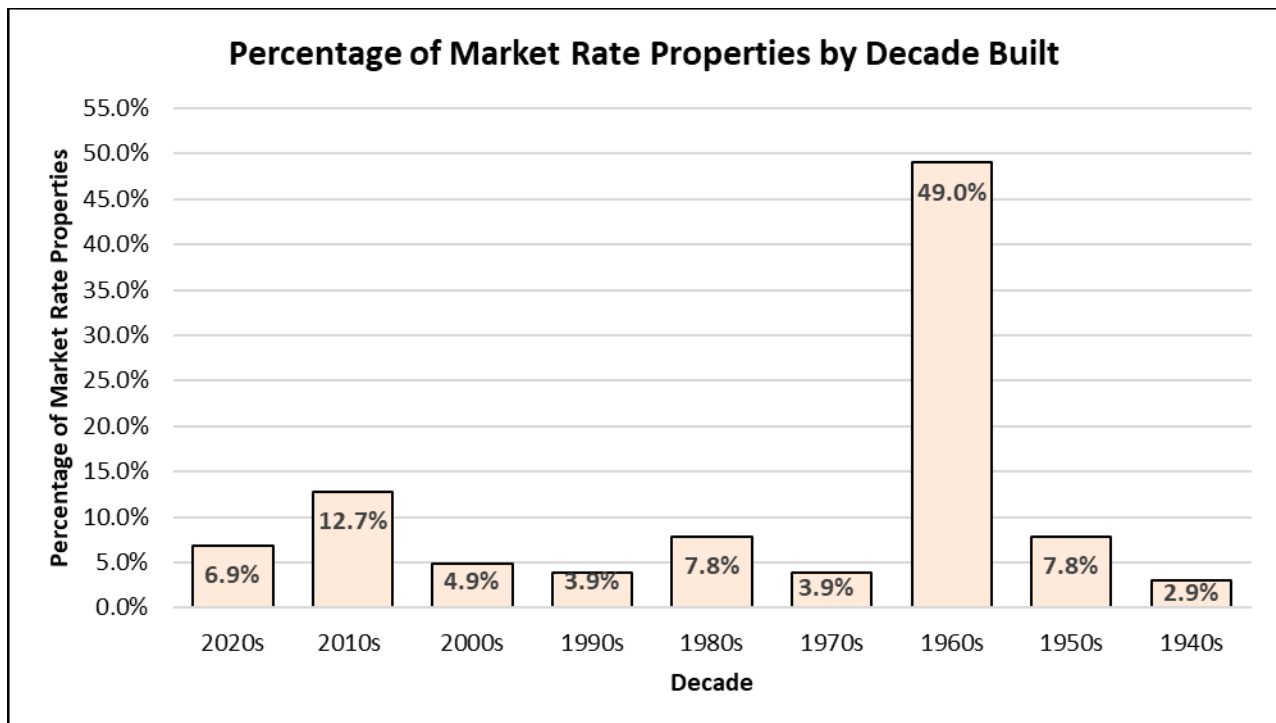
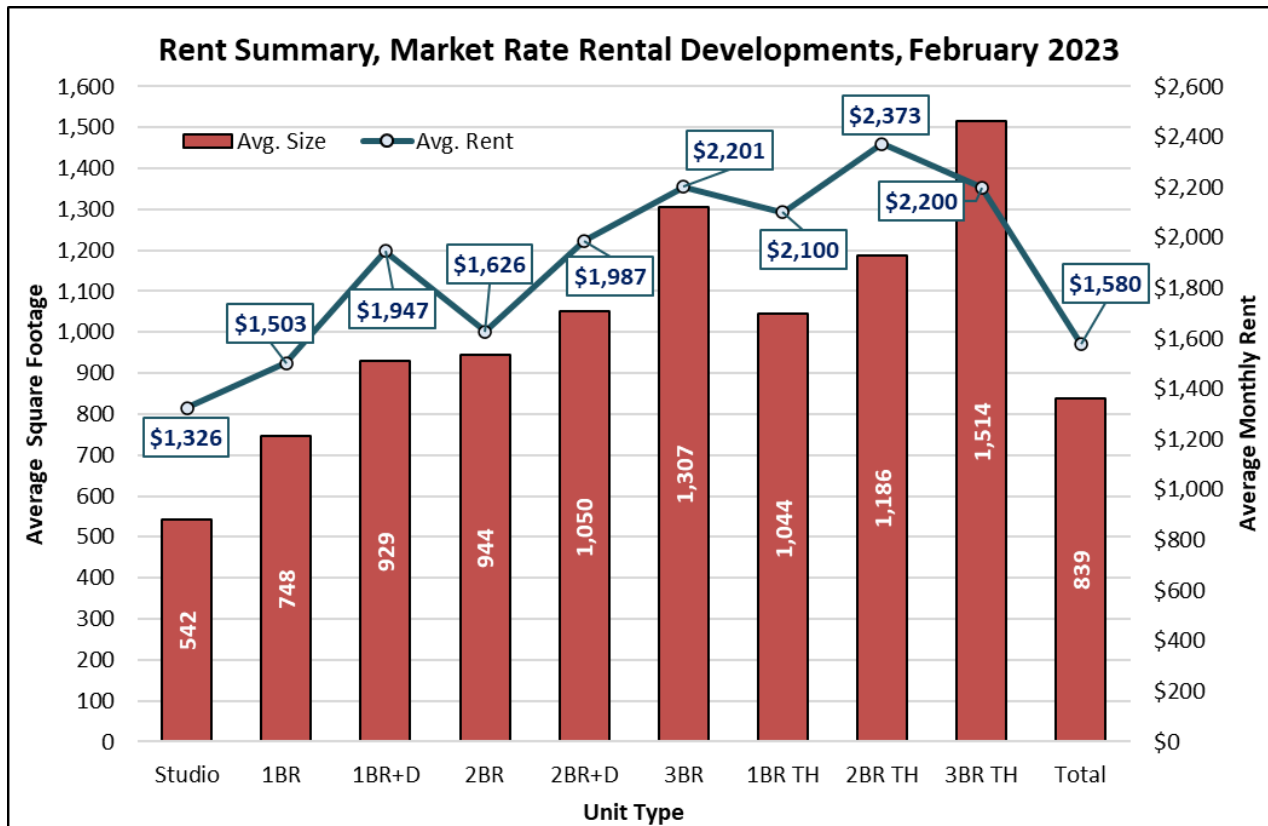
<b>TABLE R-3</b> <b>RENT SUMMARY</b> <b>GENERAL OCCUPANCY RENTAL DEVELOPMENTS</b> <b>ST LOUIS PARK</b> <b>FEBRUARY 2023</b>						
Market Rate						
Unit Type	Total Units	% of Total	Avg. Size	Monthly Rents		
				Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	455	6.0%	542	\$781 - \$2,365	\$1,326	\$2.47
1BR	3,580	46.8%	748	\$725 - \$2,327	\$1,503	\$2.05
1BR+D	221	2.9%	929	\$1,469 - \$2,512	\$1,947	\$2.09
2BR	3,116	40.8%	944	\$846 - \$3,550	\$1,626	\$1.52
2BR+D	43	0.6%	1,050	\$1,919 - \$3,541	\$1,987	\$1.59
3BR	176	2.3%	1,307	\$1,195 - \$3,735	\$2,201	\$1.64
1BR TH	1	0.0%	1,044	\$2,100 - \$2,100	\$2,100	\$2.01
2BR TH	30	0.4%	1,186	\$1,775 - \$2,095	\$2,373	\$1.97
3BR TH	20	0.3%	1,514	\$2,140 - \$2,260	\$2,200	\$1.45
<b>Total:</b>	<b>7,642</b>	<b>100%</b>	<b>839</b>	<b>\$725 - \$3,735</b>	<b>\$1,580</b>	<b>\$1.85</b>
Affordable						
Unit Type	Total Units	% of Total	Avg. Size	Monthly Rents		
				Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	80	21.4%	502	\$772 - \$1,400	\$1,165	\$2.33
1BR	136	36.5%	649	\$849 - \$1,411	\$1,103	\$1.75
2BR	95	25.5%	907	\$1,029 - \$1,940	\$1,234	\$1.36
3BR	62	16.6%	1,317	\$1,100 - \$2,509	\$1,456	\$1.13
<b>Total:</b>	<b>373</b>	<b>100%</b>	<b>794</b>	<b>\$772 - \$2,509</b>	<b>\$1,208</b>	<b>\$1.67</b>
Subsidized						
Unit Type	Total Units	% of Total	Avg. Size	Monthly Rents		
				Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	27	13.0%	759	N/A - N/A	N/A	N/A
1BR	153	73.6%	655	N/A - N/A	N/A	N/A
2BR	28	13.5%	1,200	N/A - N/A	N/A	N/A
<b>Total:</b>	<b>208</b>	<b>100%</b>	<b>742</b>	<b>N/A - N/A</b>	<b>N/A</b>	<b>N/A</b>
N/A: Not Applicable						
Note: Only includes properties with complete information.						
Source: Maxfield Research & Consulting, LLC.						

### Market Rate

- One-bedroom units accounted for the majority of market rate units in St. Louis Park (46.8%). The unit breakout by unit type is summarized below. Note that properties with limited information are excluded.

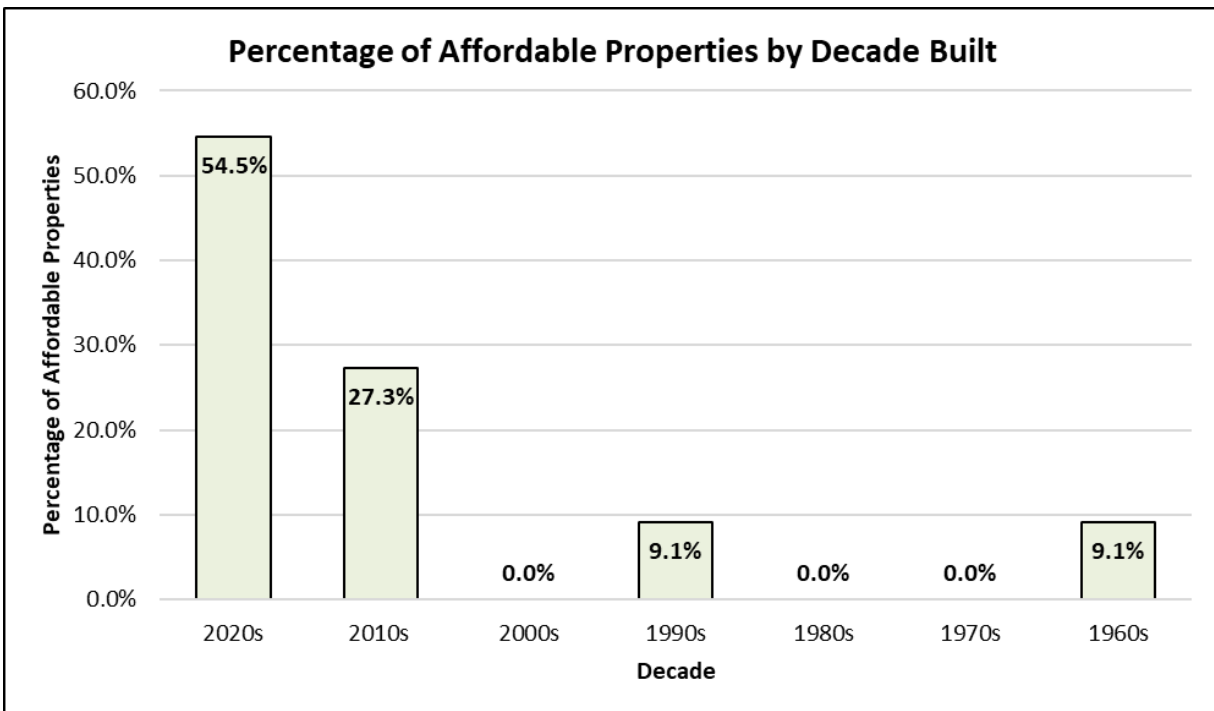
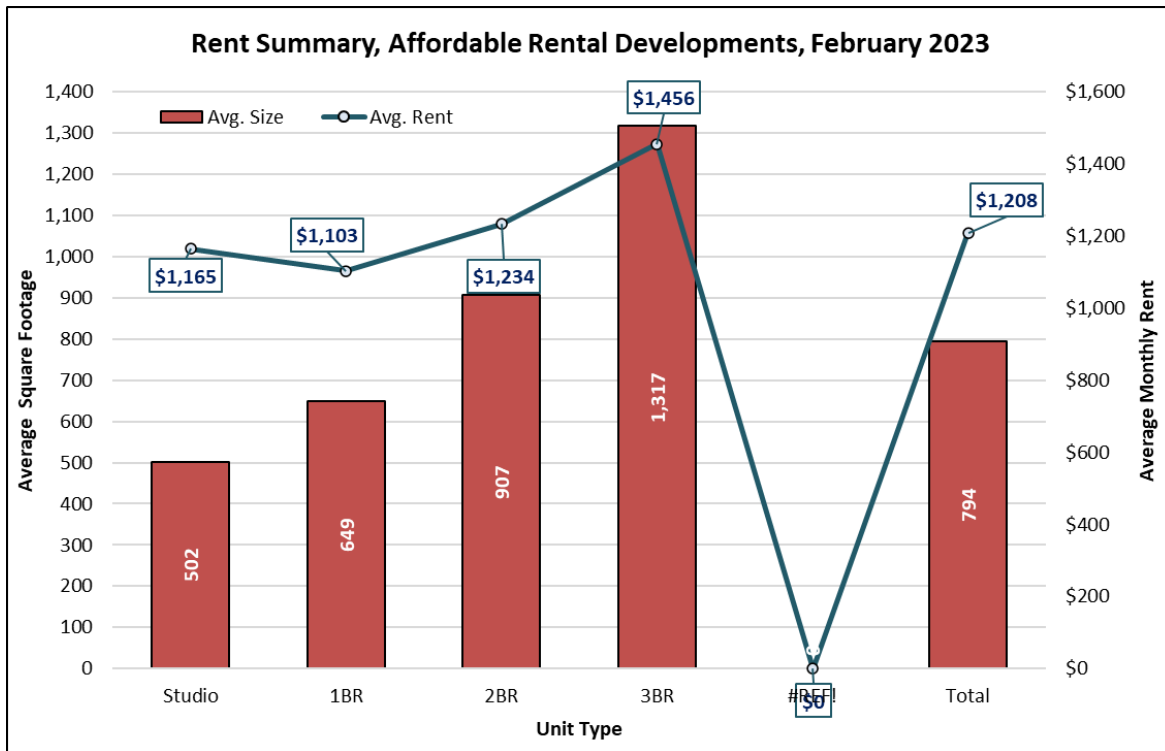
- **Studio units:** 455 | 6.0%
  - **One-bedroom units:** 3,580 | 46.8%
  - **One-bedroom + den units:** 221 | 2.9%
  - **Two-bedroom units:** 3,116 | 40.8%
  - **Two-bedroom + den units:** 43 | 0.6%
  - **Three-bedroom units:** 176 | 2.3%
  - **One-bedroom townhome units:** 1 | 0.0%
  - **Two-bedroom townhome units:** 30 | 0.4%
  - **Three-bedroom townhome units:** 20 | 0.3%
- The following is the monthly rent ranges and average rent for each unit type:
  - **Studio units:** \$781 to \$2,365 | Avg. \$1,326
  - **One-bedroom units:** \$725 to \$2,327 | Avg. \$1,503
  - **One-bedroom + den units:** \$1,469 to \$2,512 | Avg. \$1,947
  - **Two-bedroom units:** \$846 to \$3,550 | Avg. \$1,626
  - **Two-bedroom + den units:** \$1,919 to \$3,541 | Avg. \$1,987
  - **Three-bedroom units:** \$1,195 to \$3,735 | Avg. \$2,201
  - **One-bedroom townhome units:** \$2,100 | Avg. \$2,100
  - **Two-bedroom townhome units:** \$1,775 to \$2,095 | Avg. \$2,373
  - **Three-bedroom townhome units:** \$2,140 to \$2,260 | Avg. \$2,200
- One-bedroom and two bedrooms units are the most common market rate unit types in St. Louis Park. These units made up 46.8% and 40.8% of all units.
- Market rate rents per square foot by unit type are as follows: studio units, \$2.47 per square foot; one bedroom units, \$2.05 per square foot; one bedroom plus den bedroom units, \$2.09 per square foot; two-bedroom units, \$1.52 per square foot; two-bedroom plus den units, \$1.59 per square foot; three-bedroom units, \$1.64, per square foot; one-bedroom townhomes, \$2.01 per square foot; two-bedroom townhome units, \$1.97 per square foot; and three-bedroom townhome units, \$1.45 per square foot.
- Average sizes by unit type are as follows: studio units, 542 square feet; one bedroom units, 748 square feet; one bedroom plus den units 929 square feet; two bedroom units, 944 square feet; two-bedroom plus den units, 1,050 square feet; three-bedroom units, 1,307 square feet; one bedroom townhome units, 1,044 square feet; two-bedroom townhome units 1,186 square feet; three-bedroom townhome units, 1,514 square feet.
- Of the market rate rental properties three were built in the 1940s (2.9%), eight were built in the 1950s (7.8%), fifty were built in the 1960s (49.0%), four were built in the 1970s (3.9%), eight were built in the 1980s (7.8%), four were built in the 1990s (3.9%), five were built in the 2000s (4.9%), thirteen were built in the 2010s (12.7%), and seven were built in the 2020s (6.9%). Note 102 properties are listed here as Urban Park Apartments phase I (2003) and phase II (2020) is separated into two entries not one as listed in the table.





### *Affordable*

- There are eleven affordable, income-restricted, projects in St. Louis Park. Their order in terms of year built is as follows: Volo at Texa Tonka (2022 – October), 23 units; Via Sol (2022 – September), 152 units; Parkway Flats (2022), 6 units; Parkway Residences – Rehab, 24 units; The Quentin (2021 – July), 8 units; Elan West End Apartments (2020 – August), 5 units; Central Park West (2018 – January), 6 units; 4800 Excelsior Apartments (2018 – January), 18 units; The Shoreham (2017), 30 units; Park Glen Townhomes (1996), 34 units; and Louisiana Court (1963), 128 units. Note that in the below summary calculations only properties with complete information were included (Volo at Texa Tonka, Via Sol, The Shoreham, Louisiana Court, Parkway Flats, and Park Glen Townhomes).
- One-bedroom units constituted the largest share of units (35.8%). In addition, 24.7% of units were two-bedroom units while 21.2% were studio units and 17.7% were three-bedroom units. Four bedroom units only represented 0.6% of all units. Below is the breakdown of each of the three unit types by number of units and their percentage.
  - **Studio units:** 80 | 21.8%
  - **One-bedroom units:** 136 | 36.5%
  - **Two-bedroom units:** 95 | 25.5%
  - **Three-bedroom units:** 62 | 16.6%
- The following is the monthly rent ranges and average rent for each unit type:
  - **Studio units:** \$772 to \$1,400 | Avg. \$1,165
  - **One-bedroom units:** \$849 to \$1,411 | Avg. \$1,103
  - **Two-bedroom units:** \$1,029 to \$1,940 | Avg. \$1,234
  - **Three-bedroom units:** \$1,100 to \$2,509 | Avg. \$1,456
- One-bedroom units are the most common affordable unit type in St. Louis Park. These units made up 36.5% of all units. Other unit types were as follows: two-bedroom units, 25.5%; studio units, 21.4%; and three-bedroom units, 16.6%.
- Affordable rents per square foot by unit type are as follows: studio units, \$2.33 per square foot; one bedroom units, \$1.75 per square foot; two-bedroom units, \$1.36 per square foot; and three-bedroom units, \$1.13 per square foot.
- Average sizes by unit type are as follows: studio units, 502 square feet; one bedroom units, 649 square feet; two bedroom units, 907 square feet; and three-bedroom units, 1,317 square feet.
- Of the 11 affordable rental properties, four were built in the 2020s (50.0%), two were built in the 2010s (25.0%), one was built in the 1990s (12.5%), and one was built in the 1960s (12.5%).



## Subsidized

- There are four subsidized projects in St. Louis Park. Combined these four projects provide 252 general occupancy subsidized units. The subsidized properties include Hamilton House (108 units), Lou Park Apartments (32 units), Oak Park Village Apartments (100 units), and Louisiana Court (12 units).
- One-bedroom units account for the largest share of subsidized units at nearly 74% (73.6%) of all subsidized units. Studio units account for 13.5% of all subsidized units while two-bedroom units account for 13.0% of all subsidized units.
- Average sizes by unit type are as follows: studio units, 502 square feet; one bedroom units 655 square feet; and two bedroom units, 1,200 square feet.
- Of the four subsidized rental properties three were built in the 1970s (75.0%) and one was built in the 2010s (25.0%) and 1970s (25.0%).
- All subsidized properties were older and built forty-five or more years ago. The newest built property was Oak Park Village Apartments, built in 1978. The other three properties in order of year built were as follows: Lou Park Apartments, 1977; Hamilton House, 1976; and Louisiana Court, 1963.

## Rental Summary by Year

Table R-4 shows the breakdown and vacancies across all unit types in 2013, 2018, and 2023.

<b>TABLE R-4</b> <b>RENTAL SUMMARY BY YEAR</b> <b>GENERAL OCCUPANCY RENTAL DEVELOPMENTS</b> <b>ST LOUIS PARK</b> <b>MAY 2023</b>				
<b>Year</b>	<b>Unit Type</b>	<b>Number of Units</b>	<b>Vacant Units</b>	<b>Vacant Units</b>
2023	Market Rate	8,316	427	5.1%
	Affordable*	434	131	30.2%
	Subsidized	252	0	0.0%
	<b>Total Units</b>	<b>9,002</b>	<b>558</b>	<b>6.2%</b>
2018	Market Rate	7,826	360	4.6%
	Affordable	288	3	1.0%
	Subsidized	258	0	0.0%
	<b>Total Units</b>	<b>8,372</b>	<b>363</b>	<b>4.3%</b>
2013	Market Rate	7,019	133	1.9%
	Affordable	173	1	0.6%
	Subsidized	258	0	0.0%
	<b>Total Units</b>	<b>7,450</b>	<b>134</b>	<b>1.8%</b>
Note: Only includes properties with complete information.				
* Includes vacant units still in initial lease up at Via Sol (131 units) .				
Source: Maxfield Research & Consulting, LLC.				

## **Natural Occurring Affordable Housing (i.e. Unsubsidized Affordable)**

Although affordable housing is typically associated with income restrictions, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered “naturally-occurring” or “unsubsidized affordable” units. This rental supply is available through the private market, versus assisted housing programs through various government agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, lack of contemporary amenities, etc.

According to the *Joint Center for Housing Studies of Harvard University*, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted projects nationwide. Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties (one to four-unit structures) or in older multifamily structures. Many of these older developments are vulnerable to redevelopment and upgrades due to their age, modest rents, and deferred maintenance.

Because many of these properties have rents that are affordable, project-based, and private housing markets cannot be easily separated. Some households may income-qualify for both market rate and project-based affordable housing, although the gap is widening between market rate and affordable properties as rents in the private market continue to rise. Therefore, it is important to recognize the naturally occurring affordable housing stock to quantify the proportion of units with rents that may be affordable to low and/or moderate-income renters. The analysis does not identify the number of units that are rented to households with incomes at those affordability levels as any tenant that financially qualifies may be able to rent at the property.

Table R-5 illustrates monthly rents by unit type and household size as they relate to affordability. Table R-6 presents a breakdown of all market rate general-occupancy rental properties by household size and area median income (AMI). Table R-7 summarizes property data from Table R-6 based on unit type and affordability. Note that not all properties are included due to rents not being available for all properties. Furthermore, the NOAH tables feature market rate units only and inclusionary units are excluded.

- Among the 8,101 market rate units inventoried by unit mix and monthly rents, 30.2% are affordable to householders with incomes at 80% of AMI. An estimated 26.4% of units are affordable to households with incomes at 50% AMI while 24.5% are affordable to households with incomes at 60% AMI. Less than 1% of units are affordable to households with incomes at 30% AMI. Units at 100% of AMI and 120% of AMI are affordable to 14.2% of households and 4.3% of households, respectively.

## RENTAL MARKET ANALYSIS

**TABLE R-5**  
**MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME**  
**MINNEAPOLIS-ST PAUL-BLOOMINGTON, MN-WI HUD METRO FMR AREA - 2022 (Effective 04/18/22)**

Unit Type <sup>1</sup>	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
	Min	Max	30%		50%		60%		80%		100%		120%	
			Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$617 - \$617		\$1,028 - \$1,028		\$1,233 - \$1,233		\$1,644 - \$1,644		\$2,055 - \$2,055		\$2,466 - \$2,466	
1BR	1	2	\$617 - \$704		\$1,028 - \$1,241		\$1,233 - \$1,409		\$1,644 - \$1,878		\$2,055 - \$2,348		\$2,466 - \$2,817	
2BR	2	4	\$704 - \$880		\$1,241 - \$1,466		\$1,409 - \$1,760		\$1,878 - \$2,346		\$2,348 - \$2,933		\$2,817 - \$3,519	
3BR	3	6	\$792 - \$1,021		\$1,320 - \$1,701		\$1,584 - \$2,042		\$2,112 - \$2,722		\$2,640 - \$3,403		\$3,168 - \$4,083	
4BR	4	8	\$880 - \$1,162		\$1,466 - \$1,936		\$1,760 - \$2,324		\$2,346 - \$3,098		\$2,933 - \$3,873		\$3,519 - \$4,647	

<sup>1</sup> One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet.

Note: Minneapolis-St Paul-Bloomington, MN-WI HUD FMR Area 4-person AMI = \$118,200 (2022).

Sources: HUD, Novogradac, Maxfield Research and Consulting, LLC.

# RENTAL MARKET ANALYSIS

**TABLE R-6**  
**MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS**  
**ASSESSMENT OF MARKET RATE RENTAL HOUSING BY AFFORDABILITY CALCULATION**  
**CITY OF ST LOUIS PARK**  
**FEBRUARY 2023**

	Total	Rent Range		Min. Income		Units that are Market Rate Affordability by AMI <sup>2</sup>					
Unit Type/Project Name	Units	Min	Max	Needed to Afford <sup>1</sup>		30%	50%	60%	80%	100%	120%
Studio											
Volo at Texa Tonka	23	\$1,153 - \$1,506		\$46,120 - \$60,240		--	--	11	12	--	--
Via Sol	18	\$1,400 - \$1,520		\$56,000 - \$60,800		--	--	--	18	--	--
The Quentin	11	\$1,550 - \$1,785		\$62,000 - \$71,400		--	--	--	5	6	--
Elan West End Apartments	7	\$1,730 - \$1,785		\$69,200 - \$71,400		--	--	--	--	7	--
Urban Park Apartments I & II	28	\$1,263 - \$1,425		\$50,520 - \$57,000		--	--	--	28	--	--
4800 Excelsior Apartments	9	\$1,655 - \$1,655		\$66,200 - \$66,200		--	--	--	--	9	--
Central Park West	29	\$1,680 - \$2,365		\$67,200 - \$94,600		--	--	--	--	15	14
The Shoreham	15	\$1,193 - \$1,581		\$47,720 - \$63,240		--	--	8	7	--	--
Millenium West End	20	\$1,541 - \$1,635		\$61,640 - \$65,400		--	--	--	20	--	--
E2	13	\$1,340 - \$1,383		\$53,600 - \$55,320		--	--	--	13	--	--
The Flats at West End	11	\$1,480 - \$1,480		\$59,200 - \$59,200		--	--	--	11	--	--
The Ellipse on Excelsior	8	\$1,207 - \$1,469		\$48,280 - \$58,760		--	--	4	4	--	--
The Camerata - Hoigaard Village	14	\$1,319 - \$1,339		\$52,760 - \$53,560		--	--	--	14	--	--
The Gables at Park Pointe	1	\$1,400 - \$1,400		\$56,000 - \$56,000		--	--	--	1	--	--
Arrive 4301	2	\$1,215 - \$1,275		\$48,600 - \$51,000		--	--	1	1	--	--
Inglewood Trails	4	\$1,185 - \$1,320		\$47,400 - \$52,800		--	--	2	2	--	--
Park Glen Apartments/TH Apts	50	\$1,195 - \$1,300		\$47,800 - \$52,000		--	--	25	25	--	--
Lou Park Apartments	2	\$965 - \$965		\$38,600 - \$38,600		--	2	--	--	--	--
ReNew PARKone Apartments	6	\$1,241 - \$1,241		\$49,640 - \$49,640		--	--	--	6	--	--
Edge of Uptown	4	\$960 - \$980		\$38,400 - \$39,200		--	4	--	--	--	--
Liv Apartments	12	\$993 - \$1,025		\$39,720 \$41,000		--	12	--	--	--	--
Brittany Apartments	1	\$850 - \$913		\$34,000 \$36,520		--	1	--	--	--	--
Target Apartments	1	\$629 - \$629		\$25,160 \$25,160		--	1	--	--	--	--
Colonial Terrace	3	\$1,029 - \$1,029		\$41,160 \$41,160		--	--	3	--	--	--
Virginia Terrace	1	\$807 - \$807		\$32,280 \$32,280		--	1	--	--	--	--
Aquila Park & Royal Park	26	\$1,010 - \$1,025		\$40,400 \$41,000		--	26	--	--	--	--
Boulevard 100	2	\$937 - \$937		\$37,480 \$37,480		--	2	--	--	--	--
Park Towers	5	\$1,148 - \$1,276		\$45,920 \$51,040		--	--	3	2	--	--
Idaho Park East Apartments	1	\$850 - \$995		\$34,000 \$39,800		--	1	--	--	--	--
Idaho Park West Apartments	4	\$995 - \$995		\$39,800 \$39,800		--	4	--	--	--	--
Park Trails	12	\$1,019 - \$1,039		\$40,760 \$41,560		--	6	6	--	--	--
Lynn Plaza	5	\$950 - \$950		\$38,000 \$38,000		--	5	--	--	--	--
Era on Excelsior	36	\$1,015 - \$1,375		\$40,600 \$55,000		--	12	12	12	--	--
Uptown West	40	\$915 - \$925		\$36,600 \$37,000		--	40	--	--	--	--
Minikahda Court	39	\$1,024 - \$1,240		\$40,960 \$49,600		--	13	13	13	--	--
6000 35th St W	4	\$781 - \$781		\$31,240 \$31,240		--	4	--	--	--	--
Total/ Average	467					0	134	88	194	37	14

*Continued*

# RENTAL MARKET ANALYSIS

**TABLE R-6 CONTINUED**  
**MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS**  
**ASSESSMENT OF MARKET RATE RENTAL HOUSING BY AFFORDABILITY CALCULATION**  
**CITY OF ST LOUIS PARK**  
**FEBRUARY 2023**

<b>One-Bedroom</b>				<b>30%</b>	<b>50%</b>	<b>60%</b>	<b>80%</b>	<b>100%</b>	<b>120%</b>
Volo at Texa Tonka	19	\$1,520 - \$2,100	\$60,800 - \$84,000	--	--	--	10	9	--
Via Sol	19	\$1,519 - \$1,724	\$60,760 - \$68,960	--	--	--	19	--	--
The Quentin	46	\$1,824 - \$2,460	\$72,960 - \$98,400	--	--	--	15	16	15
Elan West End Apartments	58	\$1,282 - \$2,390	\$51,280 - \$95,600	--	--	14	15	15	14
Urban Park Apartments I & II	49	\$1,282 - \$1,654	\$51,280 - \$66,160	--	--	25	24	--	--
Parkway 25	77	\$1,350 - \$2,234	\$54,000 - \$89,360	--	--	25	26	26	--
4800 Excelsior Apartments	80	\$1,775 - \$2,298	\$71,000 - \$91,920	--	--	--	40	40	--
Central Park West	83	\$1,850 - \$2,340	\$74,000 - \$93,600	--	--	--	35	48	--
The Shoreham	59	\$1,559 - \$2,509	\$62,360 - \$100,360	--	--	--	20	20	19
Millenium West End	66	\$1,800 - \$2,051	\$72,000 - \$82,040	--	--	--	33	33	--
Siena Apartment Homes	89	\$1,565 - \$2,252	\$62,600 - \$90,080	--	--	--	45	44	--
The Curtis Apartments	2	\$1,456 - \$1,456	\$58,240 - \$58,240	--	--	--	2	--	--
E2	28	\$1,537 - \$2,229	\$61,480 - \$89,160	--	--	--	14	14	--
The Adagio - Hoigaard Village	84	\$1,570 - \$1,776	\$62,800 - \$71,040	--	--	--	84	--	--
The Flats at West End	63	\$1,750 - \$2,512	\$70,000 - \$100,480	--	--	--	21	21	21
Verge Apartments	77	\$1,340 - \$2,025	\$53,600 - \$81,000	--	--	26	26	25	--
The Ellipse on Excelsior	79	\$1,305 - \$2,229	\$52,200 - \$89,160	--	--	26	27	26	--
The Camerata - Hoigaard Village	114	\$1,528 - \$1,776	\$61,120 - \$71,040	--	--	--	114	--	--
Harmony Vista - Hoigaard Village	49	\$1,784 - \$2,120	\$71,360 - \$84,800	--	--	--	24	25	--
The Gables at Park Pointe	42	\$1,667 - \$1,752	\$66,680 - \$70,080	--	--	--	42	--	--
Arrive St Louis Park	88	\$1,655 - \$1,830	\$66,200 - \$73,200	--	--	--	88	--	--
Inglewood Trails	100	\$1,250 - \$2,160	\$50,000 - \$86,400	--	--	33	34	33	--
Excelsior & Grand	156	\$1,599 - \$2,099	\$63,960 - \$83,960	--	--	--	78	78	--
Cityscape Apartments	65	\$1,412 - \$1,601	\$56,480 - \$64,040	--	--	--	33	32	--
Arrive 4301	72	\$1,065 - \$1,590	\$42,600 - \$63,600	--	24	24	24	--	--
Park Glen Apartments/TH Apts	188	\$1,400 - \$1,785	\$56,000 - \$71,400	--	--	94	94	--	--
Tamarind	69	\$1,199 - \$1,249	\$47,960 - \$49,960	--	35	34	--	--	--
Westwind Apartments	72	\$1,295 - \$1,490	\$51,800 - \$59,600	--	--	36	36	--	--
Helix	98	\$1,276 - \$1,649	\$51,040 - \$65,960	--	--	49	49	--	--
Park Pointe Apts	60	\$1,300 - \$1,425	\$52,000 - \$57,000	--	--	30	30	--	--
Somerset Oaks	20	\$1,355 - \$1,685	\$54,200 - \$67,400	--	--	10	10	--	--
Lou Park Apartments	41	\$1,275 - \$1,305	\$51,000 - \$52,200	--	--	41	--	--	--
Park West Apartments	36	\$1,099 - \$1,099	\$43,960 - \$43,960	--	36	--	--	--	--
ReNew PARKone Apartments	60	\$1,583 - \$1,583	\$63,320 - \$63,320	--	--	--	60	--	--
Shelard Village	39	\$1,300 - \$1,300	\$52,000 - \$52,000	--	--	39	--	--	--
Colorado Court	30	\$1,012 - \$1,012	\$40,480 - \$40,480	--	30	--	--	--	--
Texas Terrace	5	\$949 - \$949	\$37,960 - \$37,960	--	5	--	--	--	--
West Lake Estates	9	\$1,040 - \$1,040	\$41,600 - \$41,600	--	9	--	--	--	--
Baycliff Apartments	17	\$1,042 - \$1,057	\$41,680 - \$42,280	--	17	--	--	--	--
Edge of Uptown	75	\$1,125 - \$1,375	\$45,000 - \$55,000	--	37	38	--	--	--
Liv Apartments	36	\$1,191 - \$1,385	\$47,640 - \$55,400	--	18	18	--	--	--
Rhode Island Chateau	40	\$1,149 - \$1,199	\$45,960 - \$47,960	--	40	--	--	--	--
Westwood Chateau	33	\$1,020 - \$1,040	\$40,800 - \$41,600	--	33	--	--	--	--
Brittany Apartments	26	\$1,000 - \$1,000	\$40,000 - \$40,000	--	26	--	--	--	--
The Park at One Hundred	81	\$1,145 - \$1,195	\$45,800 - \$47,800	--	81	--	--	--	--
Courtyard	50	\$1,125 - \$1,215	\$45,000 - \$48,600	--	50	--	--	--	--

*Continued*



# RENTAL MARKET ANALYSIS

TABLE R-6 CONTINUED											
MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS											
ASSESSMENT OF MARKET RATE RENTAL HOUSING BY AFFORDABILITY CALCULATION											
CITY OF ST LOUIS PARK											
FEBRUARY 2023											
One-Bedroom						30%	50%	60%	80%	100%	120%
Target Apartments	32	\$851 - \$851	\$34,040	\$34,040	--	32	--	--	--	--	--
Parkway Place	71	\$1,399 - \$2,200	\$55,960	\$88,000	--	--	28	27	16	--	--
Colonial Terrace	18	\$1,049 - \$1,209	\$41,960	\$48,360	--	18	--	--	--	--	--
Hampshire House (3 parcels)	3	\$995 - \$995	\$39,800	\$39,800	--	3	--	--	--	--	--
1328 Idaho Ave	11	\$1,225 - \$1,225	\$49,000	\$49,000	--	11	--	--	--	--	--
Joppa Lane I & II	84	\$1,125 - \$1,475	\$45,000	\$59,000	--	28	28	28	--	--	--
Knollwood Estates	3	\$979 - \$979	\$39,160	\$39,160	--	3	--	--	--	--	--
Aquila Park & Royal Park	49	\$1,157 - \$1,265	\$46,280	\$50,600	--	25	24	--	--	--	--
6224 Hamilton St	8	\$726 - \$726	\$29,040	\$29,040	--	8	--	--	--	--	--
Lynn Ave Apartments	10	\$900 - \$1,195	\$36,000	\$47,800	--	10	--	--	--	--	--
8200 W 31st St (2 parcels)	10	\$804 - \$804	\$32,160	\$32,160	--	10	--	--	--	--	--
Boulevard 100	41	\$995 - \$1,110	\$39,800	\$44,400	--	41	--	--	--	--	--
Park Embassy	72	\$1,155 - \$1,220	\$46,200	\$48,800	--	72	--	--	--	--	--
Park Towers	67	\$1,345 - \$1,491	\$53,800	\$59,640	--	--	33	34	--	--	--
Park Villa	18	\$899 - \$899	\$35,960	\$35,960	--	18	--	--	--	--	--
Virginia Court Apartments	10	\$818 - \$818	\$32,720	\$32,720	--	10	--	--	--	--	--
Westwood Gardens (3 parcels)	75	\$1,150 - \$1,150	\$46,000	\$46,000	--	75	--	--	--	--	--
White Gate Manor	13	\$908 - \$940	\$36,320	\$37,600	--	13	--	--	--	--	--
Idaho Park East Apartments	1	\$1,225 - \$1,225	\$49,000	\$49,000	--	1	--	--	--	--	--
Idaho Park West Apartments	2	\$1,195 - \$1,195	\$47,800	\$47,800	--	2	--	--	--	--	--
Highway 7 Apartments	7	\$942 - \$942	\$37,680	\$37,680	--	7	--	--	--	--	--
Aquila Court	1	\$995 - \$995	\$39,800	\$39,800	--	1	--	--	--	--	--
Park Trails	53	\$1,049 - \$1,299	\$41,960	\$51,960	--	27	26	--	--	--	--
Lynn Plaza	30	\$1,075 - \$1,075	\$43,000	\$43,000	--	30	--	--	--	--	--
Trailways Apartments	21	\$725 - \$725	\$29,000	\$29,000	--	21	--	--	--	--	--
Era on Excelsior	360	\$1,030 - \$1,835	\$41,200	\$73,400	--	120	120	120	--	--	--
Uptown West	80	\$1,004 - \$1,026	\$40,160	\$41,040	--	80	--	--	--	--	--
Huntington Ave Apartments	18	\$1,029 - \$1,049	\$41,160	\$41,960	--	18	--	--	--	--	--
Minikahda Court	41	\$1,285 - \$1,380	\$51,400	\$55,200	--	--	41	--	--	--	--
6000 35th St W	4	\$910 - \$910	\$36,400	\$36,400	--	4	--	--	--	--	--
Park Point Apartments (5 parcels)	50	\$1,075 - \$1,095	\$43,000	\$43,800	--	50	--	--	--	--	--
Total/Average	4,012				0	1,179	862	1,381	521	69	
Continued											

Continued

# RENTAL MARKET ANALYSIS

TABLE R-6 CONTINUED										
MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS										
ASSESSMENT OF MARKET RATE RENTAL HOUSING BY AFFORDABILITY CALCULATION										
CITY OF ST LOUIS PARK										
FEBRUARY 2023										
Unit Type/Project Name	Total	Rent Range		Min. Income	Units that are Market Rate Affordability by AMI <sup>2</sup>					
	Units	Min	Max	Needed to Afford <sup>1</sup>	30%	50%	60%	80%	100%	120%
Two-Bedroom					30%	50%	60%	80%	100%	120%
Volo at Texa Tonka	18	\$2,037 - \$3,500		\$81,480 - \$140,000	--	--	--	6	6	6
Parkway Place	24	\$2,190 - \$3,550		\$87,600 - \$142,000	--	--	--	2	10	12
Via Sol	22	\$2,105 - \$2,509		\$84,200 - \$100,360	--	--	--	--	11	11
The Quentin	13	\$2,485 - \$3,450		\$99,400 - \$138,000	--	--	--	--	6	7
Elan West End Apartments	70	\$2,485 - \$2,875		\$99,400 - \$115,000	--	--	--	--	35	35
Urban Park Apartments I & II	50	\$1,717 - \$1,997		\$68,680 - \$79,880	--	--	25	25	--	--
Parkway 25	45	\$2,151 - \$2,895		\$86,040 - \$115,800	--	--	--	22	23	--
4800 Excelsior Apartments	57	\$2,357 - \$3,445		\$94,280 - \$137,800	--	--	--	--	28	29
Central Park West	74	\$2,495 - \$2,745		\$99,800 - \$109,800	--	--	--	--	74	--
The Shoreham	74	\$2,399 - \$3,094		\$95,960 - \$123,760	--	--	--	--	37	37
Millenium West End	66	\$1,929 - \$2,861		\$77,160 - \$114,440	--	--	--	22	22	22
Siena Apartment Homes	43	\$2,170 - \$2,458		\$86,800 - \$98,320	--	--	--	22	21	--
The Curtis Apartments	10	\$1,602 - \$1,939		\$64,080 - \$77,560	--	--	5	5	--	--
Medley Row THs - Hoigaard Village	22	\$2,937 - \$3,037		\$117,480 - \$121,480	--	--	--	--	--	22
E2	17	\$1,920 - \$3,541		\$76,800 - \$141,640	--	--	--	5	6	6
The Adagio - Hoigaard Village	16	\$1,935 - \$2,284		\$77,400 - \$91,360	--	--	--	16	--	--
The Flats at West End	45	\$2,395 - \$3,198		\$95,800 - \$127,920	--	--	--	--	23	22
Verge Apartments	77	\$1,685 - \$2,449		\$67,400 - \$97,960	--	--	25	26	26	--
The Ellipse on Excelsior	45	\$1,955 - \$2,569		\$78,200 - \$102,760	--	--	--	23	22	--
The Camerata - Hoigaard Village	92	\$2,007 - \$2,240		\$80,280 - \$89,600	--	--	--	92	--	--
Harmony Vista - Hoigaard Village	24	\$1,888 - \$2,228		\$75,520 - \$89,120	--	--	--	24	--	--
The Gables at Park Pointe	30	\$1,884 - \$2,242		\$75,360 - \$89,680	--	--	--	30	--	--
Arrive St Louis Park	98	\$1,755 - \$2,515		\$70,200 - \$100,600	--	--	32	33	33	--
Inglewood Trails	110	\$1,830 - \$2,745		\$73,200 - \$109,800	--	--	--	10	100	--
Excelsior & Grand	151	\$2,099 - \$2,699		\$83,960 - \$107,960	--	--	--	75	76	--
Cityscape Apartments	81	\$1,781 - \$1,919		\$71,240 - \$76,760	--	--	--	81	--	--
Arrive 4301	36	\$1,540 - \$1,905		\$61,600 - \$76,200	--	--	18	18	--	--
Park Glen Apartments/TH Apts	52	\$1,750 - \$2,100		\$70,000 - \$84,000	--	--	26	26	--	--
Tamarind	33	\$1,559 - \$1,584		\$62,360 - \$63,360	--	--	33	--	--	--
Westwind Apartments	114	\$1,470 - \$1,650		\$58,800 - \$66,000	--	--	114	--	--	--
Helix	65	\$1,751 - \$3,201		\$70,040 - \$128,040	--	--	14	17	17	17
Park Pointe Apts	60	\$1,453 - \$1,770		\$58,120 - \$70,800	--	--	30	30	--	--
Somerset Oaks	60	\$1,600 - \$2,095		\$64,000 - \$83,800	--	--	30	30	--	--
Lou Park Apartments	33	\$1,500 - \$1,585		\$60,000 - \$63,400	--	--	33	--	--	--
Park West Apartments	24	\$1,351 - \$1,351		\$54,040 - \$54,040	--	24	--	--	--	--
ReNew PARKone Apartments	102	\$1,546 - \$1,940		\$61,840 - \$77,600	--	--	51	51	--	--
Shelard Village	75	\$1,535 - \$1,580		\$61,400 - \$63,200	--	--	75	--	--	--
Colorado Court	18	\$1,383 - \$1,383		\$55,320 - \$55,320	--	18	--	--	--	--
Dakota Pointe	19	\$1,289 - \$1,289		\$51,560 - \$51,560	--	19	--	--	--	--
Texas Terrace	12	\$1,350 - \$1,350		\$54,000 - \$54,000	--	12	--	--	--	--
West Lake Estates	18	\$1,450 - \$1,551		\$58,000 - \$62,040	--	9	9	--	--	--
Baycliff Apartments	6	\$1,383 - \$1,447		\$55,320 - \$57,880	--	3	3	--	--	--
Edge of Uptown	65	\$1,500 - \$1,680		\$60,000 - \$67,200	--	--	65	--	--	--
Liv Apartments	18	\$1,450 - \$1,450		\$58,000 - \$58,000	--	18	--	--	--	--
Continued										

# RENTAL MARKET ANALYSIS

TABLE R-6 <i>CONTINUED</i>									
MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS									
ASSESSMENT OF MARKET RATE RENTAL HOUSING BY AFFORDABILITY CALCULATION									
CITY OF ST LOUIS PARK									
FEBRUARY 2023									
Two-Bedroom				30%	50%	60%	80%	100%	120%
Rhode Island Chateau	67	\$1,450 - \$1,499	\$58,000 - \$59,960	--	33	34	--	--	--
Villa Capri	12	\$1,550 - \$1,725	\$62,000 - \$69,000	--	--	12	--	--	--
Westwood Chateau	13	\$1,280 - \$1,285	\$51,200 - \$51,400	--	13	--	--	--	--
Brittany Apartments	12	\$1,300 - \$1,400	\$52,000 - \$56,000	--	12	--	--	--	--
The Park at One Hundred	12	\$1,295 - \$1,325	\$51,800 - \$53,000	--	12	--	--	--	--
Courtyard	101	\$1,280 - \$1,415	\$51,200 - \$56,600	--	101	--	--	--	--
Colonial Terrace	33	\$1,299 - \$1,419	\$51,960 - \$56,760	--	33	--	--	--	--
Hampshire House (3 parcels)	33	\$1,095 - \$1,280	\$43,800 - \$51,200	--	33	--	--	--	--
Virginia Terrace	11	\$1,142 - \$1,142	\$45,680 - \$45,680	--	11	--	--	--	--
Hampshire Apts (2 parcels)	14	\$860 - \$860	\$34,400 - \$34,400	14	--	--	--	--	--
Joppa Lane I & II	60	\$1,335 - \$1,775	\$53,400 - \$71,000	--	20	20	20	--	--
Knollwood Estates	100	\$1,160 - \$1,160	\$46,400 - \$46,400	--	100	--	--	--	--
Aquila Park & Royal Park	100	\$1,325 - \$1,625	\$53,000 - \$65,000	--	50	50	--	--	--
6224 Hamilton St	6	\$950 - \$950	\$38,000 - \$38,000	--	6	--	--	--	--
Lynn Ave Apartments	20	\$1,495 - \$1,625	\$59,800 - \$65,000	--	--	20	--	--	--
Minnetonka Blvd Apartments	14	\$1,280 - \$1,316	\$51,200 - \$52,640	--	14	--	--	--	--
8200 W 31st St (2 parcels)	10	\$965 - \$965	\$38,600 - \$38,600	--	10	--	--	--	--
Boulevard 100	16	\$1,385 - \$1,385	\$55,400 - \$55,400	--	16	--	--	--	--
Park Embassy	35	\$1,490 - \$1,492	\$59,600 - \$59,680	--	--	35	--	--	--
Park Towers	65	\$1,545 - \$1,545	\$61,800 - \$61,800	--	--	65	--	--	--
Park Villa	3	\$1,200 - \$1,200	\$48,000 - \$48,000	--	3	--	--	--	--
Virginia Court Apartments	13	\$880 - \$880	\$35,200 - \$35,200	--	13	--	--	--	--
Westwood Gardens (3 parcels)	77	\$1,350 - \$1,450	\$54,000 - \$58,000	--	39	38	--	--	--
White Gate Manor	19	\$1,048 - \$1,198	\$41,920 - \$47,920	--	19	--	--	--	--
4421 Minnetonka Blvd	8	\$991 - \$991	\$39,640 - \$39,640	--	8	--	--	--	--
6309 Excelsior Blvd	12	\$1,300 - \$1,300	\$52,000 - \$52,000	--	12	--	--	--	--
Idaho Park East Apartments	10	\$1,495 - \$1,495	\$59,800 - \$59,800	--	--	10	--	--	--
Virginia East Apartments	10	\$1,269 - \$1,269	\$50,760 - \$50,760	--	10	--	--	--	--
Idaho Park West Apartments	8	\$1,495 - \$1,495	\$59,800 - \$59,800	--	--	8	--	--	--
4040 36th St W	14	\$1,150 - \$1,150	\$46,000 - \$46,000	--	14	--	--	--	--
Highway 7 Apartments	4	\$1,253 - \$1,253	\$50,120 - \$50,120	--	4	--	--	--	--
Aquila Court	1	\$1,095 - \$1,295	\$43,800 - \$51,800	--	1	--	--	--	--
Park Trails	55	\$1,269 - \$1,449	\$50,760 - \$57,960	--	28	27	--	--	--
Royal Terrace	18	\$1,279 - \$1,279	\$51,160 - \$51,160	--	18	--	--	--	--
Trailways Apartments	17	\$846 - \$846	\$33,840 - \$33,840	17	--	--	--	--	--
Era on Excelsior	160	\$1,555 - \$2,205	\$62,200 - \$88,200	--	--	80	80	--	--
Huntington Ave Apartments	2	\$1,350 - \$1,350	\$54,000 - \$54,000	--	2	--	--	--	--
Minikahda Court	51	\$1,395 - \$1,570	\$55,800 - \$62,800	--	25	26	--	--	--
Park Point Apartments (5 parcels)	25	\$1,150 - \$1,175	\$46,000 - \$47,000	--	25	--	--	--	--
<b>Total/ Average</b>	<b>3,425</b>			<b>31</b>	<b>788</b>	<b>1,013</b>	<b>791</b>	<b>576</b>	<b>226</b>
<i>Continued</i>									

## RENTAL MARKET ANALYSIS

**TABLE R-6 CONTINUED**  
**MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS**  
**NATURALLY OCCURRING RENTAL HOUSING**  
**CITY OF ST LOUIS PARK**  
**FEBRUARY 2023**

	Total	Rent Range		Min. Income	Units that are Market Rate Affordability by AMI <sup>2</sup>					
Unit Type/Project Name	Units	Min	Max	Needed to Afford <sup>1</sup>	30%	50%	60%	80%	100%	120%
Three Bedroom					30%	50%	60%	80%	100%	120%
Via Sol	6	\$2,539 - \$2,753		\$101,560 - \$110,120	--	--	--	3	3	--
The Quentin	1	\$2,950 - \$2,950		\$118,000 - \$118,000	--	--	--	--	1	--
Elan West End Apartments	24	\$3,445 - \$3,735		\$137,800 - \$149,400	--	--	--	--	--	24
Urban Park Apartments I & II	14	\$2,200 - \$2,200		\$88,000 - \$88,000	--	--	--	14	--	--
Central Park West	7	\$3,260 - \$3,530		\$130,400 - \$141,200	--	--	--	--	2	5
Millenium West End	6	\$3,550 - \$3,550		\$142,000 - \$142,000	--	--	--	--	--	6
Siena Apartment Homes	6	\$3,183 - \$3,456		\$127,320 - \$138,240	--	--	--	--	--	6
The Curtis Apartments	1	\$2,620 - \$2,620		\$104,800 - \$104,800	--	--	--	1	--	--
The Gables at Park Pointe	6	\$2,480 - \$2,540		\$99,200 - \$101,600	--	--	--	6	--	--
Arrive St Louis Park	14	\$2,460 - \$2,610		\$98,400 - \$104,400	--	--	--	14	--	--
Helix	4	\$2,182 - \$2,738		\$87,280 - \$109,520	--	--	--	2	2	--
Park Pointe Apts	12	\$2,075 - \$2,075		\$83,000 - \$83,000	--	--	--	6	6	--
Somerset Oaks	20	\$2,140 - \$2,260		\$85,600 - \$90,400	--	--	--	20	--	--
ReNew PARKone Apartments	18	\$2,070 - \$2,095		\$82,800 - \$83,800	--	--	--	18	--	--
Shelard Village	12	\$1,985 - \$1,985		\$79,400 - \$79,400	--	--	12	--	--	--
Dakota Pointe	1	\$1,440 - \$1,440		\$57,600 - \$57,600	--	1	--	--	--	--
8200 W 31st St (2 parcels)	2	\$1,195 - \$1,195		\$47,800 - \$47,800	--	2	--	--	--	--
Boulevard 100	3	\$1,935 - \$1,935		\$77,400 - \$77,400	--	--	3	--	--	--
Park Towers	6	\$1,975 - \$1,976		\$79,000 - \$79,040	--	--	6	--	--	--
Virginia East Apartments	1	\$1,370 - \$1,370		\$54,800 - \$54,800	--	1	--	--	--	--
Aquila Court	33	\$1,269 - \$1,350		\$50,760 - \$54,000	--	33	--	--	--	--
Total/ Average	197				0	37	21	84	14	41

<sup>1</sup> Based on a 30% allocation of income to housing for general-occupancy. Senior housing is excluded from the calculation.

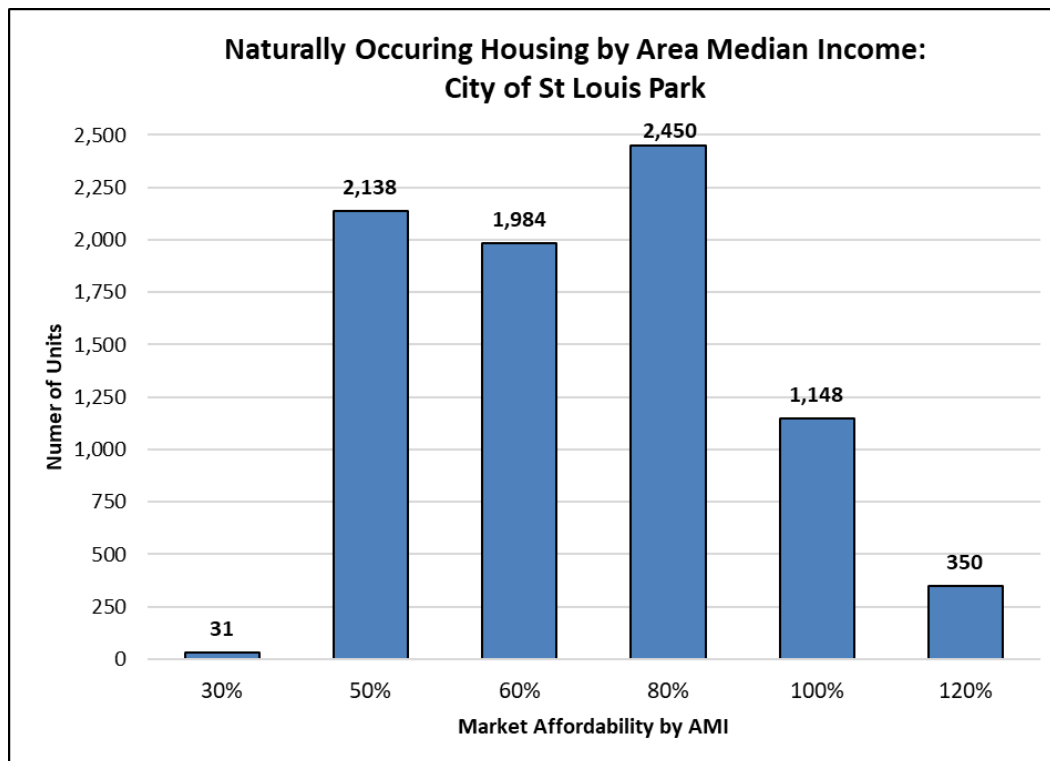
<sup>2</sup> Market rate housing that has rents that could be classified as "unsubsidized affordable" units based on the monthly rents and adjusted for household size.

Note: Plus den units are categorized by their number of bedrooms. For example one-bedroom plus den units would be classified as one bedroom units and two-bedroom plus den units would be classified as two-bedroom units. One, two, and three bedroom townhomes are also categorized in their respective categories ie. three bedroom townhomes are classified as three bedroom units. Note both numeric mix and rents must be included to be in table.

Source: Maxfield Research & Consulting, LLC.

- In comparison, in the previous 2018 study, of inventoried market rate units, 41.4% were affordable to householders with incomes at 60% of AMI. An estimated 22.2% of units were affordable to households with incomes at 80% AMI while 17.6% were affordable to households with incomes at 50% AMI. Only 0.5% of units were affordable to households with incomes at 30% AMI. Units at 120% of AMI and 50% of AMI were affordable to 17.6% of households and 7.9% of households, respectively.
- Of market rate units affordable at 60% of AMI, 51.1% are two-bedroom units, 43.4% are one-bedroom units, 4.4% are studio units, and 1.1% are three-bedroom units.
- At 50% of AMI, 36.9% of market rate units are two-bedroom units, 55.1% are one-bedroom units, 6.3% are studio units, and 1.7% are three-bedroom units.
- Of market rate units affordable at 30% of AMI (31 units), all (100%) are two-bedroom units.

<b>TABLE R-7</b> <b>MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS</b> <b>NATURAL OCCURRING SUMMARY</b> <b>CITY OF ST LOUIS PARK</b> <b>FEBRUARY 2023</b>						
Unit Type	Market Rate Affordability by AMI					
	30%	50%	60%	80%	100%	120%
<b>STUDIO</b>	0	134	88	194	37	14
<b>1 BR</b>	0	1,179	862	1,381	521	69
<b>2 BR</b>	31	788	1,013	791	576	226
<b>3 BR</b>	0	37	21	84	14	41
<b>Subtotal</b>	<b>31</b>	<b>2,138</b>	<b>1,984</b>	<b>2,450</b>	<b>1,148</b>	<b>350</b>
<b>Pct. Of Total</b>	<b>0.4%</b>	<b>26.4%</b>	<b>24.5%</b>	<b>30.2%</b>	<b>14.2%</b>	<b>4.3%</b>
<b>Pct. Of Affordability Category</b>						
<b>STUDIO</b>	<b>0.0%</b>	<b>6.3%</b>	<b>4.4%</b>	<b>7.9%</b>	<b>3.2%</b>	<b>4.0%</b>
<b>1 BR</b>	<b>0.0%</b>	<b>55.1%</b>	<b>43.4%</b>	<b>56.4%</b>	<b>45.4%</b>	<b>19.7%</b>
<b>2 BR</b>	<b>100.0%</b>	<b>36.9%</b>	<b>51.1%</b>	<b>32.3%</b>	<b>50.2%</b>	<b>64.6%</b>
<b>3 BR</b>	<b>0.0%</b>	<b>1.7%</b>	<b>1.1%</b>	<b>3.4%</b>	<b>1.2%</b>	<b>11.7%</b>
Source: Maxfield Research & Consulting, LLC.						



### Legacy Program

The City of created the Legacy program to help with the affordability of rental housing in the community. The program provides resources to property owners if or when they decide to sell their properties. As a result, it is hoped that housing will maintain its affordability in the City.<sup>3</sup>

### Rental Licensing Program

St. Louis Park has a rental licensing program for rental units in the City specified in the City Code. The main requirement to obtain a license is the completion of a City offered course. In addition, after attending the course, further courses are required every three years in order to maintain a rental license in the City. Property maintenance inspections are also required every two years.<sup>4</sup>

#### Select Newer Rental Developments



Elan West End



Central Park West



Via Sol



The Quentin

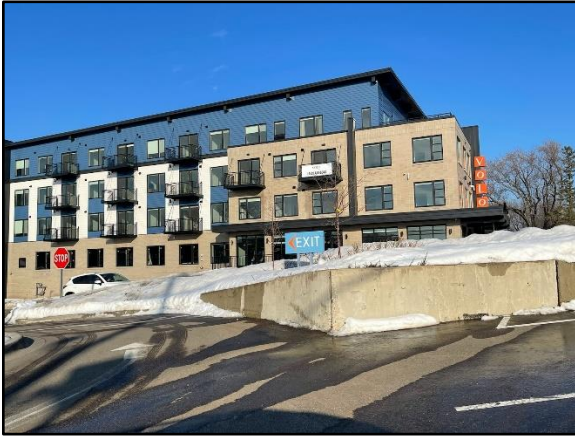
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<sup>3</sup> “Legacy Program.” *City of St. Louis Park*, <https://www.stlouisparkmn.gov/government/departments-divisions/housing/property-owners/st-louis-park-legacy-program>. Accessed 1 Mar. 2023.

<sup>4</sup> “Sec. 8-328. Rental Owner/Property Manager training.” *City Code Chapter 8 Businesses and Licenses*, Supp. No. 42 (10-21), pp 8-38, <https://www.stlouisparkmn.gov/home/showpublisheddocument/24653/638118848923470000>. Accessed 1 Mar. 2023.



Select Newer Rental Developments (Continued)



Volo at Texa Tonka



The Camerata



Medley Row



Adagio



Parkway 25



The Verge



Select Older Rental Developments (Continued)



Brittany Apartments



Helix



Westwood Chateau



Park Embassy



Arrive 4301



Shelard Village Apartments

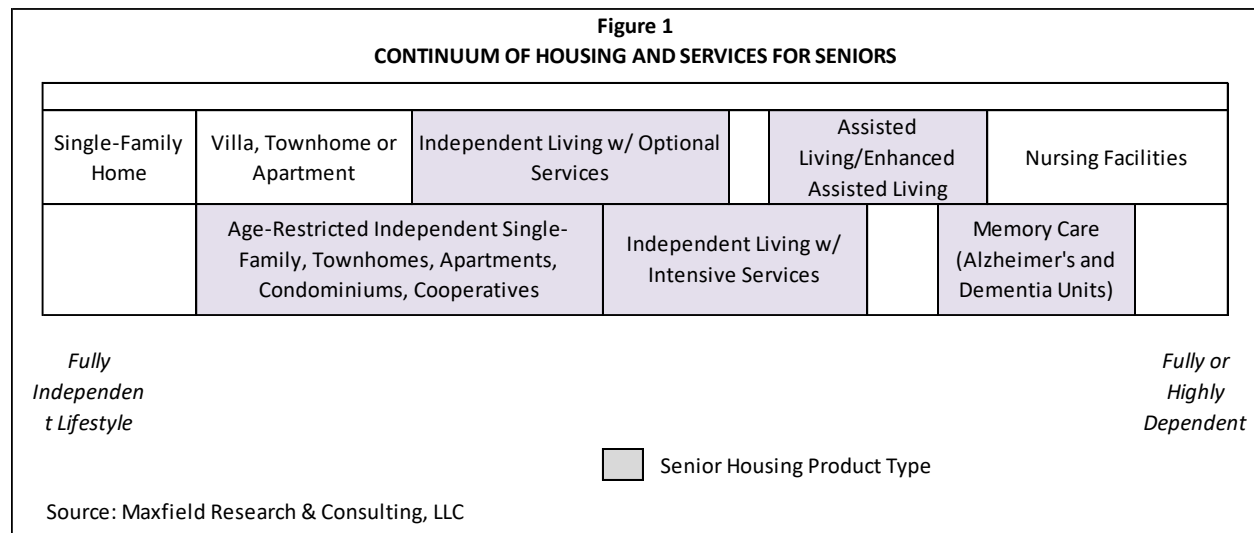


## Introduction

This section provides an assessment of the market support for senior housing (active adult, independent living, assisted living, and memory care) in St. Louis Park. An overview of the demographic and economic characteristics of the senior population in St. Louis Park, Hennepin County, and Metro Area is presented along with an inventory of existing senior housing developments in the city. Demand for senior housing is calculated based on demographic, economic and competitive factors that would impact demand for additional senior housing units in the city. Our assessment concludes with an estimation of the proportion of city demand that could be captured by senior housing communities located in St. Louis Park.

## Senior Housing Defined

Senior housing is a concept that generally refers to the integrated delivery of housing and services to seniors. However, as Figure 1 illustrates, senior housing embodies a wide variety of product types across the service-delivery spectrum.



Products range from independent apartments and/or townhomes with virtually no services on one end, to highly specialized, service-intensive assisted living units or housing geared for people with dementia-related illnesses (termed "memory care") on the other end of the spectrum.

In general, independent senior housing attracts people 65 and older while assisted living typically attracts people 80 and older who need assistance with activities of daily living (ADLs). For analytical purposes, Maxfield Research and Consulting, LLC classifies senior housing into five primary categories based on the level and type of services offered as described in the following figure.

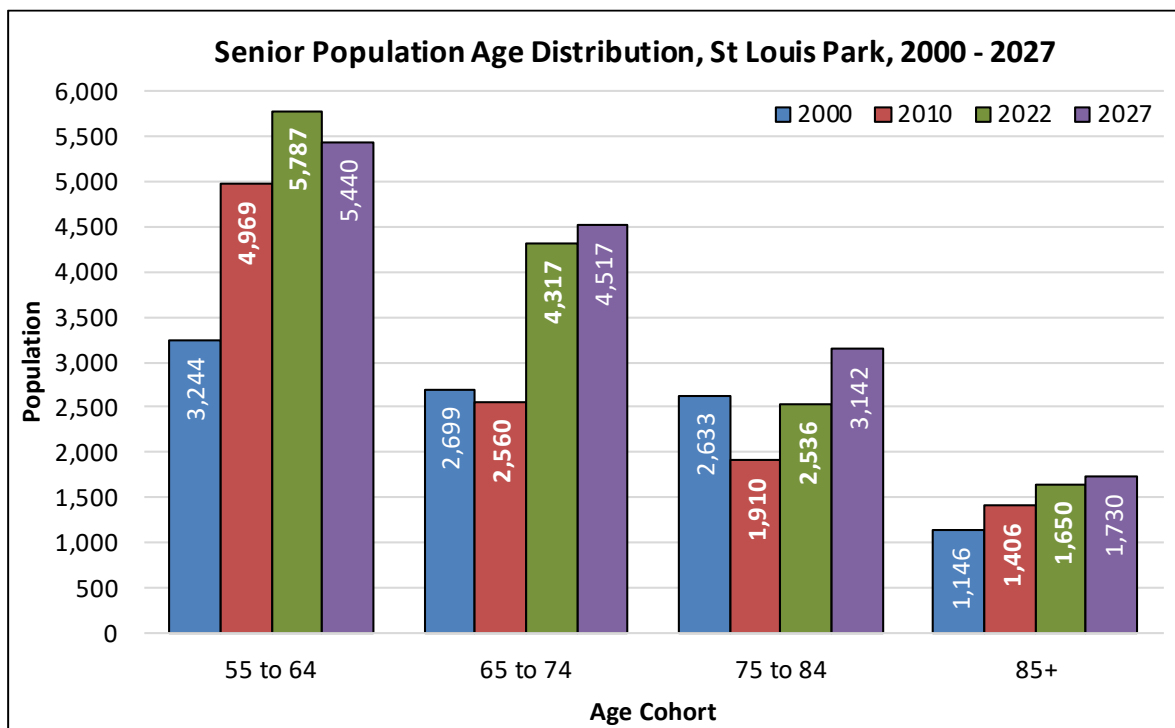
- **Active Adult** properties (or independent living without services available) are similar to a general-occupancy building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Residents are generally age 70 or older if in an apartment-style building. Organized entertainment, activities and occasionally a transportation program represent the extent of services typically available at these properties. Because of the lack of services, active adult properties generally do not command the rent premiums of more service-enriched senior housing. Active adult properties can have a rental or owner-occupied (condominium or cooperative) format.
- **Independent Living** properties (or independent living with services available) offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties often dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Independent living properties attract a slightly older target market than adult housing, typically seniors 75 or older. Rents are also above those of the active adult buildings. Sponsorship by a nursing home, hospital or other health care organization is common.
- **Assisted Living** properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who need extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.
- **Memory Care** properties, designed specifically for persons suffering from Alzheimer's disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which addresses housing needs almost exclusively for widows or widowers, a higher proportion of persons afflicted with Alzheimer's disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver's concern of incurring the costs of health care at a special facility while continuing to maintain their home.
- **Skilled Nursing Care, or long-term care** facilities, provides a living arrangement that integrates shelter and food with medical, nursing, psychosocial and rehabilitation services for

persons who require 24-hour nursing supervision. Residents in skilled nursing homes can be funded under Medicare, Medicaid, Veterans, HMOs, and private insurance as well as use of private funds.

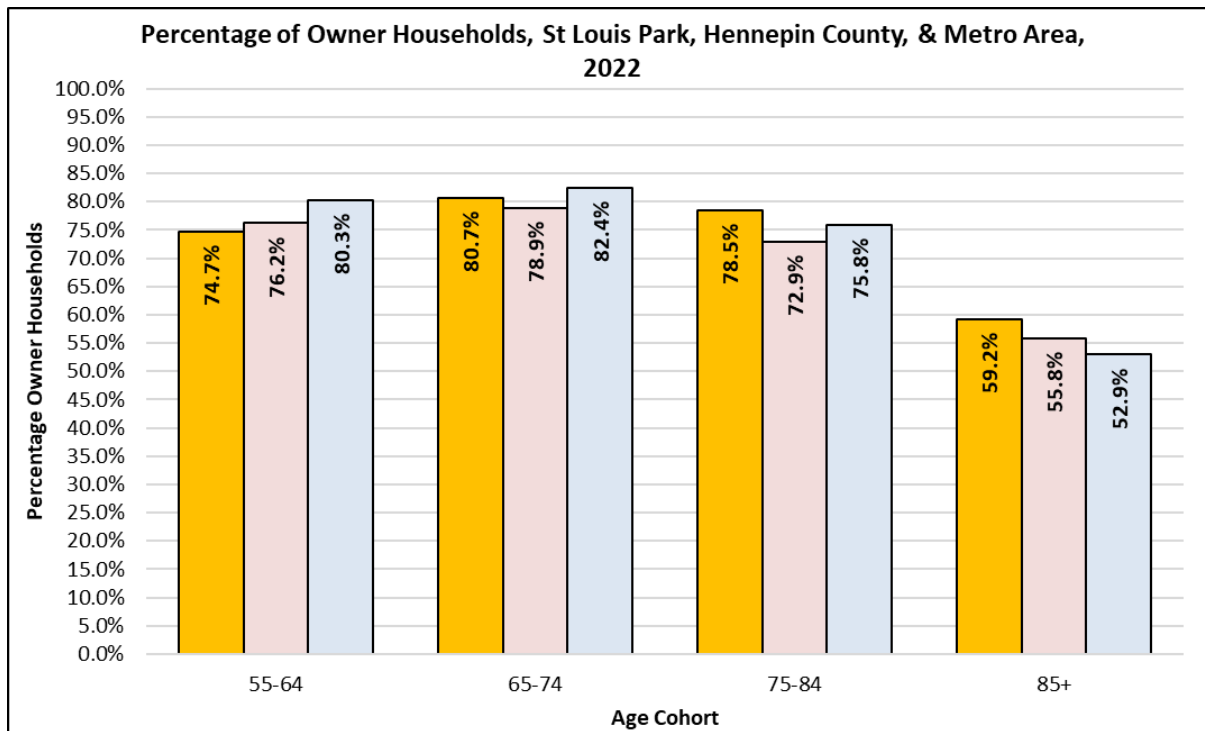
### Older Adult (Age 55+) Population and Household Trends

The Demographic Analysis section of this study presented general demographic characteristics of St. Louis Park's population in comparison to Hennepin County and the Seven County Metro Area. The following points summarize key findings from that section as they pertain to the older adult population in St. Louis Park and the PMA Remainder.

- Between 2010 and 2022, the fastest growing proportion of the population in St. Louis Park was those between the ages of 65 and 74, which experienced a 68.6% increase in population, an addition of 1,757 people. This was also the case in Hennepin County and the Metro where 85.7% (57,010 people) and 83.0% (135,656), respectively of the population between 65 to 74 increased between 2010 and 2022.
- Over the next five years the fastest population growth in St. Louis Park is projected to be those between the ages of 75 and 84, which are forecast to experience a 23.9% increase in population, an addition of 606 people. This is also projected to be the case in Hennepin County and the Metro where 29.0% (17,725 people) and 29.5% (41,802), respectively of the population between 65 to 74 are forecast to increase between 2010 and 2022.



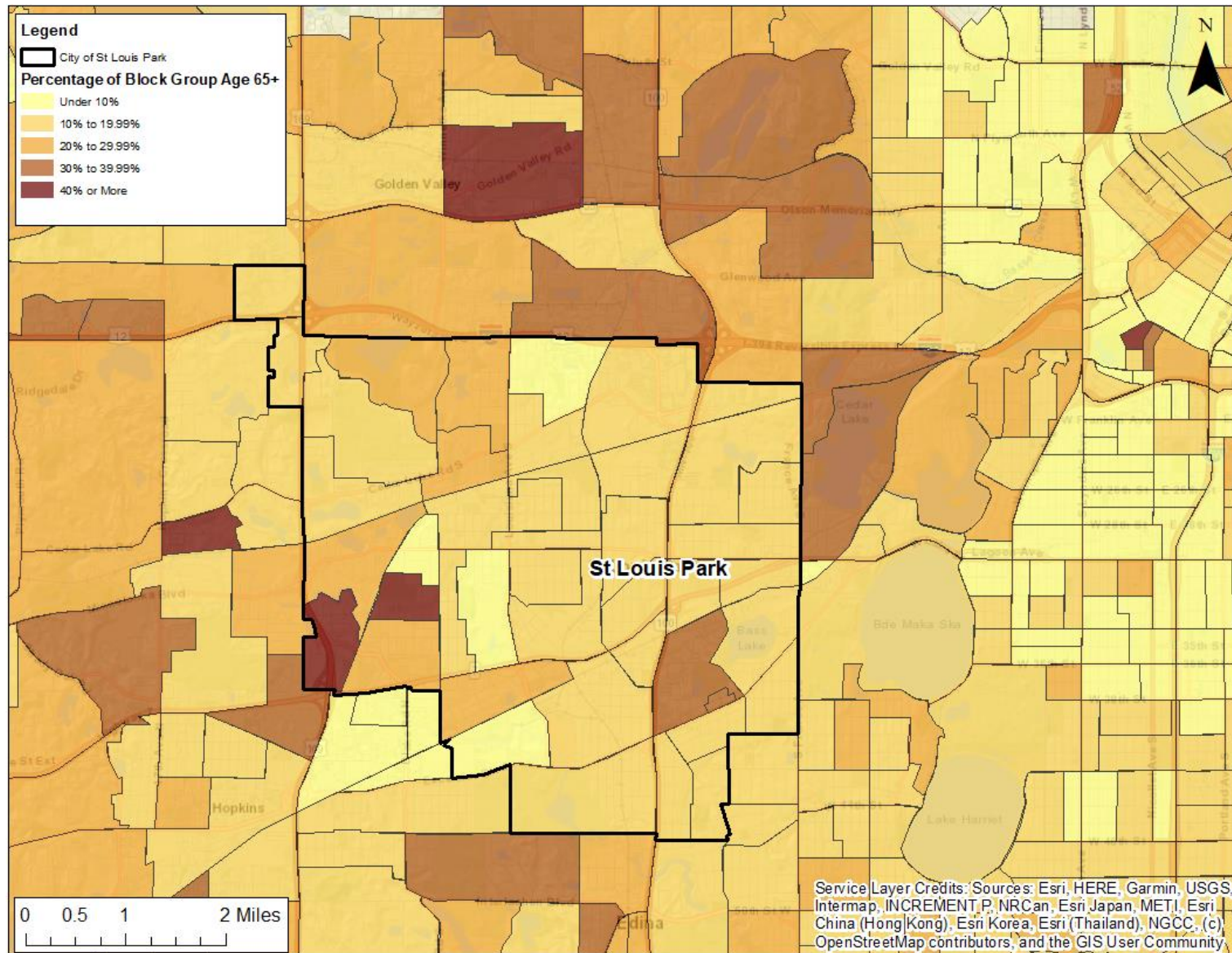
- The primary market for service-enhanced housing is senior households age 75 and older. While individuals in their 50s and 60s typically do not comprise the market base for service-enhanced senior housing, they often have elderly parents to whom they provide support when they decide to relocate to senior housing. Since elderly parents typically prefer to be near their adult caregivers, growth in the older adult age cohort (age 55 to 64) generally results in additional demand for senior housing products.
- Homeownership information lends insight into the number of households that may still have homes to sell and could potentially supplement their incomes from the sales of their homes to support monthly fees for alternative housing.
- St. Louis Park maintains relatively high rates of homeownership in the older adult age cohorts. The homeownership rate as of 2022 is 80.7% for households 55 to 64. Seniors typically begin to consider moving into senior housing alternatives or more convenient housing such as apartment buildings or twin homes in their early to mid-70s. This movement pattern is demonstrated by the drop in homeownership between the 65 to 74 age cohort (78.5%) and the 75+ age cohort (59.2%).



- With a homeownership rate of 75.5% for all St. Louis Park households over the age of 65, a large number of residents would be able to use proceeds from the sales of their homes toward senior housing alternatives. The resale of single-family homes would allow additional senior households to qualify for market rate housing products, since equity from the home sale could be used as supplemental income for alternative housing. These considerations are factored into our demand calculations.

A map on the following page, created with ESRI data, displays the percentage of 65 and older population by block group in St. Louis Park and neighboring communities. Percentage categories for those 65 and older are as follows: under 10%; 10% to 19.99%; 20% to 29.99%; 30% to 39.99%; and 40% or more. Areas of the City with the highest percentage of those 65 and older are highest in the southwestern portion of the city in the Amhurst, Minnehaha, and Oak Hill neighborhoods.

St. Louis Park Percentage of Population 65 and Older by Block Group, 2022



## **Supply of Senior Housing**

Table SN-1 provides information on the various senior housing products in St. Louis Park by facility type and service-level. Information in the table includes year built, total units, unit sizes, vacancies, rents, and general comments about each project. The following section summarizes key points from our survey of senior housing facilities in the County.

- Maxfield Research identified eight senior housing developments in the PMA. Combined, these projects contain a total of 1,004 senior housing units. Of those 1,004 units, 693 units (69.0%) are market rate units while 123 units are shallow subsidy/income-restricted (12.3%), and 188 units (18.7%) are deep subsidy units.
- Based on our survey, 63.7% of the units provide service-enhanced housing, for a total of 640 units. These include 432 independent living units, 120 assisted living units, 57 memory care units, and 31 enhanced care/dementia care units. The remaining 36.3% (364 units) are active adult, including 205 affordable (deep- and shallow-subsidy), 53 market rate rental, and 106 cooperative/ownership units. Of the 1,004 senior housing units, 99 are currently vacant, representing an 9.9% vacancy rate. Generally a vacancy rate of 7% is considered equilibrium for service based senior housing.
- As of the survey, there are 92 vacant service-enhanced units (14.5% vacancy rate), including 14 memory care vacancies (24.6% vacancy), 31 assisted living vacancies (25.8%), 47 independent living vacancies (10.9%), and one enhanced/dementia care (3.2%).
- Market rate active adult units are 5.7% vacant (three vacancies), deep subsidy active adult properties are 1.6% vacant (three vacancies), and shallow subsidy active adult properties have no vacancies. A 93% occupancy rate is generally considered equilibrium in assisted living and memory care senior housing, while 95% occupancy is considered equilibrium in independent living and active adult. As such, the current supply of service-enhanced units appears to be oversupplied with the exception of enhanced/dementia care (3.2% vacancy rate), while the active adult markets appear to be undersupplied with the exception of active adult market rate units (5.7%).
- The affordable active adult properties are predominantly project-based Section 8 facilities with rents based on 30% of gross monthly household income. There are two project-based Section 8 properties (Menorah West – 45 units and Menorah Plaza – 143 units) totaling 188 units, of which are three are vacant (1.6%). These facilities target persons 62 and older.
- There is also one project, *Elmwood* (2021), that contains income-restricted units (shallow subsidy). The development is mixed income and primarily contains market rate but also 17 one (5 units) and two-bedroom (12 units) income restricted units.

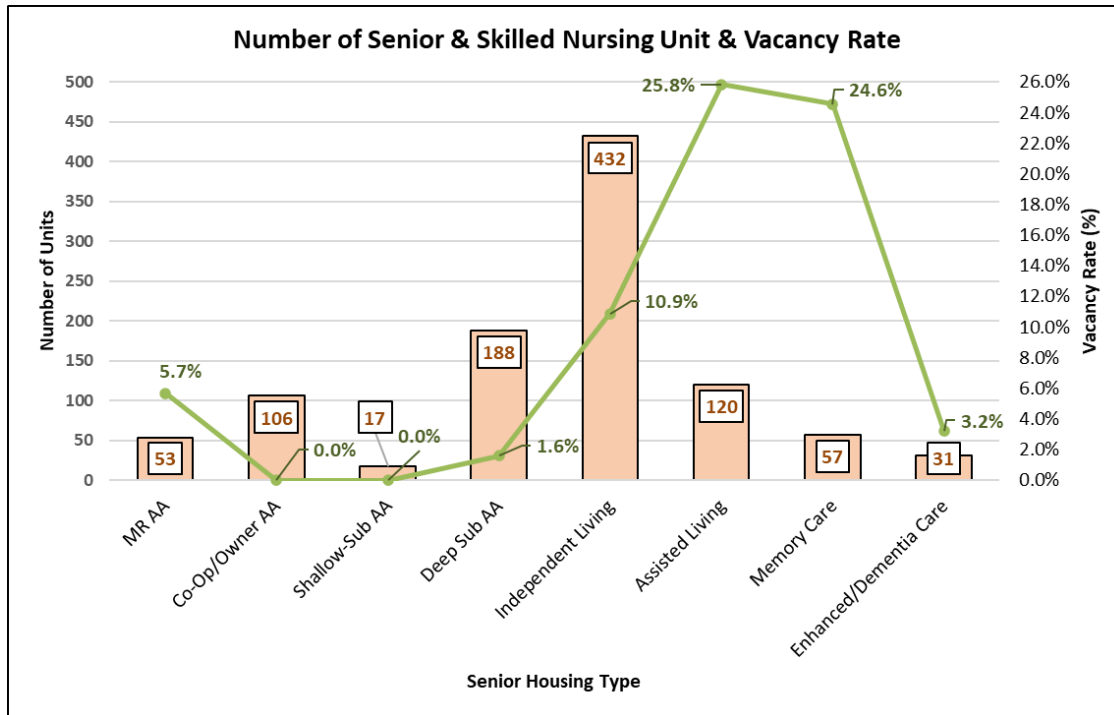


## SENIOR HOUSING ANALYSIS

<b>TABLE SN-1 SENIOR HOUSING PROPERTIES ST LOUIS PARK NOVEMBER 2022</b>									
Project Name	Year Built	No. of Units	No. Vacant	No.	Type	Market/Base Rent Ranges	Monthly Rent/ Sale Price	Rent/Sales Price/PSF Min - Max	Services/Amenities/ Comments
<b>Market Rate Active Adult Rental</b>									
<b>Elmwood</b> 5606 W 36th St	2021	53	3		5 - 1BR 12 - 1BR+D 13 - 2BR 23 - 2BR+D	765 1,015 - 1,135 980 - 1,230 1,230	\$1,399 - \$1,749 \$1,599 - \$1,899 \$2,049 - \$2,749 \$2,249 - \$2,749	\$1.83 - \$2.29 \$1.58 - \$1.67 \$2.09 - \$2.23 \$1.83 - \$2.23	Elmwood features the following amenities: a fitness room, yoga studio, business center/library, club room, rooftop deck conference room, bike storage, in unit washer/dryer, balcony, community room, package service, heated underground parking, and resident events.
<b>Cooperative/Ownership Active Adult</b>									
<b>Aquila Commons</b> 8200 W 33rd St	2007	106	0		27 - 1BR+D 37 - 2BR 42 - 2BR+D	883 - 1,143 1,133 - 1,486 1,137 - 1,560	\$169,900 - \$225,000 \$185,000 - \$255,000 \$199,000 - \$300,000	\$192 - \$197 \$163 - \$172 \$175 - \$192	Amenities at the property include a great room, guest suite, library, fitness room, craft/meeting room, game room, underground parking, car wash bay, garden plots, in unit laundry, high ceilings, in unit laundry, & patio with grills.
<b>Shallow-Subsidy Active Adult</b>									
<b>Elmwood</b> 5606 W 36th St	2021	17	0		5 - 1BR 12 - 2BR	765 980 - 1,135	\$1,320 \$1,584	\$1.73 \$1.40 - \$1.62	Units at 60% AMI. Elmwood features the following amenities: a fitness room, yoga studio, business center/library, club room, rooftop deck conference room, bike storage, in unit washer/dryer, balcony, community room, package service, heated underground parking, and resident events. Currently a waitlist for units.
<b>Deep Subsidy Active Adult</b>									
<b>Menorah West (Sholom)</b> 3600 Phillips Pkwy	1986	45	0		45 - 1BR	537	30% of AGI	-- - --	Age restricted to those 62 plus. Amenities include the following: an walking paths, bilingual staff - Yiddish and Russian, and off street parking.
<b>Menorah Plaza (Sholom)</b> 4925 Minnetonka Blvd	1981	143	3		134 - 1BR 9 - 2BR	580 700	30% of AGI 30% of AGI	-- - -- -- - --	Age restricted to 62 plus and also allows 55 plus with disabilities. Amenities include the following: an emergency call system, community room, patio, mini store, beauty/barber salon, bilingual staff - Yiddish and Russian, housekeeping, home aide on stag, offstreet parking, and lunch and dinner available (Kosher options).
<b>Independent Living</b>									
<b>Towerlight on Wooddale Avenue</b> 3601 Wooddale Ave (IL and AL Units Combined)	2012	74	1		NA - Studio NA - 1BR NA - 1BR+D NA - 2BR	468 558 - 715 842 801 - 1,168	\$2,230 \$3,070 \$3,495 \$3,495 - \$4,015	\$4.76 \$4.29 - \$5.50 \$4.15 \$3.44 - \$4.36	Units at the property include gas, electric, water, trash/sewer, satellite TV (Directv), in unit washer/dryer (most units), weekly housekeeping, movie theater, dining rooms, club room, craft rooms, family rooms, fitness room, library, spa room, refelction room, patio, guest room, and salon.
<b>Knollwood Place (Sholom)</b> 3630 Phillips Pkwy	1988	153	40		69 - 1BR 84 - 2BR	650 - 665 895 - 970	\$1,702 - \$1,913 \$2,372 - \$2,673	\$2.62 - \$2.88 \$2.65 - \$2.76	Knollwood place is restricted to thouse 55 plus. Amenities include complimentary breakfast (weekdays), shuttle van, laundry facilities, fitness center, and community center. Underground parking is \$60 per month. Kosher dining options.
<b>Parkshore Place</b> 3663 Park Center Blvd	1988	205	6		51 - 1BR 77 - 1BR+D 76 - 2BR 1 - 2BR+D	555 - 756 836 - 939 875 - 1,036 975 - 1,333	\$1,965 - \$2,875 \$2,802 - \$3,145 \$2,937 - \$3,674 \$3,434 - \$5,109	\$3.54 - \$3.80 \$3.35 - \$3.35 \$3.36 - \$3.55 \$3.52 - \$3.83	Parkshore Place features the following amenities: dining, a wellness center, common area, salon & spa, library, card room, shuttle bus, and a pool. Underground parking is \$60 per month.
CONTINUED									

## SENIOR HOUSING ANALYSIS

TABLE SN-1 (CONTINUED) SENIOR HOUSING PROPERTIES ST LOUIS PARK NOVEMBER 2022									
Project Name	Year Built	No. of Units	No. Vacant	No.	Type	Market/Base Rent Ranges	Monthly Rent/ Sale Price	Rent/Sales Price/PSF Min - Max	Services/Amenities/ Comments
Assisted Living									
Roitenberg Residence 3610 Phillips Pkwy	2002	52	24	17 - Studio 18 - 1BR 17 - 2BR		450 650 800	\$3,000 \$4,000 NA	\$6.67 \$6.15 NA	Roitenberg features an emergency call system, housekeeping services, guest services desk, beauty/barber shop, and Kosher dining.
Parkshore Place 3633 Park Center Blvd	2001	68	7	6 - Studio 38 - 1BR 38 - 1BR+D 24 - 2BR		430 - 479 520 - 645 667 789 - 902	\$2,396 - \$2,418 \$2,799 - \$2,960 \$3,097 \$2,911 - \$3,590	\$5.05 - \$5.57 \$4.59 - \$5.38 \$4.64 \$3.69 - \$3.98	Parkshore Place features the following amenities: dining, a wellness center, common area, salon & spa, library, card room, shuttle bus, and a pool.
Memory Care									
Towerlight on Wooddale Avenue 3601 Wooddale Ave	2012	33	1	NA - Studio NA - 1BR		468 - 566 558 - 789	\$2,100 \$2,130	\$3.71 - \$4.49 \$2.70 - \$3.82	Memory Care units at the property include gas, electric, water, trash/sewer, satellite TV (Directv), weekly housekeeping, movie theater, dining rooms, club room, craft rooms, family rooms, fitness room, library, spa room, refelction room, patio, guest room, and salon. Rent excludes services which would be added on to cost.
Roitenberg Residence 3610 Phillips Pkwy	2002	24	13	24 - Studio		285	\$2,584 - \$3,282	\$9.07 - \$11.52	Roitenberg features an emergency call system, housekeeping services, guest services desk, beauty/barber shop, and Kosher dining.
Enhanced Care & Dementia Care									
Towerlight on Wooddale Avenue 3601 Wooddale Ave	2012	8	0	8 - Suites		387	\$2,105 - \$8,210	\$5.44 - \$21.21	Assisted living units at the property include gas, electric, water, trash/sewer, satellite TV (Directv), in unit washer/dryer (most units), weekly housekeeping, movie theater, dining rooms, club room, craft rooms, family rooms, fitness room, library, spa room, refelction room, patio, guest room, and salon.
Parkshore Place 3633 Park Center Blvd	2002	23	1	2 - Studio 13 - 1BR 8 - 2BR		430 - 479 520 - 645 854 - 902	\$1,593 - \$3,106 \$3,492 - \$3,653 \$4,128 - \$4,192	\$3.70 - \$6.48 \$5.66 - \$6.72 \$4.65 - \$4.83	Parkshore Place features the following amenities: dining, a wellness center, common area, salon & spa, library, card room, shuttle bus, and a pool.
Total Senior Units (excl. Skilled Nursing)		1,004	99	9.9%					
NA: Not Applicable.									
Source: Twin Cities Senior Housing Guide & Resources 2021-2022; MN Department of Health; HUD; Senior Housing/Apartment Sites; Hennepin County; & Maxfield Research and Consulting LLC.									



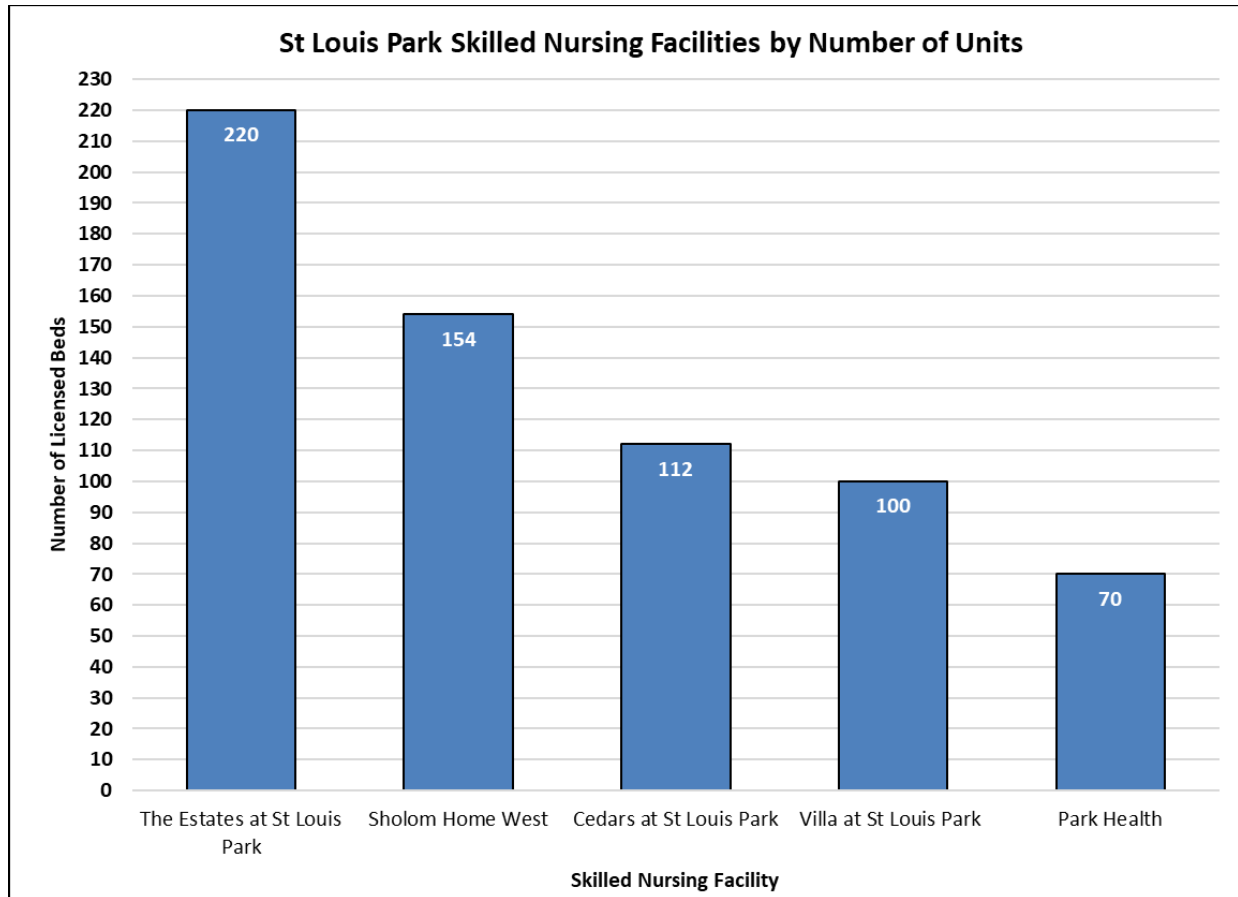
- Elmwood is the only property with any market rate active adult units. The development, as mentioned in the previous bullet point, is mixed income. Of the 70 total units over 75% (75.7%) are market rate units (53 units).
- There are three independent living with services available facilities, totaling 432 independent living units in the PMA, 47 of which are vacant (10.9% vacancy rate). Independent living with services available unit rents range from a low of \$1,702 for a one-bedroom unit to a high of \$5,109 for a two-bedroom plus den unit.
- There are 120 assisted living units in the PMA, 31 of which are vacant for a 25.8% vacancy rate. Assisted living properties generally includes three meals per day, snacks, housekeeping, linen and laundry service, and emergency call systems. Fees for service care level packages are in addition to the base monthly fee.
- There are two facilities providing 57 memory care units in the PMA. These memory care facilities are currently 24.6% vacant (15 vacant units). *Towerlight on Wooddale Avenue* has a vacancy rate of only 3.0% while *Roitenberg Residence* has a vacancy rate over 54% (54.2%). Fees for service care level packages are in addition to the base monthly fee.
- Pending senior projects can be found later in the report in the pending projects section.

## Skilled Nursing Facilities

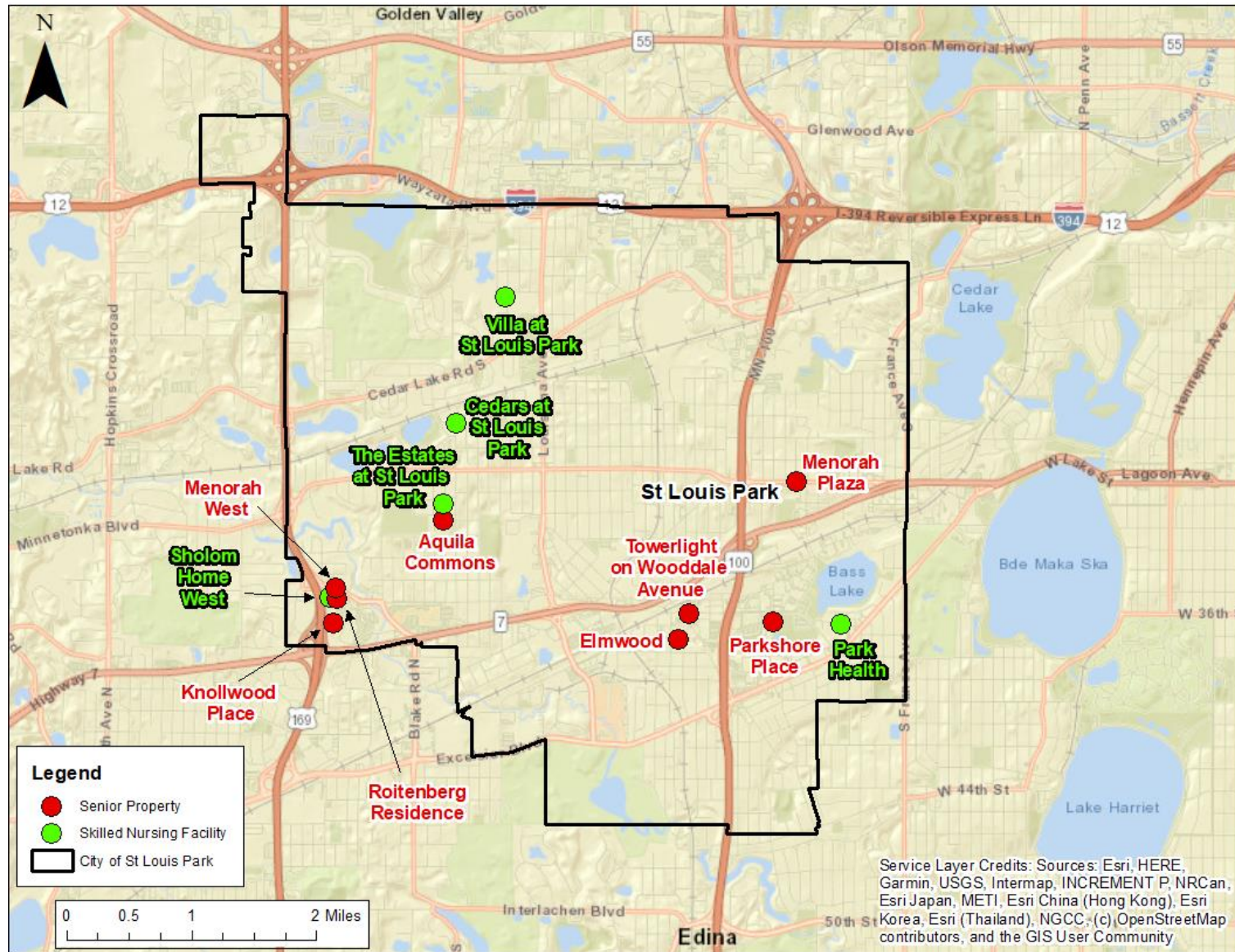
Nursing facilities provide the most service-intensive housing available and meet the needs of seniors with complex medical needs beyond what can be accommodated in traditional assisted living environments. In addition, seniors who exhaust private funds and do not have financial support from family members and/or are unable to find an assisted living facility that accepts Elderly Waivers reside in nursing facilities with the assistance of Medicaid funding.

Table SN-2 provides a summary of the existing nursing facilities located in St. Louis Park.

<b>TABLE SN-2</b> <b>SKILLED NURSING FACILITIES</b> <b>ST LOUIS PARK</b> <b>NOVEMBER 2022</b>						
<b>Project Name/Location</b>	<b>Year Built</b>	<b># of Beds Lic.</b>	<b># of Certified Beds</b>	<b>Daily Rates</b>		<b>Comments</b>
				<b>Lowest Case Mix</b>	<b>Highest Case Mix</b>	
<b>Villa at St Louis Park</b> 7500 W 22nd St	2013	100	100	\$197.96	\$496.69	Medicare/Medicaid.
<b>Sholom Home West</b> 3620 Phillips Pkwy	1991	154	154	\$223.27	\$392.01	Medicare/Medicaid. Private rooms for an additional \$47.
<b>Cedars at St Louis Park</b> 7500 W 28th St	1971	112	112	\$201.00	\$335.94	Medicare/Medicaid. No private rooms available.
<b>The Estates at St Louis Park</b> 3201 Virginia Ave	1967	220	220	\$204.25	\$508.29	Medicare/Medicaid. Private rooms for an additional \$25.
<b>Park Health</b> 4415 W 36 1/2 St	1949	70	70	\$217.47	\$395.55	Medicare/Medicaid. Private rooms for an additional 11.5%.
Sources: MN Department of Health and Human Services; Maxfield Research & Consulting, LLC.						



Senior Housing & Skilled Nursing Location Map: St. Louis Park





Select Senior Developments



Menorah Plaza Apartments



The Elmwood



Knollwood Place



Roitenberg Residence



Towerlight



The Estates at St. Louis Park

## Introduction

Maxfield Research and Consulting analyzed the for-sale housing market in St. Louis Park, by collecting data on single-family and multifamily home sales and active listings and pending for-sale developments.

## Home Resales in St. Louis Park

Table FS-1 presents closed resale data for St. Louis Park, Hennepin County, and the Seven County Metro between 2010 and 2022. Table FS-2 presents median resale prices during that same time frame for St. Louis Park, Hennepin County, and the Seven County Metro. The data was obtained from the Regional Multiple Listing Service of Minnesota (RMLS). The following are key points observed from our analysis of this data.

### Closed Sales

- Between 2010 and 2022, there has been an average of 884 residential sales per year in St. Louis Park. Sales averaged 989 per year between 2020 and 2022 while they represented a smaller 852 residential sales between 2010 and 2019.
- The number of closed sales between 2010 and 2022 in St. Louis Park represented 4.6% of all sales in Hennepin County and 1.9% of all sales in the Seven County Metro.
- Throughout 2022, there were 827 closed sales in St. Louis Park, down 24.4% from 1,094 closed sales in 2021. Similarly, between 2021 and 2022, in Hennepin County and the Seven County Metro, closed sales were down 19.6% and 19.4%, respectively.

TABLE FS-1 CLOSED RESALES ST LOUIS PARK, HENNEPIN COUNTY, & SEVEN COUNTY METRO 2010 - 2022			
Year	St Louis Park	Hennepin County	Seven County Metro
2010	518	13,705	33,134
2011	693	14,787	36,194
2012	806	17,698	42,594
2013	910	19,162	46,141
2014	838	18,150	42,963
2015	966	19,919	48,746
2016	1,011	20,921	51,741
2017	960	20,733	51,737
2018	947	20,057	50,020
2019	870	20,283	50,504
2020	1,047	21,453	54,059
2021	1,094	22,895	55,880
2022	827	18,409	45,046

Source: InfoSparks & Maxfield Research and Consulting.

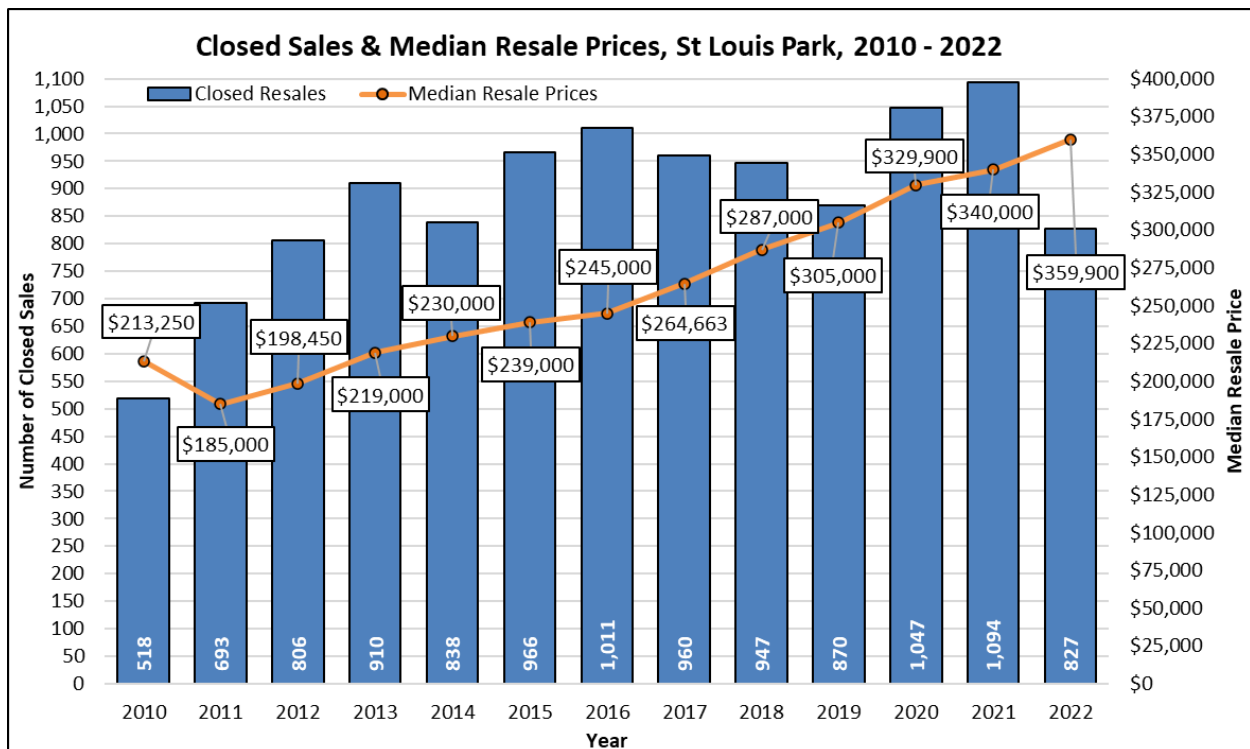
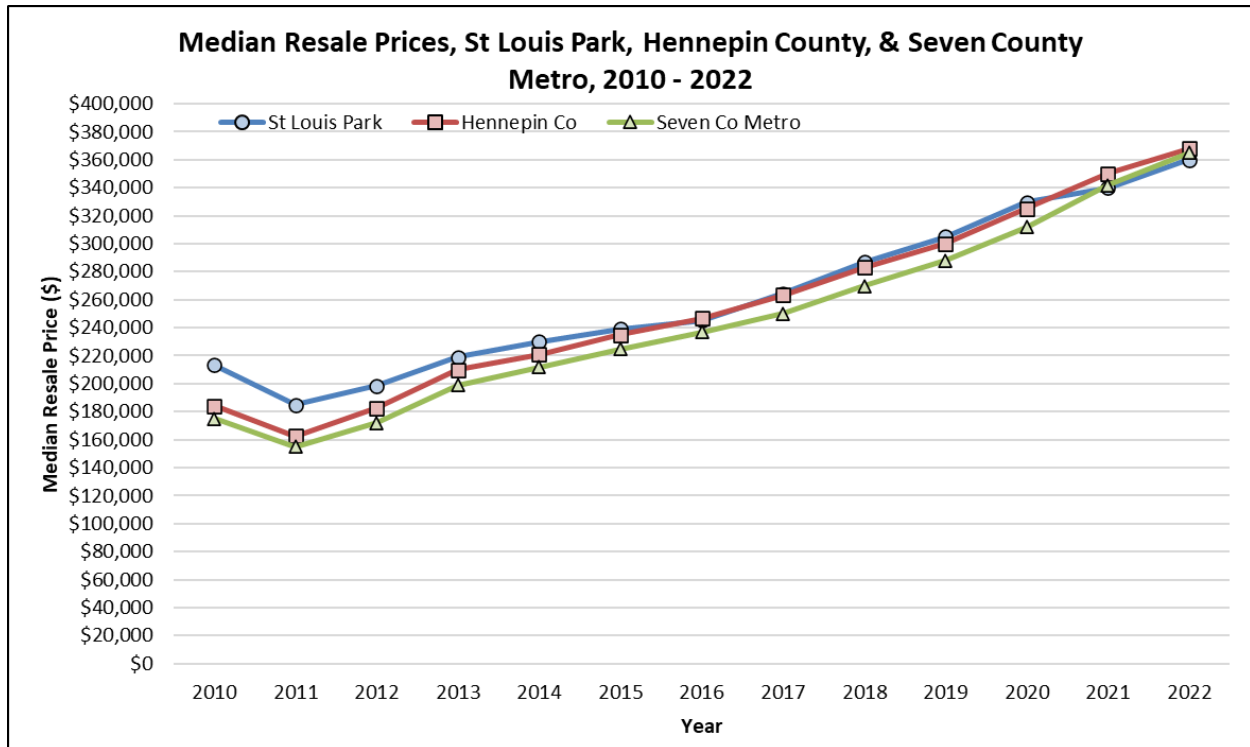


**Median Resale Prices**

- The median resale price in St. Louis Park declined 13.2% between 2010 and 2011 at the trough of the real estate market. Between 2011 and 2022, the City has experienced median resale increases every year equating to an overall 94.5% increase (8.6% annually).
- In Hennepin County the median resale price declined 11.7% between 2010 and 2011. However, since 2011 the county has experienced median resale increases every year equating to an overall 126.5% increase (11.5% annually).
- The Seven County Metro's median resale price declined 11.4% between 2010 and 2011. However, since 2011, the Metro Area has experienced median resale increases of 12.3% annually.

<b>TABLE FS-2</b> <b>MEDIAN RESALE PRICES</b> <b>ST LOUIS PARK, HENNEPIN COUNTY, &amp; SEVEN COUNTY METRO</b> <b>2010 - 2022</b>			
<b>Year</b>	<b>St Louis Park</b>	<b>Hennepin County</b>	<b>Seven County Metro</b>
2010	\$213,250	\$184,000	\$175,000
2011	\$185,000	\$162,500	\$155,000
2012	\$198,450	\$182,488	\$172,000
2013	\$219,000	\$209,900	\$199,000
2014	\$230,000	\$221,000	\$212,000
2015	\$239,000	\$235,000	\$224,900
2016	\$245,000	\$246,555	\$236,900
2017	\$264,663	\$263,500	\$250,000
2018	\$287,000	\$283,000	\$270,000
2019	\$305,000	\$300,000	\$288,000
2020	\$329,900	\$325,000	\$312,000
2021	\$340,000	\$350,000	\$342,000
2022	\$359,900	\$368,000	\$365,000
Source: InfoSparks & Maxfield Research and Consulting.			

- In St. Louis Park, between 2010 and 2022, the median resale price was lowest in 2011 at \$185,000. Similarly, median resale prices were lowest in both Hennepin County and the Seven County Metro at \$162,500 and \$155,000; respectively. The year 2011 had the lowest median resale prices in all geographies as the U.S. was coming out of the Great Recession.
- Between 2021 and 2022 median resale prices increased in all three geographies. St. Louis Park's median resale price increased 5.9% to \$359,900 while Hennepin County's median resale price increased 5.1% to \$368,000, and the Seven County Metro's median resale price increased 6.7% to \$365,000.



## Current Supply of Homes on the Market

To examine the current market more closely for available owner-occupied housing in St. Louis Park, we reviewed the current supply of homes on the market (listed for sale). Hennepin County was also examined to provide a comparison. Table FS-3 shows homes currently listed for sale in St. Louis Park and Hennepin County distributed into eleven price ranges. The listings were obtained November 3, 2022, from the RMLS.

- As of November 3, 2022, there were 95 homes listed for sale in St. Louis Park and 2,786 homes listed for sale in all of Hennepin County.
- The median list prices in St. Louis Park and Hennepin County, for single-family and multi-family homes is \$349,900 and \$386,853, respectively. The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few very high-priced or low-priced home sales in any given year, whereas the median sale price better represents the pricing of a majority of homes in a given market.
- Hennepin County's average listed sales price of \$590,657 is 48.9% more than St. Louis Park's average listed sales price of \$397,789.

TABLE FS-3				
HOMES CURRENTLY LISTED FOR-SALE				
ST LOUIS PARK & HENNEPIN COUNTY				
AS OF NOVEMBER 3, 2022				
Price Range	St Louis Park		Hennepin County	
	No.	Pct.	No.	Pct.
Under \$100,000	0	0.0%	29	1.0%
\$100,000 to \$199,999	15	15.8%	280	10.1%
\$200,000 to \$299,999	21	22.1%	539	19.3%
\$300,000 to \$399,999	26	27.4%	640	23.0%
\$400,000 to \$499,999	16	16.8%	365	13.1%
\$500,000 to \$599,999	5	5.3%	217	7.8%
\$600,000 to \$699,999	3	3.2%	159	5.7%
\$700,000 to \$799,999	3	3.2%	113	4.1%
\$800,000 to \$999,999	1	1.1%	77	2.8%
\$900,000 to \$999,999	2	2.1%	57	2.0%
\$1,000,000 or More	3	3.2%	310	11.1%
	95	100%	2,786	100%
Minimum	\$125,000		\$50,000	
Maximum	\$1,500,000		\$13,450,000	
Median	\$349,900		\$386,853	
Average	\$396,789		\$590,657	
Note: Includes single family, townhomes, twin homes, and condos (Previously owned and completed new construction).				
Sources: RMLS, Maxfield Research and Consulting, LLC.				

## FOR-SALE MARKET ANALYSIS

- Hennepin County has approximately 35% (33.5%) of its for sale homes priced at \$500,000 or more compared to 17.9% of homes in St. Louis Park.
- Approximately two thirds (66.3%) of homes in St. Louis Park are priced between \$200,000 and \$500,000 while in Hennepin County 55.4% of homes are priced in the same range.
- Based on a median list price of \$349,900 for St. Louis Park, the income required to afford a home at this price would be between \$99,971 and \$116,633; based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). A household with significantly more equity (in an existing home and/or savings) could afford a higher priced home. About 45% (45.2%) of St. Louis Park households have annual incomes at or above \$99,971.
- The majority of single and multifamily homes listed for sale in St. Louis Park are priced between \$300,000 and \$399,999 (27.4%) and \$200,000 and \$299,999 (22.1%). In Hennepin County, the majority of single and multifamily homes listed for sale are also priced between \$300,000 and \$399,999 (23.0%) and \$200,000 and \$299,999 (19.3%).



Tables FS-4 shows homes currently listed for sale in St. Louis Park by property type while table FS-5 does the same for Hennepin County. The listings were obtained November 2022 from the RMLS.

## FOR-SALE MARKET ANALYSIS

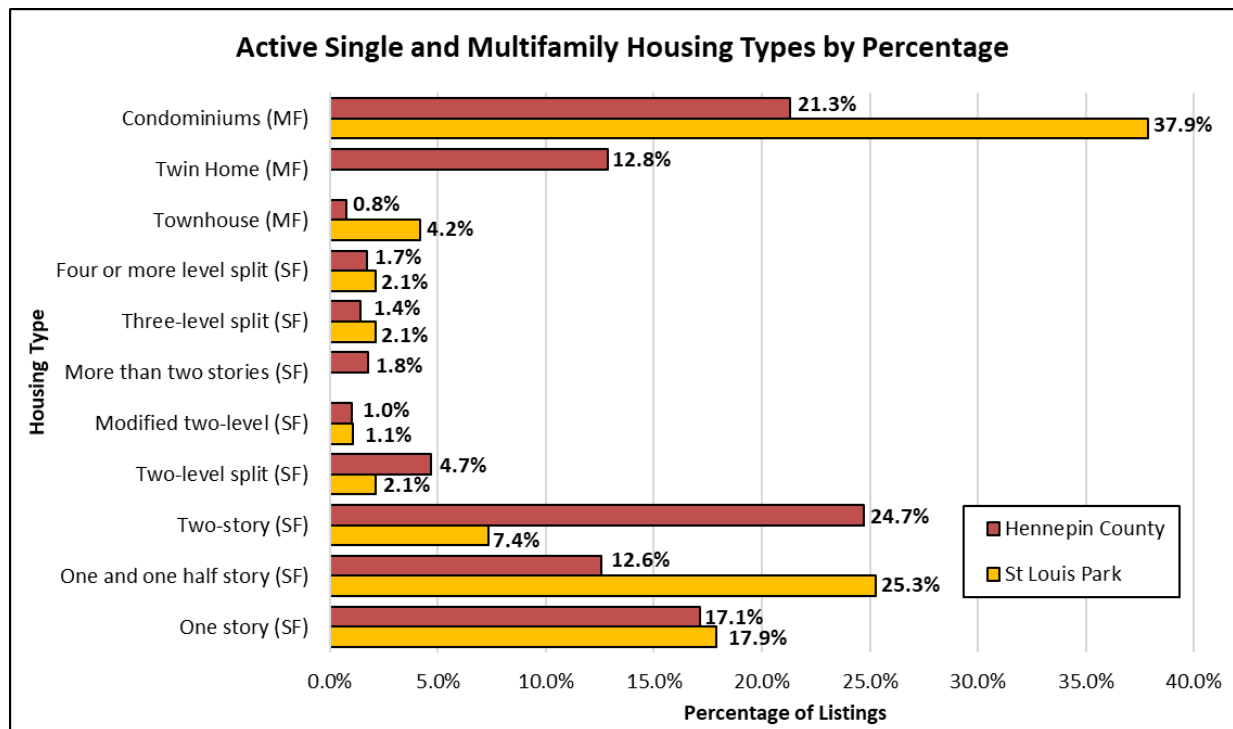
- Of the 95 listings in St. Louis Park, 55 (57.9%) are single family homes while 40 listings (42.1%) are multifamily homes. In Hennepin County, of 2,786 listings, 1,812 are single family homes (65.0%) while 974 listings are multifamily homes (35.0%).
- Condominiums (37.9%) and one-and-one half story (25.3%) listings are the two most common housing types in St. Louis Park, accounting for a combined 63.2% of all of listings. In contrast, throughout Hennepin County, two story (24.7%) and condominiums (21.3%) listings are the two most common property types accounting for a combined 46.0% of all active listings.
- In St. Louis Park, condominiums represent 37.9% of all active listings while single family listings represent 57.9% of all active listings. When adding in the four townhouse units, multifamily units represent 42.1% of all active listings.
- Throughout Hennepin County condominiums represent 21.3% of all active listings while single family listings represent 65.0% of all active listings. When adding in townhouse and twin home units multifamily units represent 35.0% of all active listings

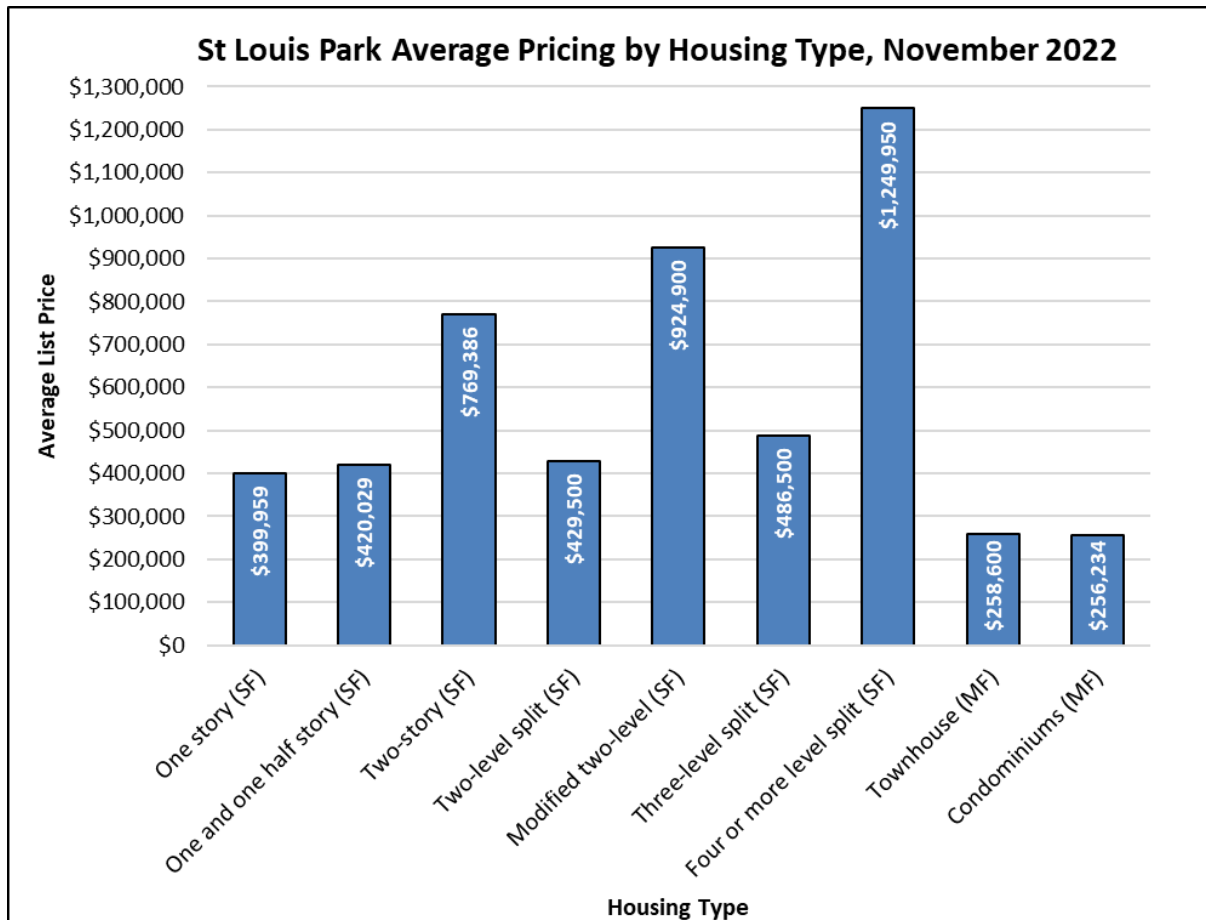
<b>TABLE FS-4</b> <b>ACTIVE LISTINGS BY HOUSING TYPE</b> <b>ST LOUIS PARK</b> <b>AS OF NOVEMBER 3, 2022</b>						
Property Type	Listings	Pct.	Avg. List Price	Avg. Home Size Sq. Ft.	Avg. Price Per Sq. Ft.	Avg. Age of Home
<b>Single-Family</b>						
One story	17	17.9%	\$399,959	1,716	\$233	1950
One and one half story	24	25.3%	\$420,029	1,877	\$224	1946
Two-story	7	7.4%	\$769,386	2,758	\$279	1979
Two-level split	2	2.1%	\$429,500	2,100	\$205	1967
Modified two-level	1	1.1%	\$924,900	4,829	\$192	1953
Three-level split	2	2.1%	\$486,500	1,903	\$256	1972
Four or more level split	2	2.1%	\$1,249,950	4,378	\$286	1955
<b>Total</b>	<b>55</b>	<b>57.9%</b>	<b>\$502,824</b>	<b>2,098</b>	<b>\$240</b>	<b>1954</b>
<b>Multifamily</b>						
Townhouse	4	4.2%	\$258,600	1,313	\$197	1976
Condominiums	36	37.9%	\$256,234	1,091	\$235	1994
<b>Total</b>	<b>40</b>	<b>42.1%</b>	<b>\$256,477</b>	<b>1,117</b>	<b>\$230</b>	<b>1993</b>
<b>St Louis Park Totals</b>	<b>95</b>	<b>100.0%</b>	<b>\$399,517</b>	<b>1,687</b>	<b>\$237</b>	<b>1970</b>
Sources: RMLS & Maxfield Research and Consulting, LLC.						

**TABLE FS-5**  
**ACTIVE LISTINGS BY HOUSING TYPE**  
**HENNEPIN COUNTY**  
**AS OF NOVEMBER 3, 2022**

Property Type	Listings	Pct.	Avg. List Price	Avg. Home Size Sq. Ft.	Avg. Price Per Sq. Ft.	Avg. Age of Home
<b>Single-Family</b>						
One story	477	17.1%	\$543,822	2,249	\$242	1967
One and one half story	350	12.6%	\$415,267	1,793	\$232	1935
Two-story	688	24.7%	\$943,683	3,369	\$280	1984
Two-level split	131	4.7%	\$449,792	2,134	\$211	1979
Modified two-level	29	1.0%	\$895,531	3,539	\$253	1982
More than two stories	49	1.8%	\$1,244,177	3,993	\$312	1924
Three-level split	40	1.4%	\$481,871	2,073	\$232	1991
Four or more level split	48	1.7%	\$538,843	2,452	\$220	1982
<b>Total</b>	<b>1,812</b>	<b>65.0%</b>	<b>\$686,064</b>	<b>2,647</b>	<b>\$259</b>	<b>1968</b>
<b>Multifamily</b>						
Townhouse	22	0.8%	\$437,914	1,987	\$220	2002
Twin Home	358	12.8%	\$453,570	2,089	\$217	1990
Condominiums	594	21.3%	\$396,752	1,243	\$319	1979
<b>Total</b>	<b>974</b>	<b>35.0%</b>	<b>\$413,165</b>	<b>1,536</b>	<b>\$269</b>	<b>1988</b>
<b>Hennepin County Totals</b>	<b>2,786</b>	<b>100.0%</b>	<b>\$590,591</b>	<b>2,258</b>	<b>\$262</b>	<b>1975</b>

Sources: RMLS & Maxfield Research and Consulting, LLC.



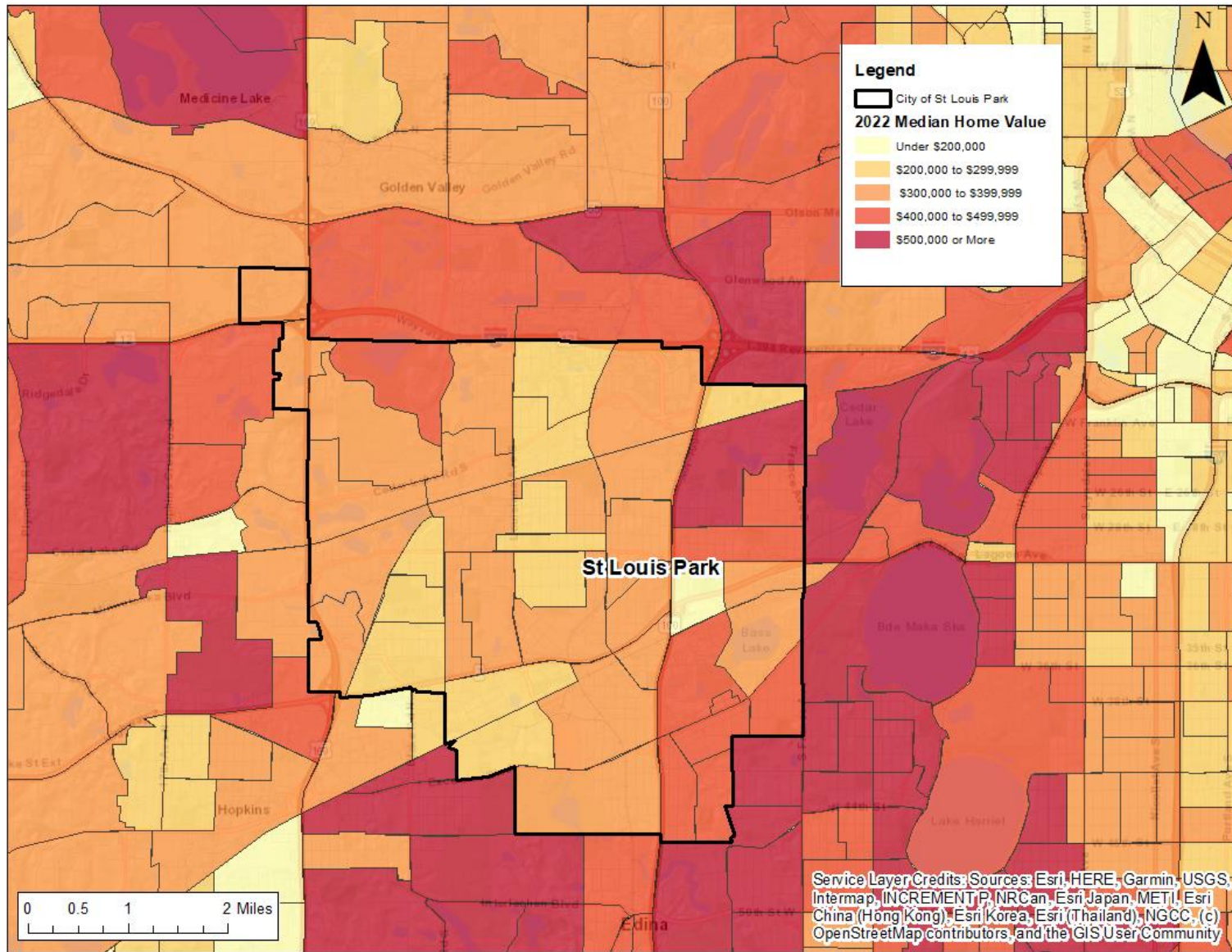


- Listings for condos report the lowest average list price in both St. Louis Park and Hennepin County at \$256,234 and \$396,752; respectively. Condos also report the lowest average square feet in both geographies, 1,091 square feet in St. Louis Park and 1,243 square feet in Hennepin County. Condos are the newest property type in St. Louis Park with an average age of 1994. Throughout Hennepin County condos have an older average age of 1979.
- One-and one half story homes, the most common housing type in St. Louis Park, average \$420,029, equating to \$225 per square foot.

Maps of 2022 median and average home values by census block, created with ESRI data, across St. Louis Park and neighboring communities are displayed on the following pages. Home value categories for both maps are as follows: under \$200,000; \$200,000 to \$299,999; \$300,000 to \$399,999; \$400,000 to \$499,999; and \$500,000 and over. Median and average home values in St. Louis Park are highest in the northeastern portion of the city in the Lake Forest and Fern Hill neighborhoods; in the southeastern portion of the city in the Minikahda Vista and Browndale neighborhoods; and in the northwestern portion of the city in the Westwood Hills neighborhood (see page 11 for St. Louis Park neighborhood map).

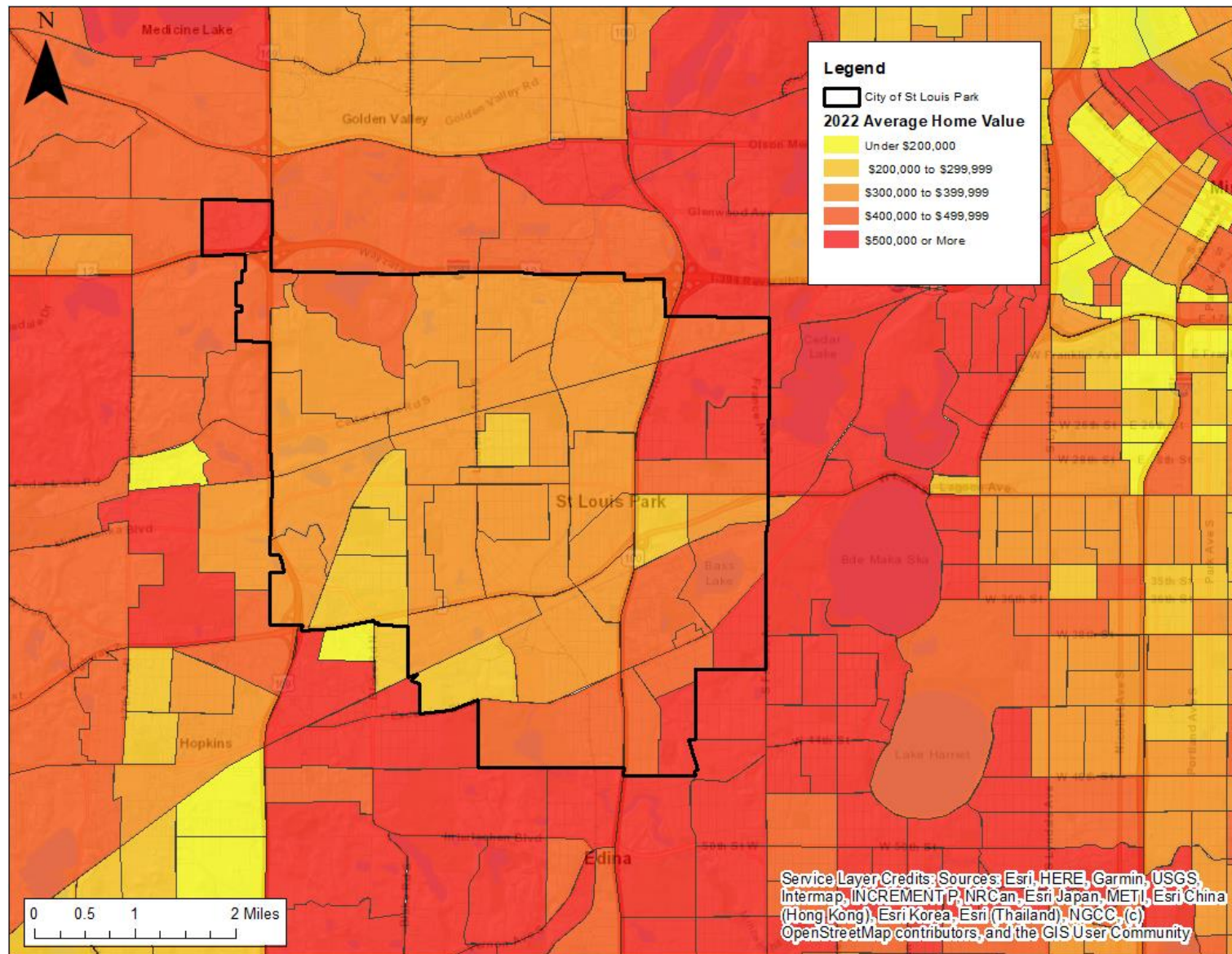


St. Louis Park Median Home Value by Block Group, 2022





# St. Louis Park Average Home Value by Block Group, 2022

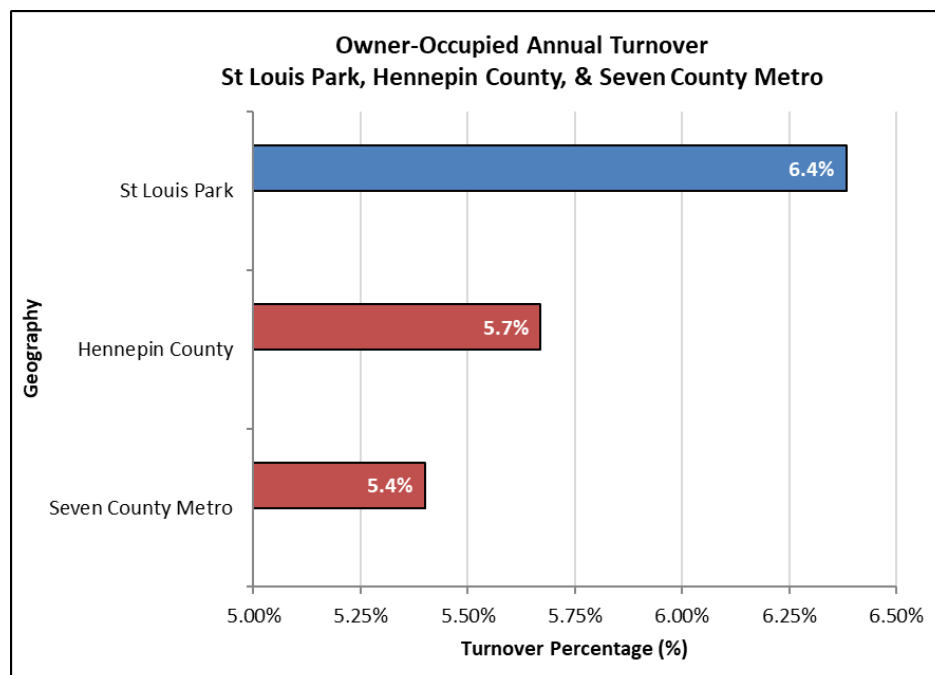


## Owner-Occupied Turnover

Table FS-6 illustrates existing home turnover as a percentage of owner-occupied units in St. Louis Park, Hennepin County, and the Seven County Metro. Resales are based on historic transaction volume between 2010 and 2021 as obtained from Northstar MLS. Owner-occupied housing units are sourced to the American Community Survey.

As displayed in the table, approximately 6.4% of St. Louis Park's owner-occupied housing stock is sold annually. The turnover rate in Hennepin County is 5.7% and 5.4% in the Seven County Metro. Typically, we find owner-occupied turnover ranges from 3% at the low-end to 8% at the high-end in many communities throughout the Midwest.

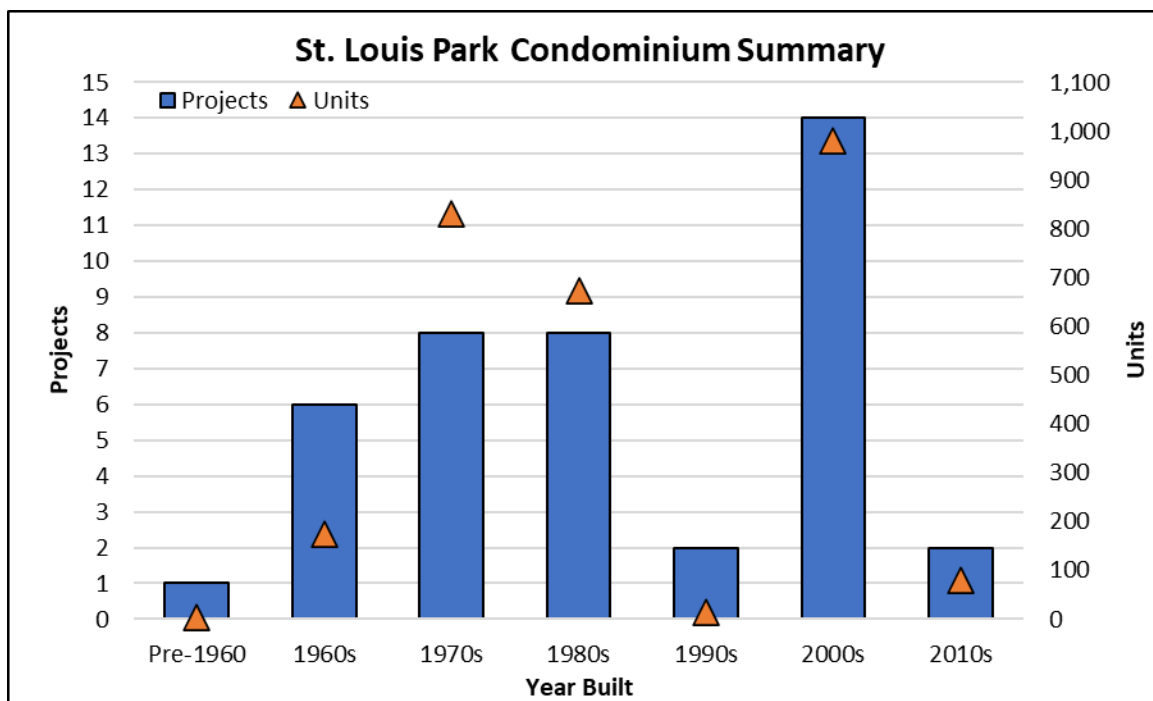
TABLE FS-6 OWNER-OCCUPIED TURNOVER ST LOUIS PARK, HENNEPIN COUNTY, & SEVEN COUNTY METRO			
Geography	Owner-occupied Housing Units <sup>1</sup>	Resales Annual Avg. <sup>2</sup>	Turnover Pct.
St Louis Park	13,910	888	6.4%
Hennepin County	337,704	19,147	5.7%
Seven County Metro	870,013	46,976	5.4%
<sup>1</sup> Owner-occupied housing units in 2022 (based on American Community Survey 5-year average (2016-2020) adjusted to 2022 by Maxfield Research.			
<sup>2</sup> Annual average of resales between 2010 and 2021.			
Sources: U.S. Census Bureau, Northstar MLS, Maxfield Research and Consulting, LLC.			



## Condominium Developments

Table FS-7 identifies all condominium properties located in St. Louis Park. The table presents data on condominium project address, year built or converted, number of units, unit mix range, pricing range, market values. Market values are based on 2022 Hennepin County total market values. No resale data is presented as no condominium resales were completed between January 1<sup>st</sup> and November 30<sup>th</sup>, 2022. Table FS-8 summarizes St. Louis Park condominium projects by year built. Key findings from the tables follow.

- There are 41 condominium projects with a total of 2,756 units in St. Louis Park.
- Overall, condominium units are older (30+ years) as over 50% of the units were constructed in the 1970s and 1980s.
- A total of 14 condominium projects were developed in the 2000s, accounting for 35.6% of St. Louis Park's total inventory.
- The two most recent condominium projects, Parkside Lofts, built in 2011, and Wooddale Flats, built in 2016, account for 2.9% of St. Louis Park's total inventory.
- Wooddale Flats, according to 2022 Hennepin County tax records, has the largest range in estimated market values (\$605,300) from a low of \$326,700 to a high of \$932,100.



## FOR-SALE HOUSING ANALYSIS

TABLE FS-7  
ST. LOUIS PARK MULTIFAMILY CONDOMINIUM DEVELOPMENTS  
NOVEMBER 2022

Project Name	Project Address	City	Zip Code	Year Built	Converted	No. of Units	Unit Types	Estimated Market Value <sup>1</sup>
3023 Lynn	3023 Lynn Avenue South	St. Louis Park	55416	1966	2004	12	1BR, 2BR	\$157,000 - \$227,300
3300 on the Park	3300 Louisiana Avenue South	St. Louis Park	55426	1980	new	132	1BR, 2BR, 3BR	\$137,000 - \$227,700
6222 West 35th	6222 West 35th Street	St. Louis Park	55416	1969	2003	11	1BR, 2BR	\$108,600 - \$163,200
Aquila Commons	8200 33rd Street West	St. Louis Park	55426	2007	new	104	1BR, 2BR	\$161,200 - \$267,300
Bridgewalk	450 Ford Road	St. Louis Park	55426	1972	new	91	1BR, 2BR, 3BR	\$95,600 - \$183,900
Brookside Lofts	4132 Vernon Avenue South	St. Louis Park	55416	2006	new	41	2BR, 3BR	\$228,200 - \$285,800
Cedar Trails	4400-4654 Cedar Lake Road	St. Louis Park	55416	1973	1994	273	0BR, 1BR, 2BR	\$99,100 - \$185,000
Cedar Trails West	4801-4861 Cedar Lake Road	St. Louis Park	55416	1977	1997	46	1BR, 2BR	\$220,600 - \$242,300
Coach Homes of Shelard I	300-350 Shelard Parkway	St. Louis Park	55426	1980	new	48	1BR, 2BR	\$131,600 - \$162,200
Coach Homes of Shelard II	375-491 Shelard Parkway	St. Louis Park	55426	1981-83	new	79	2BR	\$131,600 - \$164,100
Condos at Excelsior & Grand	3707 Grand Way	St. Louis Park	55416	2004	new	123	1BR, 2BR, 3BR	\$240,000 - \$542,700
Fern Hill Place	3000 Raleigh Avenue South	St. Louis Park	55416	2001	new	30	1BR, 2BR, 3BR	\$142,200 - \$258,900
Grand Condos	4730 Park Commons Drive	St. Louis Park	55416	2007	new	96	1BR, 2BR, 3BR	\$240,000 - \$588,300
Greensboro	7412 22nd Street West	St. Louis Park	55426	1970	1975	134	1BR, 2BR	\$105,600 - \$143,800
Harmony Vista	5650 36th Street West	St. Louis Park	55416	2007	new	74	1BR, 2BR	\$166,900 - \$336,000
Inglewood Boutique Condos	3125 Inglewood Avenue South	St. Louis Park	55416	2007	new	6	2BR, 3BR	\$260,800 - \$464,300
Lofts of Excelsior	4525 Park Commons Drive	St. Louis Park	55416	2006	new	86	1BR, 2BR, 3BR	\$230,500 - \$434,444
Lynnwood	4516 Highway 7	St. Louis Park	55426	1965	1982	11	1BR, 2BR	\$129,900 - \$214,900
Monterey Cooperative	2925 Monterey Avenue South	St. Louis Park	55416	1992	new	8	2BR	\$71,700 - \$155,900
Monterey Place	4550 Minnetonka Boulevard	St. Louis Park	55416	1986	new	30	2BR	\$245,500 - \$264,800
Monterey West	2901-2913 Monterey Avenue	St. Louis Park	55416	1996	new	7	2BR	\$160,400 - \$417,000
Murphy's Ridge	6300 Cambridge Street	St. Louis Park	55426	1898	new	4	2BR	\$165,500 - \$165,500
Natchez Place	4625 Minnetonka Boulevard	St. Louis Park	55416	1987	new	26	2BR	\$144,900 - \$220,300
Oxford Commons	5911 Oxford Street	St. Louis Park	55426	1965	2003	12	1BR, 2BR	\$97,000 - \$128,500
Parkside Lofts	462 Ford Road	St. Louis Park	55426	2011	new	46	1BR, 2BR	\$204,600 - \$402,900
Pointe West Commons	5970 16th Street West	St. Louis Park	55416	2002	new	86	2BR, 3BR	\$330,417 - \$365,300
Pond View	1400 Dakota Avenue South	St. Louis Park	55426	1983	2004	30	1BR, 2BR	\$97,100 - \$167,500
South Cedar Trails	4401-4561 Cedar Lake Road	St. Louis Park	55416	1977	1977	32	1BR, 2BR, 3BR	\$99,100 - \$221,700
Sungate	2551-2671 Alabama Avenue South	St. Louis Park	55426	1970	1983	60	1BR, 2BR	\$106,900 - \$217,700
Sunset Ridge	2010-2260 Ridge Drive	St. Louis Park	55416	1984	new	240	1BR, 2BR, 3BR	\$132,300 - \$300,700
Twin Fountains	350 Shelard Parkway	St. Louis Park	55426	1980	new	88	1BR, 2BR	\$131,600 - \$162,200
Village in the Park	3600 Wooddale Avenue South	St. Louis Park	55416	2006	new	60	1BR, 2BR,	\$207,500 - \$318,300
Village in the Park-Lofts	3640 Wooddale Avenue South	St. Louis Park	55416	2006	new	60	1BR, 2BR	\$228,600 - \$304,600
Village in the Park-Urban	3712 Wooddale Avenue South	St. Louis Park	55416	2005	new	77	2BR, 3BR	\$333,000 - \$363,400
Westmarke	1155 Ford Road	St. Louis Park	55426	2007	new	64	1BR, 2BR	\$170,000 - \$508,400
West Oaks	3251 Louisiana Avenue South	St. Louis Park	55426	2007	new	74	2BR, 3BR	\$214,200 - \$441,100
Westmoreland	4530 Park Commons Drive	St. Louis Park	55416	1966	1982	72	1BR, 2BR	\$85,600 - \$178,900
Westwood Villa	2200 Nevada Avenue South	St. Louis Park	55426	1971	1993	66	1BR, 2BR	\$111,400 - \$178,900
Wolfe Lake	4820 & 4860 Park Commons Drive	St. Louis Park	55416	1971	1991	129	1BR, 2BR, 3BR	\$113,800 - \$282,000
Wooddale Flats	3962 - 3990, Wooddale Avenue	St. Louis Park	55416	2016	new	33	2BR, 3BR	\$326,700 - \$932,000
Wynmoor Condos	3200 Virginia Avenue South	St. Louis Park	55426	1969	1991	55	1BR, 2BR	\$106,900 - \$174,300
<b>Total/Average Summary</b>				<b>1986</b>		<b>2,756</b>		<b>\$71,700 - \$932,000</b>
<sup>1</sup> Based on 2022 Hennepin County tax records.								
Source: Hennepin County & Maxfield Research & Consulting, LLC.								



St. Louis Park Condominiums

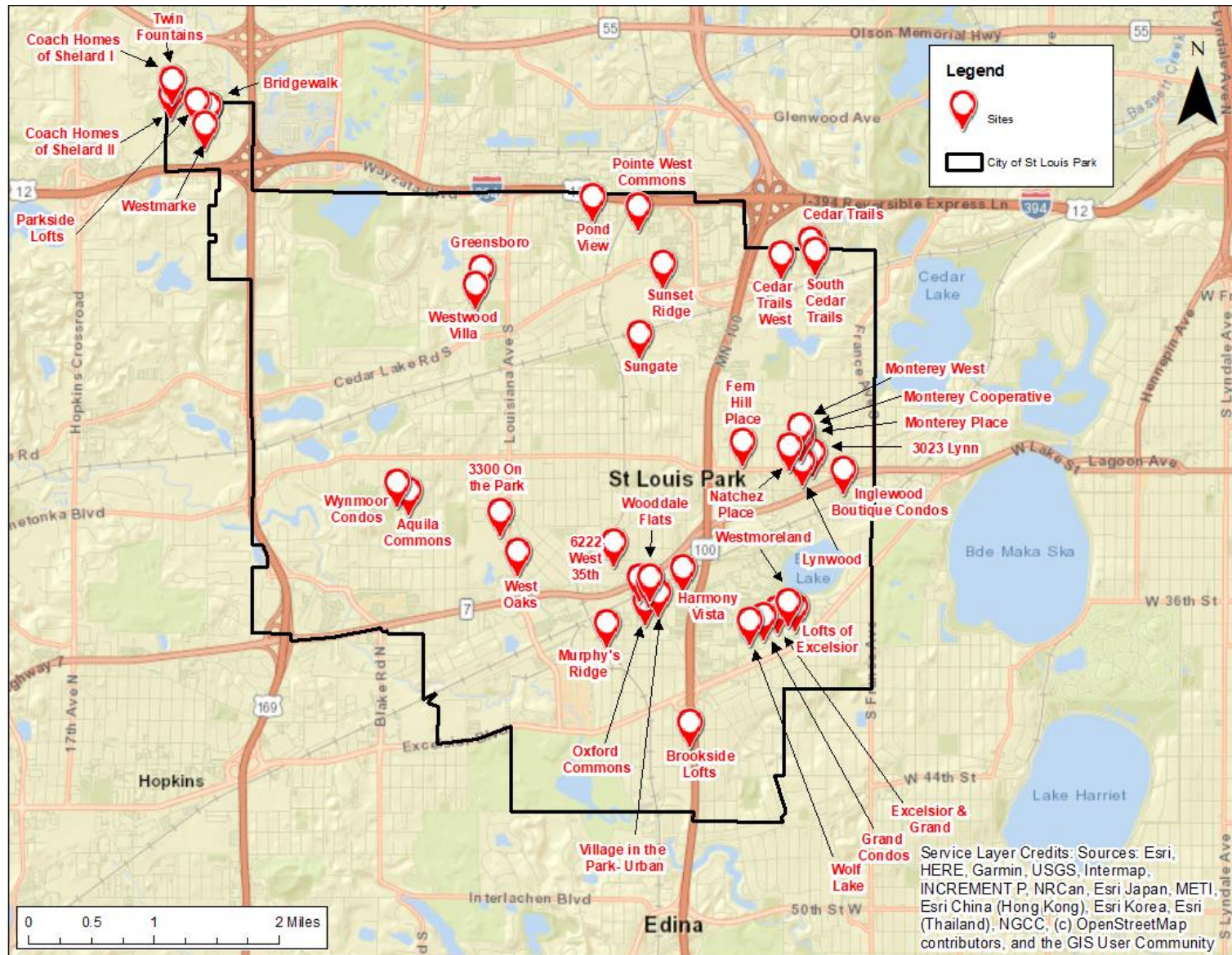


Table FS-8 CONDOMINIUM DEVELOPMENTS BY DECADE CITY OF ST. LOUIS PARK			
Decade	Projects	Units	Pct. of Units
Pre-1960	1	4	0.1%
1960s	6	173	6.3%
1970s	8	831	30.2%
1980s	8	673	24.4%
1990s	2	15	0.5%
2000s	14	981	35.6%
2010s	2	79	2.9%
<b>Total</b>	<b>41</b>	<b>2,756</b>	<b>100.0%</b>
Source: Maxfield Research & Consulting, LLC.			

- Over one-third (34.1%) of the condominium projects were converted from a previous use. Most of the conversions were former older rental properties converted in the 1990s and 2000s (each at 9.8% of all projects).

### Select Condominium Developments



Wooddale Flats



Westmarke Condos



Parkside Lofts



Wynmoor Condos



**Select Condominium Developments (Continued)**



Cedar Trails Condos



Aquila Condos



Excelsior & Grand



Fern Hill Place

**School District**

School districts have a direct impact on community home values. All of St. Louis Park is included in the St. Louis Park School District (District 283). The St. Louis Park District is bordered by the following school districts: Edina (District 273), Minneapolis (District 1), and Hopkins (District 270). Also nearby are Robbinsdale (District 281) and Wayzata (District 284). A map on the following page of St. Louis Park and nearby districts, followed by a table displaying high school rankings for St. Louis Park Senior High and nearby high schools follows.

- St. Louis Park Senior High is ranked the 82<sup>nd</sup> best high school in the state and 67<sup>th</sup> best high school in the Metro Area according to the latest data available in an online study published by US News and World Report. Nationally St. Louis Park Senior High is ranked 4,713 across all surveyed schools in the nation.



## FOR-SALE MARKET ANALYSIS

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- Of the thirteen high schools in nearby school districts, St. Louis Park Senior High has the third highest college readiness score 48.6 (After Edina Senior High - 66.9 and Wayzata Senior High – 56.4). The college readiness score is based on state and Advanced Placement (AP) Testing. Just after St. Louis Park Senior High are two Minneapolis schools, Southwest Senior High (47.6% college readiness) and Washburn Senior High (47.0 college readiness).
- St. Louis Park Senior High has the fourth highest graduation rate among nearby schools at 92%. Only Wayzata Senior High (97%), Edina (94%), and Hopkins (93.0%) had higher graduation rates. Following St. Louis Park (92%) are Robbinsdale Armstrong Senior High in Plymouth (91%) and Southwest Senior High in Minneapolis (90%). The average graduation rate among the thirteen schools analyzed was 85.0% and ranged from 97% at Wayzata Senior High to 66% at North Community Senior High.
- Among the thirteen schools examined, St. Louis Park Senior High has the ninth highest enrollment at 1,467, below the average enrollment of 1,645 of all thirteen schools.
- The student-teacher ratio of 23 students to every teacher at St. Louis Park Senior High is the fifth lowest out of the thirteen examined schools.
- One measure of college preparation is the taking of Advanced Placement (AP) courses in high school. The AP participation rate at St. Louis Park Senior High was approximately 60% (59.0%).
- Benilde-St Margaret's is a large private school in St. Louis Park. While the school serves grades 7 through 12 there are 938 students in grades 9 through 12. The student to teacher ratio is significantly less than nearby public high schools at a ratio of 9 students to every teacher. Annual tuition is a little over \$14,000 a year.<sup>5</sup>



St. Louis Park High School



Benilde-St Margaret's High School

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<sup>5</sup> "Benilde-St Margaret's" *US News & World report*. <https://www.usnews.com/education/k12/minnesota/benilde-st-margaret-s--722>. Accessed 3 Mar. 2023.

## FOR-SALE MARKET ANALYSIS

Table FS-9  
ST LOUIS PARK & NEARBY COMMUNITIES: 2022 HIGH SCHOOL RANKINGS

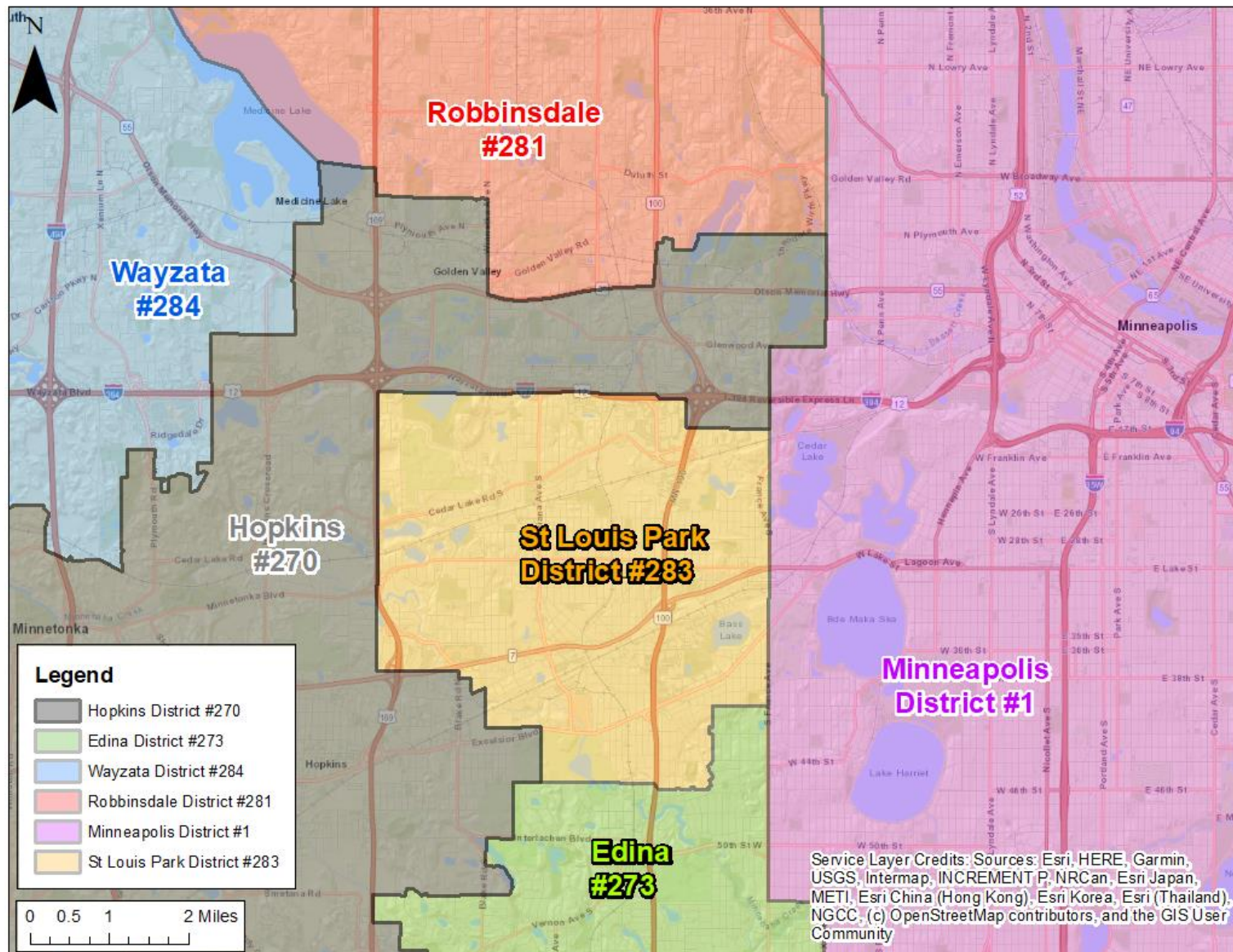
	High School	Address	National Rankings	Statewide Rankings	Minneapolis Metro Rankings	Grades Served	Enrollment	Student Teacher Ratio	Graduation Rate	College Readiness*	Advanced Placement (AP) or International Baccalaureate (IB) Participation Rate
1	Wayzata Senior High	4955 Peony LN N Plymouth 55446	463	6	6	9-12	3,502	20:1	97%	56.4	62%
2	Edina Senior High	6754 Valley View Rd Edina 55439	486	7	7	9-12	2,683	24:1	94%	66.9	72%
3	Hopkins Senior High	2400 Lindbergh Dr Minnetonka 55305	2,996	50	47	10-12	1,611	28:1	93%	44.0	54%
4	Washburn Senior High	201 W 49th St Minneapolis 55419	2,900	45	42	9-12	1,690	29:1	87%	47.0	59%
5	Southwest Senior High	3414 W 47th St Minneapolis 55410	3,076	53	49	9-12	1,918	28:1	90%	47.6	63%
6	Henry Senior High	4320 Newton Ave N Minneapolis 55412	3,895	68	60	9-12	949	18:1	83%	24.9	38%
7	St Louis Park Senior High	6425 W 33rd St St Louis Park 55426	4,713	82	67	9-12	1,467	23:1	92%	48.6	59%
8	Robbinsdale Armstrong Senior	10635 36th Ave N Plymouth 55441	5,009	89	75	9-12	1,926	31:1	91%	45.7	58%
9	Robbinsdale Cooper Senior	8234 47th Ave N New Hope 55428	10,279	188	107	9-12	1,694	28:1	84%	19.3	30%
10	South Senior High	3131 19th Ave S Minneapolis, Mn 55407	12,264	251	120	9-12	1,644	20:1	81%	33.0	52%
11	Roosevelt Senior High	4029 28th Ave S Minneapolis, MN 55406	12,307	253	121	9-12	957	16:1	79%	31.4	49%
12	Edison Senior High	700 22nd Ave NE Minneapolis, MN 55418	12,618	258	122	9-12	938	15:1	69%	24.3	35%
13	North Community Senior High	1500 James Ave N Minneapolis, MN 55411	13,383-17,843	282-414	129-173	9-12	402	10:1	66%	7.7	31%

\*: Based on state proficiency and Advanced Placement (AP) tests.

Note: Analyzed Data is based off 2020-2021, 2019-2020, and 2018-2019 school years.

Source: US News and World Report and RTI International utilizing data from The Common Core of Data (U.S. Department of Education), state math and reading assessments, The College Board, and International Baccalaureate (IB) - 2022 Data.

St. Louis Park and Neighboring School District Boundaries



## **Planned and Proposed Rental & Senior Developments**

There are several pending rental and senior developments currently in the planning process within the City of St. Louis Park. This section discusses the developments that have already submitted plans to the City, some of which have received preliminary and/or final approvals. Below are brief discussions of pending rental and senior projects in the city. Table P-1 lists pending and recently completed rental and senior housing developments in the City.

The pending list breaks down into three categories including recently completed projects (2020 and more recent), under construction projects, and planned/pending projects. For recently completed projects the breakdown by unit type is as follows: 577 market rate rental units, 218 affordable rental units, 53 active adult (55+) market rate units, and 17 active adult (55+) affordable units. Under construction projects are broken down by the following unit types: 610 market rate rental units, 456 affordable rental units, 152 active adult (55+) market rate units, and 18 active adult (55+) affordable units. Planned/proposed units are broken down into 741 market rate rental units and 63 affordable rental units.

Of pending and recently completed projects, only two were active adult (age-restricted) projects while the remaining 22 are rental projects. The most recent projects to open in St. Louis Park include Via Sol, Parkway Place, Parkway Flats, and Volo at Texa Tonka. Via Sol is a mixed income project of 70 market rate units and 17 affordable units. Parkway Place (95 units) and Volo at Texa Tonka (112 units) are both market rate projects while Parkway Flats is a 6 unit affordable townhome development. Parkway Place and Parkway Flats are both a part of the Parkway Residences project which is constructing market rate and affordable units along Minnesota State Highway 7 near the City's border with Minneapolis. The area serves as a gateway to Minneapolis' three popular lakes (Bde Maka Ska, Lake Harriet, and Lake of the Isles), and the Uptown District of Minneapolis.

Also near Highway 7, the Parkway Residences, and future SWLRT Beltline Boulevard Line Station, are a number of pending projects. Beltline Station Building Three, which will be comprised of 82 affordable units, has been approved and is projected to begin construction in July 2023. The other two Beltline Station projects, which are projected to include 298 units, have yet to begin construction. The Corsa project, near the Beltline Station projects, is currently under construction and when built out will comprise 225 market rate units and 25 affordable units. The Risor, a 55 plus active adult project also nearby is under construction and will when complete have 152 active adult market rate units and 18 active adult affordable units.

Other areas of St. Louis Park experiencing multiple pending projects include the West End District and nearby areas and the Knollwood Mall area.

## PLANNED/PENDING RENTAL & SENIOR DEVELOPMENTS

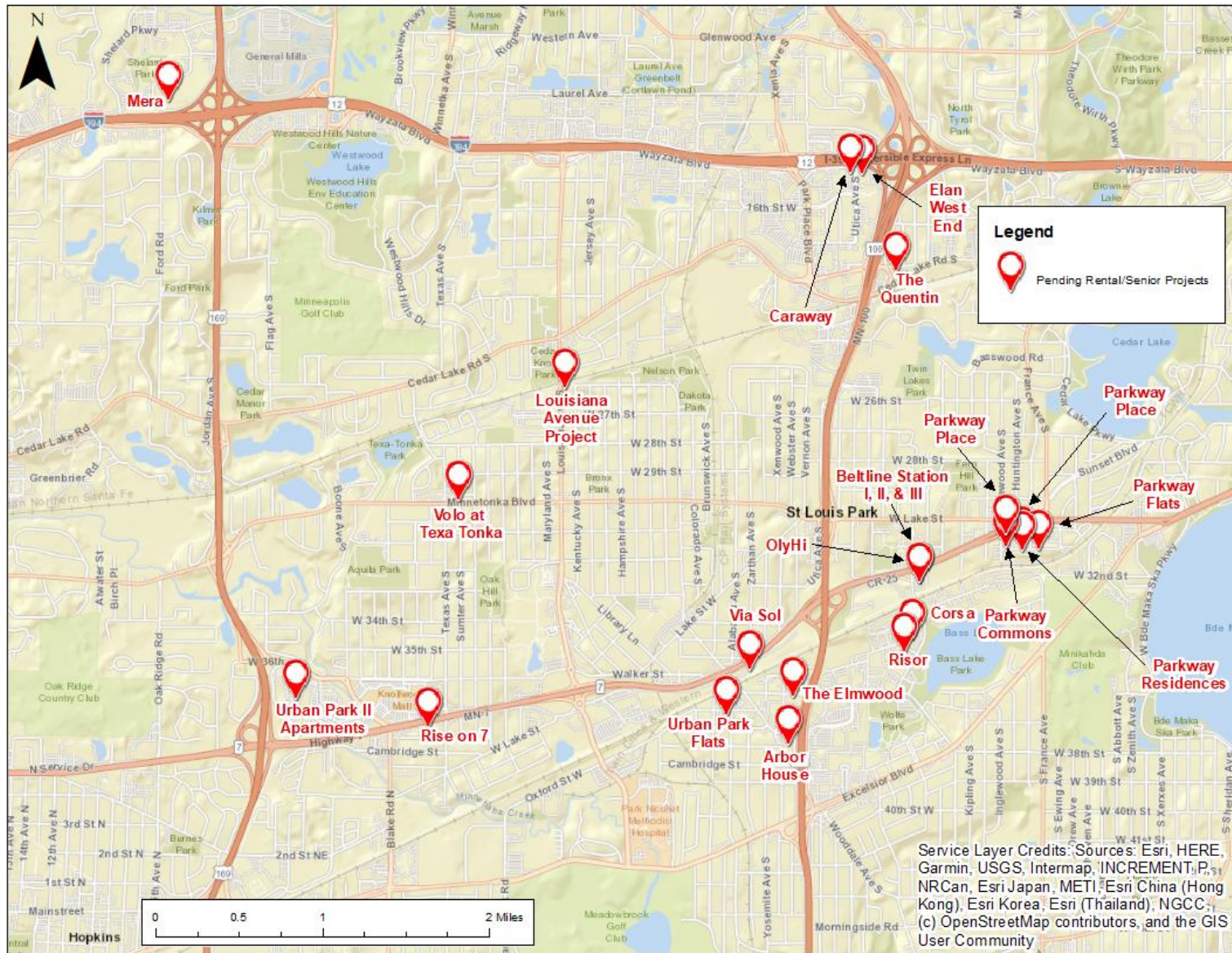
TABLE P-1 RENTAL & SENIOR HOUSING DEVELOPMENT PIPELINE ST LOUIS PARK MAY 2023								
Project Name/Address	Developer	Status	Units/Lots			Project Type	Affordability	Comments
Recently Completed (2020+)								
Urban Park II Apartments 3601 Phillips Pkwy	North Shore Development Partners, LLC	Completed 2020	0	61	61	Market Rate	NA	Additional four-story apartment building to complement phase I.
Elan West End 1325 Utica Ave S	DLC Residential	Completed 2020	5	159	164	Mixed Income	5 units at 50% AMI	Six-story building
Via Sol 5855 MN 7 Service Rd	PLACE	Completed 2022	152	65	217	Mixed Income	130 units at 80% AMI & 22 units at 50% AMI	Five-story building
The Elmwood (55+) 5605 36th St W	36th Street, LLC	Completed 2021	17	53	70	Mixed Income Active Adult	17 units at 60% AMI	Active adult 55+ project - Five-story building
The Quentin 4900 Cedar Lake S	Crowe Companies, LLC, Patrick Crowe	Completed 2021	8	71	79	Mixed Income	8 units at 50% AMI	
Parkway Place 4040 W 31st St	Sela Investments, LLC	Completed 2022	0	95	95	Market Rate	NA	Four-story building
Parkway Flats 3917 W 31st St	Sela Investments, LLC	Completed 2022	6	0	6	Affordable	6 units at 60% AMI	Six-unit townhome - Three-story building
Volo at Texa Tonka 7920 Minnetonka Blvd	Sela Investments, LLC	Completed 2022	23	89	112	Mixed Income	23 units at 50% AMI	101 unit apartment & 11 townhomes
Parkway Residences - Rehab 4009, 4001, & 3925 31st St W	Sela Investments, LLC	Completed	24	0	24	Affordable	24 units at 50% AMI	Two three-story buildings
Parkway Commons 4141 31st St. W.	Sela Investments, LLC	Completed	0	37	37	Market Rate	NA	Four-story building
Under Construction								
Corsa 3440 Beltline Blvd.	Opus Group	Under Construction	25	225	250	Mixed Income	25 units at 50% AMI	Five-story mixed use building
Risor (55+) 3510 Beltline Blvd	Roers Companies	Under Construction	18	152	170	Mixed Income Active Adult 55+	18 units at 50% AMI	Six-story mixed use building
Mera 9920 Wayzata Blvd	Bigos Management	Under Construction	47	186	233	Mixed Income	47 units at 50% AMI	Six-story building
Rise on 7 8115 Hwy 7	CommonBond	Under Construction	120	0	120	Affordable	58 Units at 60% AMI, 21 units at 50% AMI, 22 units at 40% AMI, & 19 units at 30% AMI	Five-story mixed use building
Caraway 5235 Wayzata Blvd	Dolce Living	Under Construction	8	199	207	Mixed Income	8 units at 60% AMI	Six-story building
Arbor House 3801 Woodale Ave S	Real Estate Equities	Under Construction	114	0	114	Affordable	104 units at 60% AMI, 5 units at 50% AMI, & 5 units at 30% AMI	Four-story building
Union Park Flats 3700 Alabama Ave	Project for Pride in Living (PPL)	Under Construction	60	0	60	Affordable	17 units at 60% AMI, 27 units at 50% AMI, & 16 units at 30% AMI	Three-story building. Beginning construction June 2023.
Beltline Station Bldg. 2 4725 Highway 7	Sherman Associates	Under Construction	82	0	82	Affordable	77 units at 60% AMI & 5 units at 30% AMI	Five-story building. Beginning construction July 2023.
CONTINUED								



## PLANNED/PENDING RENTAL & SENIOR DEVELOPMENTS

TABLE P-1 RENTAL & SENIOR HOUSING DEVELOPMENT PIPELINE ST LOUIS PARK MAY 2023								
Project Name/Address	Developer	Status	Units/Lots			Project Type	Affordability	Comments
			Aff.	MR	Total			
Planned/Proposed								
Beltline Station Bldg. 1 4725 Highway 7	Sherman Associates	Approved	0	152	152	Market Rate	NA	Seven-story mixed use building - residential & Commercial
Beltline Station Bldg. 3 4725 Highway 7	Sherman Associates	Approved	0	146	146	Market Rate	NA	Four-story building
Parkway Plaza 4111 County Road 25	Sela Investments, LLC	Approved	0	73	73	Market Rate	NA	Eleven-story building
OlyHi 4725 Highway 7	Saturday Properties/Anderson Companies	Approved	63	252	315	Mixed Income	31 units at 60% AMI, & 32 units at 50% AMI	Ordinance Rezoning Approved. Two six-story buildings
Arlington Row - East & West 7905 and 7705 Wayzata Blvd.	Melrose Company	Approved	0	61	61	Market Rate	NA	Two three story buildings totaling 34 units and a three story 27 unit building.
Louisiana Avenue Project 2625 Louisiana Ave S	DJR	Approved - 2 of 3 variances	0	57	57	Market Rate	NA	Four-story mixed use building - 54 units and 3 live/work units
Speculative/Concept								
None								
NA: Not Assessed or Not Applicable.								
Sources: City of St. Louis Park Staff; Apartment Sites; & Maxfield Research & Constulting, LLC.								

Planned/Pending Rental/Senior Projects in St. Louis Park





**Select Recently Opened/Under Construction Developments**



Mera



Corsa



Risor



Caraway



Wooddale Station



Parkway Place

## Introduction

Affordable housing is a term that has various definitions according to different people and is a product of supply and demand. According to the U.S. Department of Housing and Urban Development (HUD), the definition of affordability is for a household to pay no more than 30% of its annual income on housing (including utilities). Families who pay more than 30% of their income for housing (either rent or mortgage) are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care.

Generally, housing that is income-restricted to households earning at or below 80% of Area Median Income (AMI) is considered affordable. However, many individual properties have income restrictions set anywhere from 30% to 80% of AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. Moderate-income housing, often referred to as “workforce housing,” refers to both rental and ownership housing. Hence the definition is broadly defined as housing that is income-restricted to households earning between 50% and 120% AMI. Figure 1 below summarizes income ranges by definition for the Minneapolis-St Paul-Bloomington Area.

<b>FIGURE 1</b> <b>AREA MEDIAN INCOME (AMI) DEFINITIONS</b>	
<b>Definition</b>	<b>AMI Range</b>
Extremely Low Income	0% - 30%
Very Low Income	31% - 50%
Low Income	51% - 80%
Moderate Income   Workforce Housing	80% - 120%
Note: Minneapolis-St Paul-Bloomington, MN-WI HUD FMR Area 4-person AMI = \$118,200 (2022).	

### ***Naturally Occurring Affordable Housing (i.e. Unsubsidized Affordable)***

Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered “naturally-occurring” or “unsubsidized affordable” units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc. Because of these factors, housing costs tend to be lower.

According to the *Joint Center for Housing Studies of Harvard University*, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted projects nationwide. Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties (one to four-unit structures) or in older multifamily structures. Many of these older developments may be vulnerable to redevelopment due to their age, modest rents, and deferred maintenance.

Because many of these housing units have affordable rents, project-based and private housing markets cannot be easily separated. Some households (typically those with household incomes of 50% to 60% AMI) income-qualify for both market rate and project-based affordable housing.

Based on the review of St. Louis Park's housing stock and the inventory of rental properties; we find a substantial portion of the housing stock would be classified as naturally occurring affordable housing.

### ***Rent and Income Limits***

Table HA-1 shows the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in the Minnesota-St Paul-Bloomington Area. These incomes are published and revised annually by the Department of Housing and Urban Development (HUD) and also published separately by the Minnesota Housing Finance Agency based on the date the project was placed into service. Fair market rent is the amount needed to pay gross monthly rent at modest rental housing in a given area. This table is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families at financially assisted housing.

Table HA-2 shows the maximum rents by household size and AMI based on income limits illustrated in Table HA-1. The rents on Table HA-2 are based on HUD's allocation that monthly rents should not exceed 30% of income. In addition, the table reflects maximum household size based on HUD guidelines of number of persons per unit. For each additional bedroom, the maximum household size increases by two persons.

<b>TABLE HA-1</b> <b>MHFA/HUD INCOME AND RENT LIMITS</b> <b>MINNEAPOLIS-ST PAUL-BLOOMINGTON, MN-WI HUD FMR AREA- 2022 (Effective 04/18/22)</b>								
	Income Limits by Household Size							
	1 pph	2 phh	3 phh	4 phh	5 phh	6 phh	7 phh	8 phh
30% of median	\$24,660	\$28,170	\$31,680	\$35,190	\$38,010	\$40,830	\$43,650	\$46,470
50% of median	\$41,100	\$46,950	\$52,800	\$58,650	\$63,350	\$68,050	\$72,750	\$77,450
60% of median	\$49,320	\$56,340	\$63,360	\$70,380	\$76,020	\$81,660	\$87,300	\$92,940
80% of median	\$65,760	\$75,120	\$84,480	\$93,840	\$101,360	\$108,880	\$116,400	\$123,920
100% of median	\$82,200	\$93,900	\$105,600	\$117,300	\$126,700	\$136,100	\$145,500	\$154,900
120% of median	\$98,640	\$112,680	\$126,720	\$140,760	\$152,040	\$163,320	\$174,600	\$185,880
	Maximum Gross Rent							
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$616	\$704	\$792	\$879	\$950			
50% of median	\$1,027	\$1,173	\$1,320	\$1,466	\$1,583			
60% of median	\$1,233	\$1,408	\$1,584	\$1,759	\$1,900			
80% of median	\$1,644	\$1,878	\$2,112	\$2,346	\$2,534			
100% of median	\$2,055	\$2,347	\$2,640	\$2,932	\$3,167			
120% of median	\$2,466	\$2,817	\$3,168	\$3,519	\$3,801			
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$932	\$1,078	\$1,329	\$1,841	\$2,145			

Sources: HUD; Novogradac; Maxfield Research and Consulting LLC.

TABLE HA-2								
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME								
MINNEAPOLIS-ST PAUL-BLOOMINGTON, MN-WI HUD METRO FMR AREA - 2022 (Effective 04/18/22)								
Unit Type <sup>1</sup>	HHD Size		Maximum Rent Based on Household Size (@30% of Income)					
			30%		50%		60%	
	Min	Max	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$617 - \$617		\$1,028 - \$1,028		\$1,233 - \$1,233	
1BR	1	2	\$617 - \$704		\$1,028 - \$1,241		\$1,233 - \$1,409	
2BR	2	4	\$704 - \$880		\$1,241 - \$1,466		\$1,409 - \$1,760	
3BR	3	6	\$792 - \$1,021		\$1,320 - \$1,701		\$1,584 - \$2,042	
4BR	4	8	\$880 - \$1,162		\$1,466 - \$1,936		\$1,760 - \$2,324	
Unit Type <sup>1</sup>	HHD Size		Maximum Rent Based on Household Size (@30% of Income)					
			80%		100%		120%	
	Min	Max	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$1,644 - \$1,644		\$2,055 - \$2,055		\$2,466 - \$2,466	
1BR	1	2	\$1,644 - \$1,878		\$2,055 - \$2,348		\$2,466 - \$2,817	
2BR	2	4	\$1,878 - \$2,346		\$2,348 - \$2,933		\$2,817 - \$3,519	
3BR	3	6	\$2,112 - \$2,722		\$2,640 - \$3,403		\$3,168 - \$4,083	
4BR	4	8	\$2,346 - \$3,098		\$2,933 - \$3,873		\$3,519 - \$4,647	
<sup>1</sup> One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet.								
Note: Minneapolis-St Paul-Bloomington, MN-WI HUD FMR Area 4-person AMI = \$118,200 (2022).								
Sources: HUD; Maxfield Research and Consulting, LLC.								

### Housing Cost Burden

Table HA-3 shows the number and percentage of owner and renter households in St. Louis Park, Hennepin County, the Seven-County Metro Area, and the State of Minnesota that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey 2021 estimates. This information is different than the 2000 Census which separated households that paid 35% or more in housing costs. As such, the information presented in the tables may be overstated in terms of households that may be “cost burdened.” The Federal standard for affordability is 30% of income for housing costs. Without a separate break out for households that pay 35% or more, there are likely a number of households that elect to pay slightly more than 30% of their gross income to select the housing that they choose. Moderately cost-burdened is defined as households paying between 30% and 50% of their income to housing; while severely cost-burdened is defined as households paying more than 50% of their income for housing.

Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. The figures focus on owner households with incomes below \$50,000 and renter households with incomes below \$35,000.

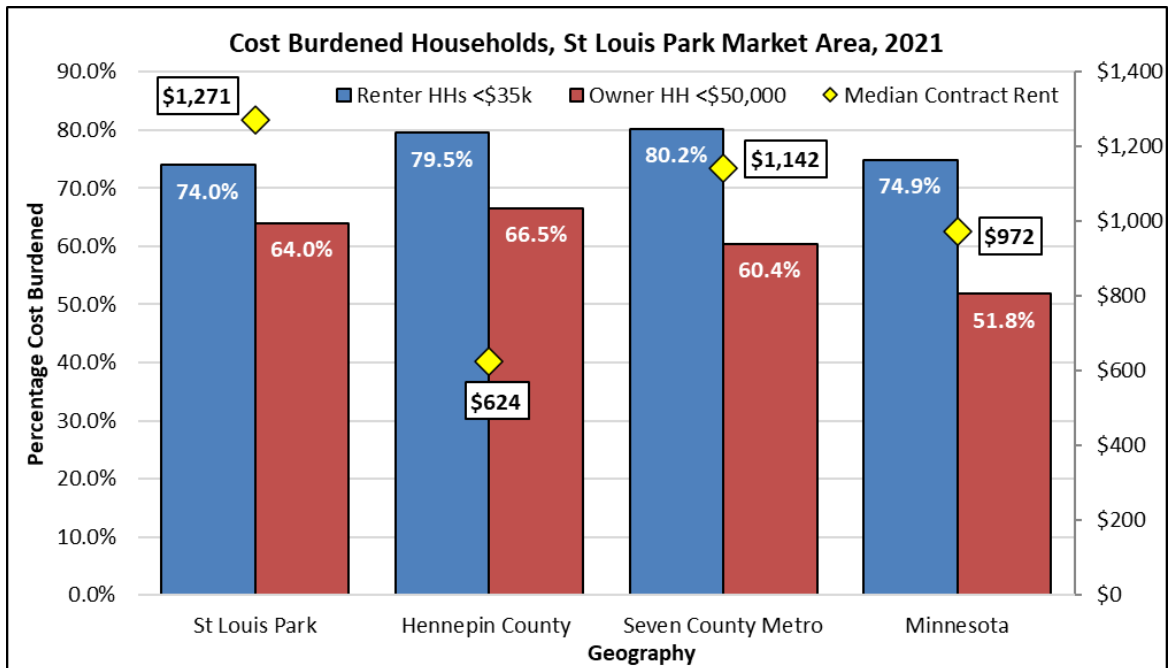
Key findings from Table HA-3 follow.

- In St. Louis Park, 17.6% of owner households and 34.3% of renter households are considered cost burdened. In comparison, 18.9% of owner households and 43.8% of renter households are considered cost burdened in the City as a whole. The Seven-County Metro Area has 18.0% of its owner households cost burdened and 44.9% of its renter households cost burdened. Across the State of Minnesota 17.9% of owner households and 43.6% of renter households are considered cost burdened.
- Among owner households earning less than \$50,000, 64.0% are cost burdened in St. Louis Park. In comparison, among owner households earning less than \$50,000, 66.5% are cost burdened in Hennepin County. In the Seven County Metro Area, 60.4% of owner households earning less than \$50,000 are cost burdened while Statewide, 51.8% of owner households earning less than \$50,000 are cost burdened.
- In St. Louis Park 74.0% of renter households earning less than \$35,000 are cost burdened while 79.5% of Hennepin County renter households earning less than \$35,000 are cost burdened. In the Seven County Metro Area, 80.2% of renter households earning less than \$35,000 are cost burdened. Statewide, 74.9% of renter households earning less than \$35,000 are cost burdened.

## HOUSING AFFORDABILITY

<b>TABLE HA-3 HOUSING COST BURDEN ST LOUIS PARK 2021</b>								
	<b>St Louis Park</b>		<b>Hennepin County</b>		<b>Seven County Metro</b>		<b>Minnesota</b>	
<b>Community</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>	<b>No.</b>	<b>Pct.</b>
<b>Owner Households</b>								
All Owner Households	14,025		330,286		848,779		1,610,801	
Cost Burden 30% or greater	2,464	17.6%	62,410	18.9%	153,152	18.0%	288,694	17.9%
Owner Households w/ incomes <\$50,000	2,417		56,217		142,569		351,498	
Cost Burden 30% or greater	1,547	64.0%	37,397	66.5%	86,122	60.4%	182,009	51.8%
<b>Renter Households</b>								
All Renter Households	10,110		193,242		379,008		618,299	
Cost Burden 30% or greater	3,468	34.3%	84,654	43.8%	170,253	44.9%	269,438	43.6%
Renter Households w/ incomes <\$35,000	2,233		66,941		133,456		251,105	
Cost Burden 30% or greater	1,652	74.0%	53,250	79.5%	107,030	80.2%	188,005	74.9%
Median Contract Rent <sup>1</sup>	\$1,271		\$1,166		\$1,142		\$972	
<sup>1</sup> Median Contract Rent 2021								
Note: Calculations exclude households not computed.								
Sources: American Community Survey 2021 estimates; Maxfield Research and Consulting LLC.								





## Housing Vouchers

In addition to subsidized apartments, “tenant-based” subsidies like *Housing Choice Vouchers*, can help lower income households afford market-rate rental housing. The tenant-based subsidy is funded by the Department of Housing and Urban Development (HUD) and is managed by the St. Louis Park Housing Authority. Under the Housing Choice Voucher program (also referred to as Section 8) qualified households are issued a voucher that can be used in a rental unit within the private market that has rents in line with payment standards. Payment standards are set with guidance from the annually published HUD Fair Market Rents. The household pays approximately 30% of their adjusted gross income for rent and utilities, and the Federal government pays the remainder of the rent to the landlord. The maximum income limit to be eligible for a Housing Choice Voucher is 50% AMI based on household size, as shown in Table HA-1. The following are key points about the Housing Choice Voucher Program in St. Louis Park.

- There are approximately 300 Section 8 housing vouchers in the City of St. Louis Park.
- The City’s Housing voucher waitlist is currently closed but opens approximately every two to three years.

### Housing Costs as Percentage of Household Income

Housing costs are generally considered affordable at 30% of a households' adjusted gross income. Table HA-4 on the following page illustrates key housing metrics based on housing costs and household incomes in St. Louis Park. The table estimates the percentage of St. Louis Park householders that can afford rental and for-sale housing based on a 30% allocation of income to housing. Housing costs are based on the St. Louis Park average.

The housing affordability calculations assume the following:

#### For-Sale Housing

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 7.180% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes
- Owner household income per 2021 ACS adjusted to 2023 by Maxfield Research

#### Rental Housing

- Background check on tenant to ensure credit history
- 30% allocation of income
- Renter household income per 2021 ACS adjusted to 2023 by Maxfield Research

Because of the down payment requirement and strict underwriting criteria for a mortgage, not all households will meet the income qualifications as outlined above.

- The median income of all St. Louis Park households in 2021 was about \$87,639. However, the median income varies by tenure. According to the 2021 American Community Survey, the median income of a homeowner is \$111,272, 70.9% higher than that of renters (\$65,118).
- Approximately 50% (49.5%) of all households and 62.0% of owner households could afford to purchase an entry-level home in St. Louis Park (\$300,000). When adjusting for move-up buyers (\$450,000) 28.8% of all households and 39.6% of owner households would income qualify.
- Of existing renter households, 69.0% can afford to rent a one-bedroom unit in St. Louis Park (\$1,100/month). The percentage of renter income-qualified households decreases to 50.1% that can afford an existing three-bedroom unit (\$1,600/month). After adjusting for new construction rental housing, the percentage of renters that are income-qualified decreases. About 43% (42.6%) of renters can afford a new market rate one-bedroom unit while 23.1% can afford a new three-bedroom unit.

## HOUSING AFFORDABILITY

TABLE HA-4						
ST LOUIS PARK HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME						
For-Sale (Assumes 10% down payment and good credit)						
	Single-Family			Townhome/Twinhome		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	\$300,000	\$450,000	\$750,000	\$250,000	\$375,000	\$450,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$30,000	\$45,000	\$75,000	\$25,000	\$37,500	\$45,000
Estimated Closing Costs (rolled into mortgage)	\$9,000	\$13,500	\$22,500	\$7,500	\$11,250	\$13,500
Cost of Loan	\$279,000	\$418,500	\$697,500	\$232,500	\$348,750	\$418,500
Interest Rate	6.000%	6.000%	6.000%	6.000%	6.000%	6.000%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$1,673	-\$2,509	-\$4,182	-\$1,394	-\$2,091	-\$2,509
(plus) Prop. Tax	-\$435	-\$653	-\$1,088	-\$363	-\$544	-\$653
(plus) HO Insurance/Assoc. Fee for TH	-\$100	-\$150	-\$250	-\$100	-\$100	-\$100
(plus) PMI/MIP (less than 20%)	-\$121	-\$181	-\$302	-\$101	-\$151	-\$181
Subtotal monthly costs	-\$2,329	-\$3,493	-\$5,822	-\$1,957	-\$2,886	-\$3,443
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$93,146	\$139,719	\$232,865	\$78,288	\$115,432	\$137,719
Pct. of ALL PMA HHDS who can afford <sup>1</sup>	49.5%	28.8%	N/A	55.4%	37.4%	29.5%
No. of PMA HHDS who can afford <sup>1</sup>	12,293	7,153	N/A	13,775	9,290	7,329
Pct. of PMA owner HHDS who can afford <sup>2</sup>	62.0%	39.6%	N/A	68.0%	49.2%	40.4%
No. of PMA owner HHDS who can afford <sup>2</sup>	8,957	5,724	N/A	9,827	7,110	5,838
No. of PMA owner HHDS who cannot afford <sup>2</sup>	5,487	8,720	N/A	4,617	7,334	8,606
Rental (Market Rate)						
	Existing Rental			New Construction Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$1,100	\$1,350	\$1,600	\$1,800	\$2,400	\$2,700
Annual Rent	\$13,200	\$16,200	\$19,200	\$21,600	\$28,800	\$32,400
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$44,000	\$54,000	\$64,000	\$72,000	\$96,000	\$108,000
Pct. of ALL PMA HHDS who can afford <sup>1</sup>	78.5%	71.8%	64.9%	59.4%	45.2%	40.0%
No. of PMA HHDS who can afford <sup>1</sup>	19,514	17,840	16,130	14,762	11,224	9,944
Pct. of PMA renter HHDS who can afford <sup>2</sup>	69.0%	59.4%	50.1%	42.6%	27.8%	23.1%
No. of PMA renter HHDS who can afford <sup>2</sup>	7,187	6,182	5,211	4,435	2,895	2,410
No. of PMA renter HHDS who cannot afford <sup>2</sup>	3,225	4,230	5,201	5,977	7,517	8,002
<sup>1</sup> Based on 2021 household income for ALL households adjusted to 2023 by Maxfield Research.						
<sup>2</sup> Based on 2021 ACS household income by tenure adjusted to 2023 by Maxfield Research.						
N/A: Not able to be assessed.						
Source: Maxfield Research & Consulting, LLC.						

### Introduction

Maxfield Research & Consulting, LLC was engaged to quantify the demand potential for housing development in St. Louis Park from 2022 to 2030. Earlier sections of this report examined growth trends and demographic characteristics of the household base, employment trends, housing characteristics, along current and pending housing options in the St. Louis Park PMA.

This section of the report quantifies demand for general occupancy ownership housing and rental housing (market rate and affordable) from 2022 to 2030, as well as senior housing demand in 2023 and 2028.

### Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that are needed. The housing life-cycle stages are:

1. *Entry-level householders*
  - Often prefer to rent basic, inexpensive apartments
  - Usually singles or couples in their early 20's without children
  - Will often "double-up" with roommates in apartment setting
2. *First-time homebuyers and move-up renters*
  - Often prefer to purchase modestly priced single-family homes or rent more upscale apartments
  - Usually married or cohabiting couples, in their mid-20's or 30's, some with children, but most are without children
3. *Move-up homebuyers*
  - Typically prefer to purchase newer, larger, and therefore more expensive single-family homes
  - Typically, families with children where householders are in their late 30's to 40's
4. *Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)*
  - Prefer owning but will consider renting their housing
  - Some will move to alternative lower-maintenance housing products
  - Generally, couples in their 50's or 60's
5. *Younger independent seniors*
  - Prefer owning but will consider renting their housing

- Will often move (at least part of the year) to retirement havens in the Sunbelt and desire to reduce their responsibilities for upkeep and maintenance
- Generally, in their late 60's or 70's

### 6. *Older seniors*

- May need to move out of their single-family home due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
- Generally single females (widows) in their mid-70's or older

Demand for housing can come from several sources including household growth, changes in housing preferences, and replacement need. Household growth necessitates building new housing unless there is enough desirable vacant housing available to absorb the increase in households. Demand is also affected by shifting demographic factors such as the aging of the population, which dictates the type of housing preferred. New housing to meet replacement need is required, even in the absence of household growth, when existing units no longer meet the needs of the population and when renovation is not feasible because the structure is physically or functionally obsolete.

The graphic on the following page provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

## Housing Demand Overview

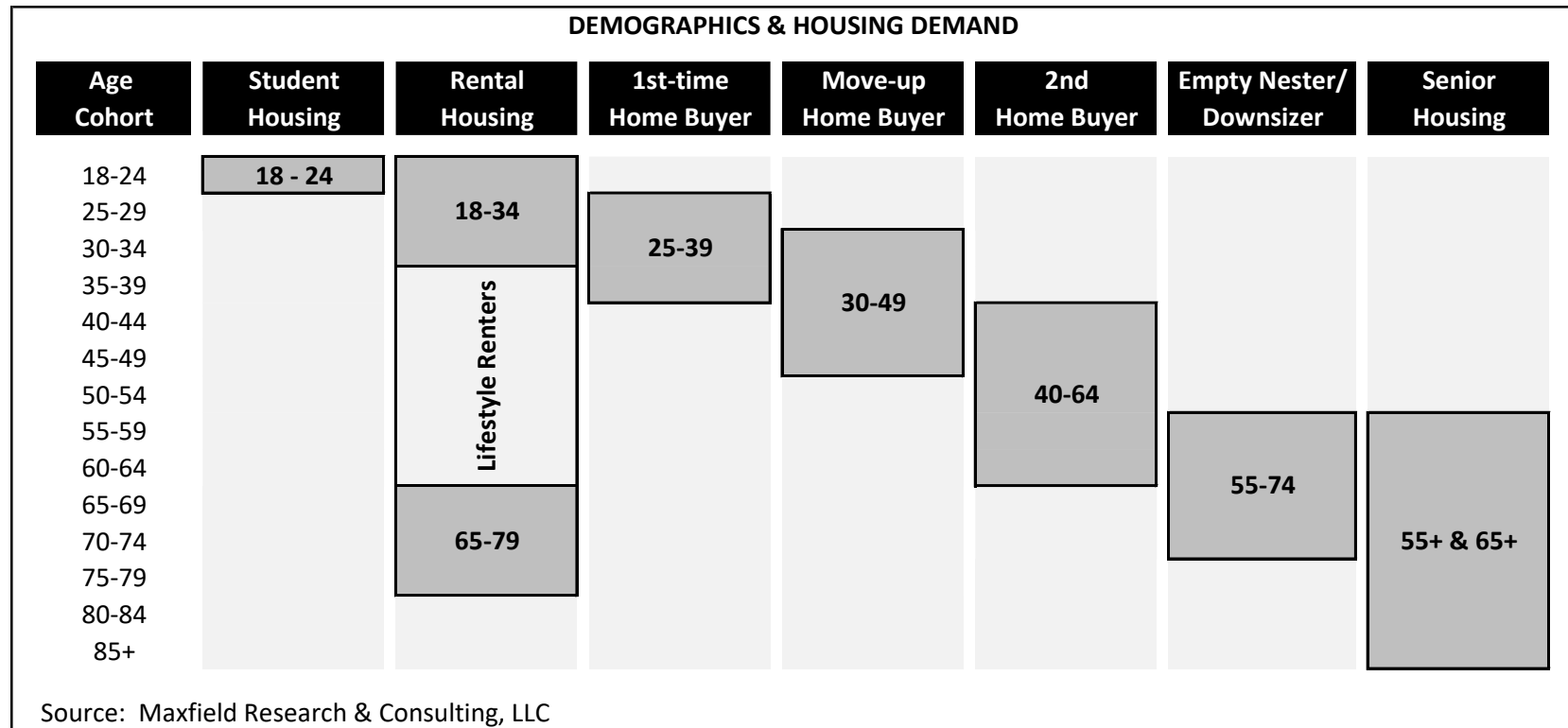
The previous sections of this assessment focused on demographic and economic factors driving demand for housing in St. Louis Park. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in the St. Louis Park.

Housing markets are driven by a range of supply and demand factors that vary by location and submarket. The following bullet points outline several of the key variables driving housing demand.

### Demographics

Demographics are major influences that drive housing demand. Household growth and formations are critical (natural growth, immigration, etc.), as well as household types, size, age of householders, incomes, etc.

## HOUSING DEMAND ANALYSIS



## HOUSING DEMAND ANALYSIS

TYPICAL HOUSING TYPE CHARACTERISTICS				
	Housing Types	Target Market/ Demographic	Unit/Home Characteristics	Lot Sizes/ Units Per Acre <sup>1</sup>
For-Sale Housing	Entry-level single-family	First-time buyers: Families, couples w/no children, some singles	1,200 to 2,200 sq. ft. 2-4 BR   2 BA	80'+ wide lot 2.5-3.0 DU/Acre
	Move-up single-family	Step-up buyers: Families, couples w/no children	2,000 sq. ft.+ 3-4 BR   2-3 BA	80'+ wide lot 2.5-3.0 DU/Acre
	Executive single-family	Step-up buyers: Families, couples w/no children	2,500 sq. ft.+ 3-4 BR   2-3 BA	100'+ wide lot 1.5-2.0 DU/Acre
	Small-lot single-family	First-time & move-down buyers: Families, couples w/no children, empty nesters, retirees	1,700 to 2,500 sq. ft. 3-4 BR   2-3 BA	40' to 60' wide lot 5.0-8.0 DU/Acre
	Entry-level townhomes	First-time buyers: Singles, couples w/no children	1,200 to 1,600 sq. ft. 2-3 BR   1.5BA+	6.0-12.0 DU/Acre
	Move-up townhomes	First-time & step-up buyers: Singles, couples, some families, empty-nesters	1,400 to 2,000 sq. ft. 2-3 BR   2BA+	6.0-8.0 DU/Acre
	Executive townhomes/twinhomes	Step-up buyers: Empty-nesters, retirees	2,000+ sq. ft. 3 BR+   2BA+	4.0-6.0 DU/Acre
	Detached Townhome	Step-up buyers: Empty-nesters, retirees, some families	2,000+ sq. ft. 3 BR+   2BA+	4.0-6.0 DU/Acre
	Condominiums	First-time & step-up buyers: Singles, couples, empty-nesters, retirees	800 to 1,700 sq. ft. 1-2 BR   1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 75.0+ DU/Acre
Rental Housing	Apartment-style rental housing	Singles, couples, single-parents, some families, seniors	675 to 1,250 sq. ft. 1-3 BR   1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 75.0+ DU/Acre
	Townhome-style rental housing	Single-parents, families w/children, empty nesters	900 to 1,700 sq. ft. 2-4 BR   2BA	8.0-12.0 DU/Acre
	Student rental housing	College students, mostly undergraduates	550 to 1,400 sq. ft. 1-4BR   1-2 BA	Low-rise: 18.0-24.0 DU/Acre Mid-rise: 25.0+ DU/Acre Hi-rise: 50.0+ DU/Acre
Both	Senior housing	Retirees, Seniors	550 to 1,500 sq. ft. Suites - 2BR   1-2 BA	Varies considerably based on senior product type

<sup>1</sup> Dwelling units(DU) per acre expressed in net acreage (minus right-of-way)

Source: Maxfield Research & Consulting, LLC

### Economy & Job Growth

The economy and housing market are intertwined; the health of the housing market affects the broader economy and vice versa. Housing market growth depends on job growth (or the prospect of); jobs generate income growth which results in the formation of more households. Historically low unemployment rates have driven both existing home purchases and new-home purchases. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand. Additionally, low income growth results in fewer move-up buyers which results in diminished housing turnover across all income brackets.



### Consumer Choice/Preferences

A variety of factors contribute to consumer choice and preferences. Many times, a change in family status is the primary factor for a change in housing type (i.e. growing families, empty-nest families, etc.). However, housing demand is also generated from the turnover of existing households who decide to move for a range of reasons. Some households may want to move-up, downsize, change their tenure status (i.e. owner to renter or vice versa), or simply move to a new location.

### Supply (Existing Housing Stock)

The stock of existing housing plays a crucial component in the demand for new housing. There are a variety of unique household types and styles, not all of which are desirable to today's consumers. The age of the housing stock is an important component for housing demand, as communities with aging housing stocks have higher demand for remodeling services, replacement new construction, or new home construction as the current inventory does not provide the supply that consumers seek.

Pent-up demand may also exist if supply is unavailable as householders postpone a move until new housing product becomes available.

### Housing Finance

Household income is the fundamental measure that dictates what a householder can afford to pay for housing costs. According to the U.S. Department of Housing and Urban Development (HUD), the definition of affordability is for a household to pay no more than 30% of its annual income on housing (including utilities). Families who pay more than 30% of their income for housing (either rent or mortgage) are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care.

Due to the rapid increase of mortgage rates this past year to combat inflation (3% to 7%, back down to 6.5%), affordability has been hit hard and fewer buyers can afford to purchase in 2023.

### Mobility

It is important to note that demand is somewhat fluid between St. Louis Park and the surrounding areas and will be impacted by development activity in nearby areas, including other communities outside of the community.

### Estimated Demand for For-Sale Housing

Table HD-1 presents our demand calculations for general occupancy for-sale housing in St. Louis Park between 2023 and 2030 while table HD-2 presents demand calculations between 2030 and 2035.

The 65 and older cohort is typically not a target market for new single-family homes as many of these households will remain in their single-family homes or may relocate to owned multifamily or a senior housing option. For the purpose of this analysis, we only include households under age 65. Using household income by age of householder data, St. Louis Park is expected to add 1,136 households under 65 between 2023 to 2030 and 757 households from 2030 to 2035. We estimate, based on land availability, development trends, building permits, and consumer preferences, that 10.0% would choose to own their housing or 114 new general occupancy for-sale housing units from 2023 to 2030.

Additional demand is also forecast from existing St. Louis Park households through turnover. There are an estimated 10,776 owner-occupied households in St. Louis Park as of 2023. Based on mobility data from the Census Bureau, an estimated 80.3% of owner households will turn over in the next seven years, resulting in 8,653 existing households projected to turn over. Finally, we estimate 10% of the existing owner households would seek new for-sale housing, resulting in demand for 865 for-sale units to 2030. Combined demand projected household growth and existing owner households equals 979 for sale units.

Next, we estimate that 20% of the total demand for new for-sale units in St. Louis Park will come from people currently living outside of the City. Adding demand from outside the City to the existing demand potential, results in a total estimated demand for 1,152 for-sale housing units to 2030.

Based on land availability, building trends, and demographic shifts (increasing older adult population), we estimate that 12% of the for-sale owners will prefer traditional single-family product types while the remaining 88% will prefer a maintenance-free multi-family product (i.e. twin homes, townhomes, or condominiums). This leaves demand for 138 single-family lots and 1,013 multifamily lots/units by 2030.

Next platted lots that are under construction or approved are subtracted from the total. As there are currently no platted lots demand remains for 138 single-family lots and 1,013 multifamily lots/units to 2030. Demand in 2035 is projected to exist for 94 single-family lots and 690 multifamily lots/units by 2035. Strong demand is not likely achievable.

## HOUSING DEMAND ANALYSIS

<b>TABLE HD-1</b> <b>GENERAL OCCUPANCY FOR-SALE HOUSING DEMAND</b> <b>CITY OF ST. LOUIS PARK</b> <b>2023 to 2030</b>			
<b>Demand From Projected Household Growth</b>			
Projected household (under age 65) growth in the City 2023 to 2030 <sup>1</sup>		1,136	
(times) Estimated % propensity to own <sup>2</sup>	x	10.0%	
(equals) Number of potential owner households from HH growth	=	<b>114</b>	
<b>Demand from Existing Owner Households</b>			
Number of owner households (under age 65) in the City, 2023 <sup>3</sup>	=	10,776	
(times) Estimated % of owner turnover (age 64 and younger, 2023 to 2030)	x	80.3%	
(equals) Total existing households projected to turnover between 2023 and 2030	=	8,653	
(times) Estimated % desiring new owner housing	x	10.0%	
(equals) Demand from existing households	=	<b>865</b>	
<b>Total Demand From Household Growth and Existing Households, 2023 to 2030</b>	=	<b>979</b>	
(times) Ownership demand generated from outside the City of St. Louis Park	+	20%	
<b>(equals) Total demand potential for ownership housing in the City</b>	=	<b>1,152</b>	
		Single Family	Multi-family <sup>5</sup>
(times) Percent desiring for-sale single family (SF) vs. multifamily (MF) <sup>4</sup>	x	12%	88%
(equals) Total demand potential for new single-family & multifamily for-sale housing		138	1,013
(minus) Units under construction or approved platted lots (undeveloped and developed lots)		0	0
<b>(equals) Total demand potential for new for-sale housing in St. Louis Park</b>	=	<b>138</b>	<b>1,013</b>
<sup>1</sup> Estimated household growth based on projections as adjusted by Maxfield Research and Consulting LLC. <sup>2</sup> Pct. of owner households under the age of 65 adjusted by Maxfield Research based on land availability, development trends, building permits, and consumer preferences. <sup>3</sup> Based on household turnover and mobility data (2021 American Community Survey, Five Year Estimates). <sup>4</sup> Based on on turnover from 2020 American Community Survey for households moving over a Five-year period. <sup>5</sup> Based on preference for housing type and land availability. <sup>6</sup> Approved platted lot data does not account for the scattered lot supply which includes individual lots and lots in older non-marketing subdivisions. <sup>7</sup> Multifamily demand includes demand for townhomes, twinhomes, and condominium units.			
Source: Maxfield Research & Consulting, LLC.			

## HOUSING DEMAND ANALYSIS

<b>TABLE HD-2</b> <b>GENERAL OCCUPANCY FOR-SALE HOUSING DEMAND</b> <b>CITY OF St. LOUIS PARK</b> <b>2030 to 2035</b>			
<b>Demand From Projected Household Growth</b>			
Projected household (under age 65) growth in the City 2030 to 2035 <sup>1</sup>		757	
(times) Estimated % propensity to own <sup>2</sup>	x	10.0%	
(equals) Number of potential owner households from HH growth	=	<b>76</b>	
<b>Demand from Existing Owner Households</b>			
Number of owner households (under age 65) in the City, 2030 <sup>3</sup>	=	10,300	
(times) Estimated % of owner turnover (age 64 and younger, 2030 to 2035) <sup>4</sup>	x	57.3%	
(equals) Total existing households projected to turnover between 2030 and 2035	=	5,905	
(times) Estimated % desiring new owner housing	x	10.0%	
(equals) Demand from existing households	=	<b>590</b>	
<b>Total Demand From Household Growth and Existing Households, 2030 to 2035</b>	=	<b>666</b>	
(times) Ownership demand generated from outside the City of St. Louis Park	+	20%	
<b>(equals) Total demand potential for ownership housing in the City</b>	=	<b>784</b>	
		Single Family	Multi-family <sup>7</sup>
(times) Percent desiring for-sale single family (SF) vs. multifamily (MF) <sup>5</sup>	x	12%	88%
(equals) Total demand potential for new single-family & multifamily for-sale housing		94	690
(minus) Units under construction or approved platted lots (undeveloped and developed lots) <sup>6</sup>		0	0
<b>(equals) Total demand potential for new for-sale housing in St. Louis Park</b>	=	<b>94</b>	<b>690</b>
<sup>1</sup> Estimated household growth based on projections as adjusted by Maxfield Research and Consulting LLC. <sup>2</sup> Pct. of owner households under the age of 65 adjusted by Maxfield Research based on land availability, development trends, building permits, and consumer preferences. <sup>3</sup> Based on household turnover and mobility data (2021 American Community Survey, Five Year Estimates). <sup>4</sup> Based on on turnover from 2020 American Community Survey for households moving over a Five-year period. <sup>5</sup> Based on preference for housing type and land availability. <sup>6</sup> Approved platted lot data does not account for the scattered lot supply which includes individual lots and lots in older non-marketing subdivisions. <sup>7</sup> Multifamily demand includes demand for townhomes, twinhomes, and condominium units. Source: Maxfield Research & Consulting, LLC.			

### Estimated Demand for General-Occupancy Rental Housing

Table HD-3 presents our calculation of general-occupancy rental housing demand in St. Louis Park between 2023 and 2030 while Table HD-4 presents demand calculations between 2030 and 2035. The analysis identifies potential demand for rental housing that is generated from new households and turnover households. A portion of the demand will be drawn from existing households in St. Louis Park that want to upgrade their housing situations.

Although the 65 and older cohort is not typically a primary target market for new general occupancy rental housing, the rising cost of owned housing and senior options has encouraged more seniors to move into the general occupancy market before considering age-restricted options. As such, we include all age groups in the demand calculation. Based on land availability, development trends, building permits, and consumer preferences, we estimate a 90% propensity to rent leaving projected demand for 1,930 rental units between 2023 and 2030.

Demand will also occur from existing renter households through turnover. As of 2023, there are an estimated 8,796 renter households in St. Louis Park. Based on mobility data from the Census Bureau, an estimated 100.0% of renter households will turn over resulting in existing households projected to turn over. Finally, we estimate 15% of the existing renter households will seek new rental housing, resulting in demand for 1,319 rental units to 2030. Combined demand projected household growth and existing renter households equals 3,249 units.

Next, we estimate that 25% of the total demand for new rental units in St. Louis Park will come from people currently living outside of the Market Area. Adding demand from outside the City to the existing demand potential, results in a total estimated demand for 4,332 rental housing units to 2030.

Based on a review of rental household incomes and sizes and monthly rents at existing projects, we estimate that approximately 15% of the total demand will be for subsidized housing (50% or less AMI), 25% will be for affordable housing (51% to 80% AMI) and 60% will be for market rate housing (80% AMI or above and non-income restricted).

Next, we subtract housing developments under construction or pending, since these projects will satisfy some of the calculated demand for general occupancy rental housing. There are currently 1,099 market rate units, 474 affordable units, and 45 deep subsidy units either under construction or recently approved. These units are subtracted at 95% occupancy.

**After subtracting pending units either under construction or recently approved results in demand for 647 subsidized units, 607 affordable units and 1,555 market rate units between 2023 and 2030. Demand is projected to call for to 607 subsidized units, 633 affordable units and 1,555 market rate units between 2030 and 2035.**

## HOUSING DEMAND ANALYSIS

<b>TABLE HD-3</b> <b>DEMAND FOR GENERAL OCCUPANCY RENTAL HOUSING</b> <b>CITY OF ST. LOUIS PARK</b> <b>2023 to 2030</b>				
<b>Demand From Household Growth</b>				
Projected household growth in St. Louis Park 2023 to 2030 <sup>1</sup>			2,144	
(times) Proportion Estimated to Be Renting Their Housing <sup>2</sup>	x		90.0%	
<b>(equals) Projected Demand for Rental Housing Units</b>	=		<b>1,930</b>	
<b>Demand From Existing Renter Households</b>				
Number of renter households in St. Louis Park, 2023 <sup>3</sup>	=		8,796	
(times) Estimated % of renter turnover between 2023 & 2030 <sup>4</sup>	x		100.0%	
(equals) Existing Renter Households Projected to Turnover, 2023 to 2030	=		8,796	
(times) Estimated % Desiring New Rental Housing <sup>5</sup>	x		15.0%	
<b>(equals) Demand From Existing Households</b>	=		<b>1,319</b>	
<b>Total Demand From Household Growth and Existing Households</b>			<b>3,249</b>	
(plus) Rental demand from outside St. Louis Park	+		25.0%	
<b>(equals) Total Demand for Rental Housing in St. Louis Park</b>	=		<b>4,332</b>	
		<b>Deep Subsidy</b>	<b>Shallow Subsidy</b>	<b>Market Rate</b>
(times) Percent of rental demand by product type <sup>6</sup>	x	15.0%	25.0%	60.0%
<b>(equals) Total demand for new general occupancy rental housing units</b>	=	<b>650</b>	<b>1,083</b>	<b>2,599</b>
(minus) Units under construction or approved <sup>7</sup>	-	43	450	1,044
<b>(equals) Excess demand for new general occupancy rental housing</b>	=	<b>607</b>	<b>633</b>	<b>1,555</b>
<sup>1</sup> Projected household growth <sup>2</sup> Pct. of renter households under the age of 65 adjusted by Maxfield Research based on land availability, development trends, building permits, and consumer preferences. <sup>3</sup> Renter households age 64 and younger plus 20% of renter households age 65 and older. <sup>4</sup> Based on on turnover from 2021 American Community Survey for households moving over a Seven-year period. <sup>5</sup> Source - The Upscale Apartment Market: Trends and Prospects. Prepared by Jack Goodman of Hartrey Advisors for the National Multi Housing Council. <sup>6</sup> Based on the combination of current rental product and household incomes of area renters (non-senior households). <sup>7</sup> Pending competitive units at 95% occupancy. Source: Maxfield Research & Consulting, LLC.				

## HOUSING DEMAND ANALYSIS

<b>TABLE HD-4</b> <b>DEMAND FOR GENERAL OCCUPANCY RENTAL HOUSING</b> <b>CITY OF ST. LOUIS PARK</b> <b>2030 to 2035</b>				
<b>Demand From Household Growth</b>				
Projected household growth in the St. Louis Park 2030 to 2035 <sup>1</sup>			1,000	
(times) Proportion Estimated to Be Renting Their Housing <sup>2</sup>	x		90.0%	
<b>(equals) Projected Demand for Rental Housing Units</b>	=		<b>900</b>	
<b>Demand From Existing Renter Households</b>				
Number of renter households in the St. Louis Park, 2030 <sup>3</sup>	=		11,000	
(times) Estimated % of renter turnover between 2030 & 2035 <sup>4</sup>	x		75.8%	
(equals) Existing Renter Households Projected to Turnover, 2030 to 2035	=		8,339	
(times) Estimated % Desiring New Rental Housing <sup>5</sup>	x		15.0%	
<b>(equals) Demand From Existing Households</b>	=		<b>1,251</b>	
<b>Total Demand From Household Growth and Existing Households</b>			<b>2,151</b>	
(plus) Rental demand from outside the St. Louis Park	+		25.0%	
<b>(equals) Total Demand for Rental Housing in St. Louis Park</b>	=		<b>2,868</b>	
		<b>Deep Subsidy</b>	<b>Shallow Subsidy</b>	<b>Market Rate</b>
(times) Percent of rental demand by product type <sup>6</sup>	x	15.0%	25.0%	60.0%
<b>(equals) Total demand for new general occupancy rental housing units</b>	=	<b>430</b>	<b>717</b>	<b>1,721</b>
(minus) Units under construction or approved <sup>7</sup>	-	0	0	0
<b>(equals) Excess demand for new general occupancy rental housing</b>	=	<b>430</b>	<b>717</b>	<b>1,721</b>
<sup>1</sup> Projected household growth <sup>2</sup> Pct. of renter households under the age of 65 adjusted by Maxfield Research based on land availability, development trends, building permits, and consumer preferences. <sup>3</sup> Renter households age 64 and younger plus 20% of renter households age 65 and older. <sup>4</sup> Based on on turnover from 2021 American Community Survey for households moving over a Five-year period. <sup>5</sup> Source - The Upscale Apartment Market: Trends and Prospects. Prepared by Jack Goodman of Hartrey Advisors for the National Multi Housing Council. <sup>6</sup> Based on the combination of current rental product and household incomes of area renters (non-senior households). <sup>7</sup> Pending competitive units at 95% occupancy. Source: Maxfield Research & Consulting, LLC.				



### **Demand for Active Adult (55+) Housing**

Table HD-5 presents our demand calculations for market rate active adult/few services housing in St. Louis Park for 2023 and 2030.

In order to determine demand for active adult housing, the potential market is reduced to those households that are both age and income qualified. The age-qualified market is defined as older adults 55 and older, although most of these properties will primarily attract households age 65 and older.

We calculate that the minimum income needed to afford monthly rents is \$40,000 or more plus homeowner households with incomes between \$30,000 and \$39,999 who would be able to supplement their incomes with the proceeds from a home sale. We estimate the number of age/income-qualified senior households in St. Louis Park in 2023 to be 7,620 households.

Adjusting to include appropriate long-term capture rates for each age cohort (1.5% of households age 55 to 64, 7.5% of households age 65 to 74, and 15.0% of households age 75 and over) results in a market rate demand potential for 515 active adult (55+) units in 2023.

Some additional demand will come from outside St. Louis Park. We estimate that 25% of the demand will be generated by seniors currently residing outside the City. This demand will consist primarily of parents of adult children living in St. Louis Park, individuals who live just outside St. Louis Park and have an orientation to the area, as well as former residents who desire to return. Demand increases to 686 units after accounting for outside demand.

Next, demand is apportioned between ownership and rental housing. Based on the age distribution, homeownership rates and current product available in St. Louis Park, we estimate that 40% of St. Louis Park's demand will be for adult ownership housing (275 units) and 60% will be for rental housing (412 units).

Next, we subtract existing and pending competitive market rate units (minus a vacancy factor of 5% to allow for sufficient consumer choice and turnover) from the owner and rental demand. Subtracting the existing competitive market rate units results in total demand potential for 174 adult owner-occupied units and 217 active adult rental units.

Adjusting for inflation, we have estimated that households with incomes of \$47,500 or more and homeowners with incomes of \$37,500 to \$47,499 would income qualify for market rate independent senior housing in 2030. Considering the growth in the older adult base and the income distribution of the older adult population in 2030, the methodology estimates demand for 231 adult owner-occupied units and 304 active adult rental units in St. Louis Park. The demand is cumulative, meaning any additional units developed over the period would reduce the demand in 2030.

<b>TABLE HD-5</b> <b>MARKET RATE ACTIVE ADULT/FEW SERVICES HOUSING DEMAND</b> <b>CITY OF ST. LOUIS PARK</b> <b>2023 &amp; 2030</b>						
	2023			2030		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of >40,000 <sup>1</sup>	3,254	2,273	1,660	3,459	2,671	2,232
# of Households w/ Incomes of \$30,000 to \$39,999 <sup>1</sup>	+ 105	138	345	+ 64	112	267
(times ) Homeownership Rate	x 72.5%	78.7%	72.0%	x 72.5%	78.7%	72.0%
(equals) Total Potential Market Base	= 3,330	2,382	1,908	= 3,505	2,759	2,424
(times) Potential Capture Rate	x 1.5%	7.5%	15.0%	x 1.5%	7.5%	15.0%
(equals) Demand Potential	= 50	179	286	= 53	207	364
<b>Potential Demand from St. Louis Park Residents</b>	<b>= 515</b>			<b>= 623</b>		
(plus) Demand from Outside St. Louis Park (25%) <sup>2</sup>	+ 172			+ 208		
<b>(equals) Total Demand Potential</b>	<b>= 686</b>			<b>= 831</b>		
	<b>Owner</b>		<b>Renter</b>	<b>Owner</b>		<b>Renter</b>
(times) % by Product Type	x 40%		x 60%	x 40%		x 60%
(equals) Demand Potential by Product Type	= 275		= 412	= 332		= 499
(minus) Existing and Pending MR Active Adult Units <sup>3</sup>	- 101		- 195	- 101		- 195
(times) Percent capturable in St. Louis Park	= <b>174</b>		= <b>217</b>	= <b>231</b>		= <b>304</b>
<sup>1</sup> 2030 calculations define income-qualified households as all households with incomes greater than \$47,500 and homeowner households with incomes between \$37,500 and \$47,499. <sup>2</sup> We estimate that roughly 25% of demand will come from outside of the Study Area. <sup>3</sup> Existing and pending units are deducted at market equilibrium (95% occupancy).						
Source: Maxfield Research & Consulting, LLC.						

## Demand for Subsidized/Affordable Active Adult Housing

Table HD-6 presents our demand calculations for subsidized/affordable active adult (55+ or 62+) housing in St. Louis Park in 2023 and 2030.

In order to arrive at the potential age and income qualified base for low income and affordable housing, we include all older adult (55+) households with incomes less than \$40,000. We exclude 55+ homeowner households with incomes between \$30,000 and \$39,999, as these households are most likely to have additional equity that could be converted to monthly income following the sales of their single-family homes and they would no longer qualify for income-restricted housing. After applying homeownership rates of 72.5% for those 55 to 64, 78.7% for those 65 to 74, and 72.0% for those 75 and older demand totals 21,807 units.

## HOUSING DEMAND ANALYSIS

TABLE HD-6						
DEEP SUBSIDY/SHALLOW SUBSIDY ACTIVE ADULT HOUSING DEMAND						
CITY OF ST. LOUIS PARK						
2023 & 2030						
	2023			2030		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of <\$40,000 <sup>1</sup>	546	542	1,082	371	466	1,197
(minus) Owner HHs w/Incomes of \$30,000 to \$39,999	- 105	138	248	- 65	106	253
(times ) Homeownership Rate	x 72.5%	78.7%	72.0%	x 72.5%	78.7%	72.0%
(equals) Total Potential Market Base by Age	= 470	433	903	= 324	383	1,015
(equals) Total Potential Market Base	= 1,807			= 1,721		
(times) % of Seniors Needing/Desiring Affordable/Sub. Hsg	x 20%			x 20%		
(equals) Potential Demand from St. Louis Park Residents	= 361			= 344		
(plus) Demand from Outside St. Louis Park (35%)	+ 195			+ 185		
(equals) Total Demand Potential	= 556			= 530		
Product (Subsidy) Type	Deep-Subsidy		Shallow-Subsidy	Deep-Subsidy		Shallow-Subsidy
	(times) % by Product Type	x 40%	x 60%	x 40%		x 60%
(equals) Demand Potential by Product Type	= 222		= 334	= 212		= 318
(minus) Existing and Pending Affordable/Subsidized Units <sup>2</sup>	- 182		- 50	- 182		- 50
(equals) Excess affordable/subsidized demand in St. Louis Park	= 40		284	= 30		268

<sup>1</sup> 2030 calculations define income-qualified households as all households less than \$47,500. Homeowner households with incomes between \$37,500 and \$46,999 are excluded from the market potential for financially assisted housing.

<sup>2</sup> Existing and pending units are deducted at market equilibrium, or 97% occupancy.

Source: Maxfield Research & Consulting, LLC.

Next the estimated percentage of those needing or desiring affordable or subsidized housing (20%) is multiplied by the remaining units. This decreases demand to 361 units. After this additional demand is added for those coming from outside . Maxfield estimates an additional 35% of demand will be generated by seniors currently residing outside the City increasing demand to 556 units.

Next, demand is apportioned between deep subsidy and shallow subsidy affordable housing. We estimate that 60% of St. Louis Park's demand will be for shallow subsidy active adult housing (334 units) and 40% will be for deep subsidy active adult housing (222 units).

Next we subtract existing and pending competitive units from the overall demand. There are 52 existing/pending shallow subsidy units and 188 existing/pending deep subsidy units in the Market Area - minus a vacancy factor of 3% to allow for sufficient consumer choice and turnover). After subtracting these units, demand remains for 40 deep subsidy and 284 shallow subsidy age-restricted units in 2023.

Adjusting for inflation, we estimate that households with incomes up to \$47,500 would be candidates for financially assisted independent housing in 2023. We reduce the potential market

by homeowner households earning between \$37,500 and \$46,999 that would exceed income-restrictions once equity from their home sales is converted to monthly income.

Following the same methodology, we project demand in St. Louis Park for 30 deep subsidy units and 268 affordable units in 2030.

### **Demand for Independent Living Housing**

Table HD-7 presents our demand calculations for independent living housing in St. Louis Park in 2023 and 2030.

The potential age- and income-qualified base for independent living senior housing includes all senior (65+) households with incomes of \$40,000 or more as well as homeowner households with incomes between \$30,000 and \$39,999 who would qualify with the proceeds from the sales of their homes. The proportion of income-qualified homeowners is based on the estimated 2023 homeownership rates of St. Louis Park seniors, which are then adjusted over time based on long-term homeownership trends. The number of age, income, and asset-qualified households in St. Louis Park is estimated to be 4,319 households in 2023.

Demand for independent living housing is need-driven, which reduces the qualified market to only the portion of seniors who need some assistance. Adjusting to include appropriate capture rates for each age cohort (1.5% of households age 65 to 74 and 14.5% of households age 75 and older) results in a local demand potential for 313 independent living units in 2023. We estimate that seniors currently residing outside of St. Louis Park will generate 25% of the demand. Together, the demand from St. Louis Park seniors and demand from seniors who are willing to locate to St. Louis Park totals 417 independent living units in 2023. Next, we subtract existing/pending independent living units in St. Louis Park leaving demand for 7 units.

Adjusting for inflation, we estimate that households with incomes of \$47,500 or more and senior homeowners with incomes between \$37,500 and \$47,499 would qualify for independent living housing in 2030. Following the same methodology, leaves demand at 129 units in 2030.

## HOUSING DEMAND ANALYSIS

<b>TABLE HD-7</b> <b>INDEPENDENT LIVING DEMAND</b> <b>CITY OF ST. LOUIS PARK</b> <b>2023 &amp; 2030</b>				
	<b>2023</b>		<b>2030</b>	
	Age of Householder		Age of Householder	
	65-74	75+	65-74	75+
# of Householders w/ Incomes of \$40,000+ in 2023 / \$47,500K in 2030	2,273	1,660	2,671	2,232
(plus) HHs w/ Incomes of \$30,000 to \$39,999 in '23 & \$37,500 to \$47,499 in '30	175	345	142	370
(times) Homeownership Rate	x 78.7%	72.0%	x 78.7%	72.0%
(equals) Potential Market	= 138	248	= 112	266
(equals) Total Potential Market Base	= 2,411	1,908	= 2,783	2,498
(times) Potential Capture Rate of Independent Living Demand <sup>1</sup>	x 1.5%	14.5%	x 1.5%	14.5%
(equals) Potential Demand	= 36 + 277		= 42 + 362	
Total Local Demand Potential	= 313		= 404	
(plus) Demand from Outside the Study Area (25%)	+ 104		+ 135	
<b>(equals) Total Demand Potential</b>	= <b>417</b>		= <b>539</b>	
(minus) Existing & Pending Competitive Units <sup>2</sup>	- 410		- 410	
<b>(equals) # of Units Supportable in St. Louis Park</b>	= <b>7</b>		= <b>129</b>	
<sup>1</sup> The potential capture rate is derived from data from the Summary Health Statistics for the U.S. Population: National Health Interview Survey, 2007 by the U.S. Department of Health and Human Services. The capture rate used is the percentage of seniors needing assistance with IADLs, but not ADLs (seniors needing assistance with ADLs typically need assistance with multiple IADLs and are primary candidates for service-intensive assisted living.).				
<sup>2</sup> Competitive existing and pending units at 95% occupancy (market equilibrium).				
Source: Maxfield Research & Consulting, LLC.				

## Demand for Assisted Living Housing

Table HD-8 presents our demand calculations for assisted living senior housing in St. Louis Park in 2023 and 2030. This analysis focuses on the potential *private pay/market rate* demand for assisted living units.

The availability of more intensive support services such as meals, housekeeping and personal care at assisted living facilities usually attracts older, frailer seniors. According to the 2009 Overview of Assisted Living (which is a collaborative research project by the American Association of Homes and Services for the Aging, the American Seniors Housing Association, National Center for Assisted Living, and National Investment Center for the Seniors Housing and Care Industry), the average age of residents in freestanding assisted living facilities was 87 years in 2018. Hence, the age-qualified market for assisted living is defined as seniors ages 75 and over, as we estimate that of the half of demand from seniors under age 87, almost all would be over age 75. In 2023, there are an estimated 4,276 seniors ages 75 and over in the Market Area. The number is projected to increase to 5,225 people by 2030.

Demand for assisted living housing is need-driven, which reduces the qualified market to only the portion of seniors who need assistance. According to a study completed by the CDC and

## HOUSING DEMAND ANALYSIS

<b>TABLE HD-8</b> <b>MARKET RATE ASSISTED LIVING DEMAND</b> <b>CITY OF ST LOUIS PARK</b> <b>2023 &amp; 2030</b>						
Age group	2023			2030		
	People	Percent Needing Assistance <sup>1</sup>	Number Needing Assistance <sup>1</sup>	People	Percent Needing Assistance <sup>1</sup>	Number Needing Assistance <sup>1</sup>
75 - 79	1,494	25.5%	<b>382</b>	1,925	25.5%	<b>492</b>
80 - 84	1,082	33.6%	<b>364</b>	1,430	33.6%	<b>481</b>
85+	1,700	51.6%	<b>878</b>	1,870	51.6%	<b>966</b>
<b>Total</b>	<b>4,276</b>		<b>1,623</b>	<b>5,225</b>		<b>1,938</b>
(times) Percent Income-Qualified <sup>2</sup>			x 71.9%			x 75.1%
Total potential market			1,167			1,457
(times) Percent living alone (2021 ACS 5- Year Estimates)			x 39.2%			x 39.2%
(equals) Age/income-qualified singles needing assistance			= 458			= 571
(plus) Proportion of demand from couples (12%) <sup>3</sup>			+ 60			+ 75
(equals) Total age/income-qualified market needing assistance			= 518			= 646
(times) Potential penetration rate <sup>4</sup>			x 40.0%			x 40.0%
(equals) Potential demand from St. Louis Park residents			= 207			= 258
(plus) Proportion from outside St. Louis Park (25%)			+ 69			+ 86
<b>(equals) Total potential assisted living demand</b>			<b>= 276</b>			<b>= 345</b>
(minus) Existing market rate assisted living units <sup>5</sup>			- 119			- 119
<b>(equals) Excess market rate assisted living demand in St Louis Park</b>			<b>= 157</b>			<b>= 226</b>
<sup>1</sup> The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 2018 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics.						
<sup>2</sup> Includes households with incomes of \$40,000 or more (\$47,500 in 2030) plus 40% of the estimated owner households with incomes below \$40,000 (\$47,500 in 2030) who will spend down assets, including home-equity, in order to live in assisted living housing).						
<sup>3</sup> The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples.						
<sup>4</sup> We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility.						
<sup>5</sup> Existing and pending units at 93% occupancy. We exclude 15.0% of units to account for seniors utilizing public subsidy.						
Source: Maxfield Research & Consulting, LLC.						

National Center for Health Statistics (Health, United States, 2018 Health and Aging Chartbook), 25.5% of 75-to-79-year-olds, 33.6% of 80-to-84-year-olds and 51.6% of 85+ year olds are unable to perform or need help with ADLs. Applying these percentages to the senior population yields a potential assisted living market of an estimated 1,623 seniors in the Market Area in 2023 and 1,938 seniors in 2030.

Due to the supportive nature of assisted living housing, most daily essentials are included in monthly rental fees which allow seniors to spend a higher proportion of their incomes on hous-

ing with basic services. Therefore, the second step in determining the potential demand for assisted living housing in the PMA is to identify the income-qualified market based on a senior's ability to pay the monthly rent. We consider seniors in households with incomes of \$40,000 or greater to be income-qualified for assisted living senior housing in the PMA. Households with incomes of \$40,000 could afford monthly assisted living fees of approximately \$2,667 by allocating a high proportion of their income toward the fees (roughly 80%).

According to the 2009 Overview of Assisted Living, the average arrival income of assisted living residents in 2008 was \$27,260, while the average annual assisted living fee was \$37,281 (\$3,107/month). This data highlights that seniors are spending down assets to live in assisted living and avoid institutional care. Thus, in addition to households with incomes of \$40,000 or greater, there is a substantial base of senior households with lower incomes who would income-qualify based on assets – their homes, in particular.

We estimate the income-qualified percentage to be all seniors in households with incomes at or above \$40,000 plus 40% of the estimated seniors in owner households with incomes below \$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing). This results in a total potential market of 1,167 seniors from the Market Area in 2023.

Because most assisted living residents are single (88% according to the 2009 Overview of Assisted Living), our demand methodology multiplies the total potential market by the percentage of seniors age 65+ in the PMA living alone, or 39.2%, based on 2021 American Community Survey 5-year estimates data. This results in a total base of 458 age/income-qualified singles in 2023.

The 2009 Overview of Assisted Living found that 12% of residents in assisted living were couples. Including couples results in a total of 518 age/income-qualified seniors needing assistance in the Market Area in 2023.

We estimate that 60% of the qualified market needing significant assistance with ADLs could either remain in their homes or less service-intensive senior housing with the assistance of a family member or home health care or would need greater care provided in a skilled care facility. The remaining 40% could be served by assisted living housing. Applying this market penetration rate of 40% results in demand for 207 assisted living units in 2023.

We estimate that a portion of demand for assisted living units in the PMA (25%) will come from outside the area. This secondary demand will include seniors currently living just outside the area, former residents, and parents of adult children who desire supportive housing near their adult children. Applying this figure increases the total potential demand to 276 assisted living units in 2023.

Next, existing/pending assisted living units at a 93% occupancy rate are subtracted from overall demand. An additional 15% of units are subtracted from existing and pending assisted living units to account for units occupied by Elderly Waiver residents. After subtracting 15% for EW



units and the 93% occupancy rate, a total of 119 units are deducted as competitive giving a total excess demand of 157 assisted living units in 2023 and increasing to 226 units in 2030.

Most assisted living developments require residents to have lived in their facility for a certain amount of time before they can use a waiver, and most limit the number of waivers accepted within the community to no more than 15% to 20%. Some small facilities may accept higher amounts of residents on waivers and some new facilities will not accept waivers from first-time residents.

## **Demand for Memory Care Housing**

Table HD-9 presents our demand calculations for market rate memory care senior housing in St. Louis Park in 2023 and 2030.

Demand is calculated by starting with the estimated Market Area senior (age 65+) population in 2023 and multiplying by the incidence rate of Alzheimer's/dementia among this population's age cohorts. According to the Alzheimer's Association (Alzheimer's Disease Facts and Figures, 2021), 5.3% of seniors ages 65 to 74 years, 17.0% of seniors ages 75 to 84, and 32.0% of seniors ages 85+ are afflicted with Alzheimer's Disease. This yields a potential market of 1,216 seniors in the Primary Market Area in 2023.

According to data from the National Institute of Aging, about 20% of all individuals with memory care impairments comprise the market for memory care housing units. This figure considers that seniors in the early stages of dementia will be able to live independently with the care of a spouse or other family member, while those in the later stages of dementia will require intensive medical care that would only be available in skilled care facilities. Applying this figure to the estimated population with memory impairments yields a potential market of 243 seniors in St. Louis Park.

Because of the staff-intensive nature of dementia care, typical monthly fees for this type of housing start at about \$4,000 or more. A portion of the seniors in the Market Area will have high incomes that they can use to cover the costs of private pay memory care housing (\$60,000+), but many other seniors (or family member of seniors) will be willing to spend down assets and/or would receive financial assistance to afford memory care housing. Based on our review of senior household incomes in the Market Area, homeownership rates, and home sale data, we estimate that 44.4% of all seniors in the Market Area have incomes and/or assets to sufficiently cover the costs for memory care housing in 2023. This figure accounts for married couple households where one spouse may have memory care needs and allows for a sufficient income for the other spouse to live independently. Multiplying the potential market by 59.1% results in a total of 144 income-qualified seniors with Alzheimer's or dementia in the Market Area in 2023. By 2030, the proportion of income-qualified seniors is project to increase to 67.4%.

We estimate that 25% of the overall demand for memory care housing would come from outside of St. Louis Park. As a result demand increases by 48 units in 2023 to 192 units.

We reduce the demand potential by accounting for the existing/pending memory care product in St. Louis Park. There are 57 units; however, we reduce the competitive units to include memory care units at a 7% vacancy rate and a portion of units occupied by residents utilizing Elderly Waiver. Subtracting these competitive units results in demand for 150 units as of 2023.

Potential demand for market rate memory care units in St. Louis Park is expected to increase to 214 units by 2030.

## HOUSING DEMAND ANALYSIS

**TABLE HD-9  
MEMORY CARE DEMAND  
CITY OF ST. LOUIS PARK  
2023 & 2030**

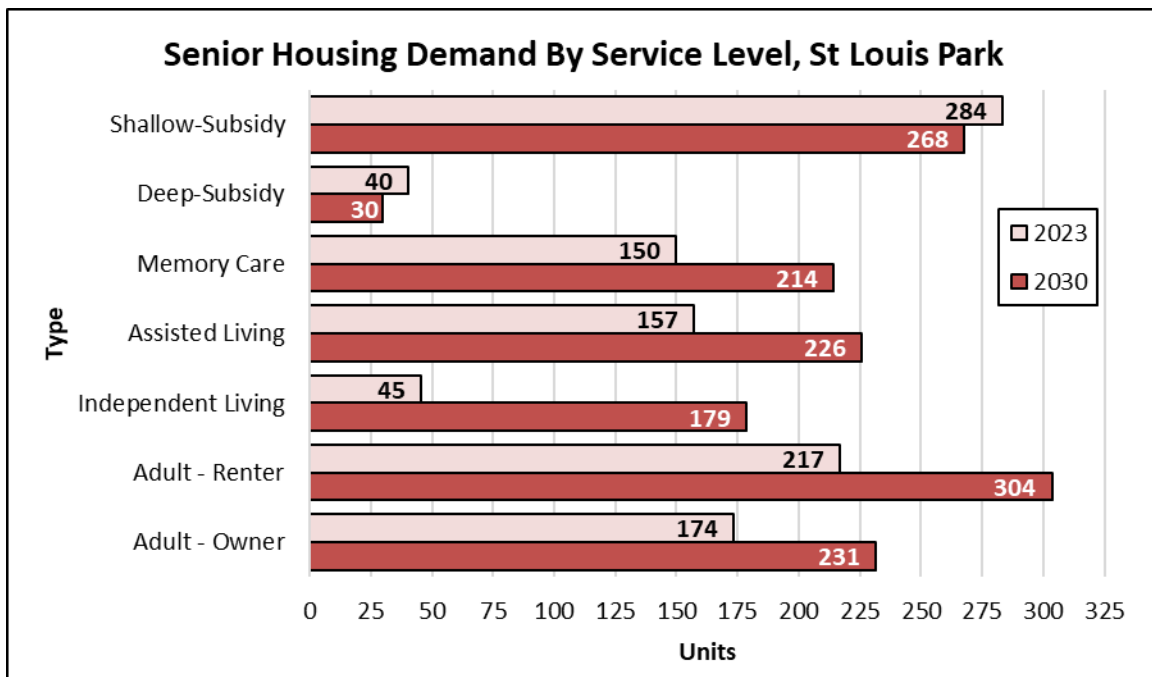
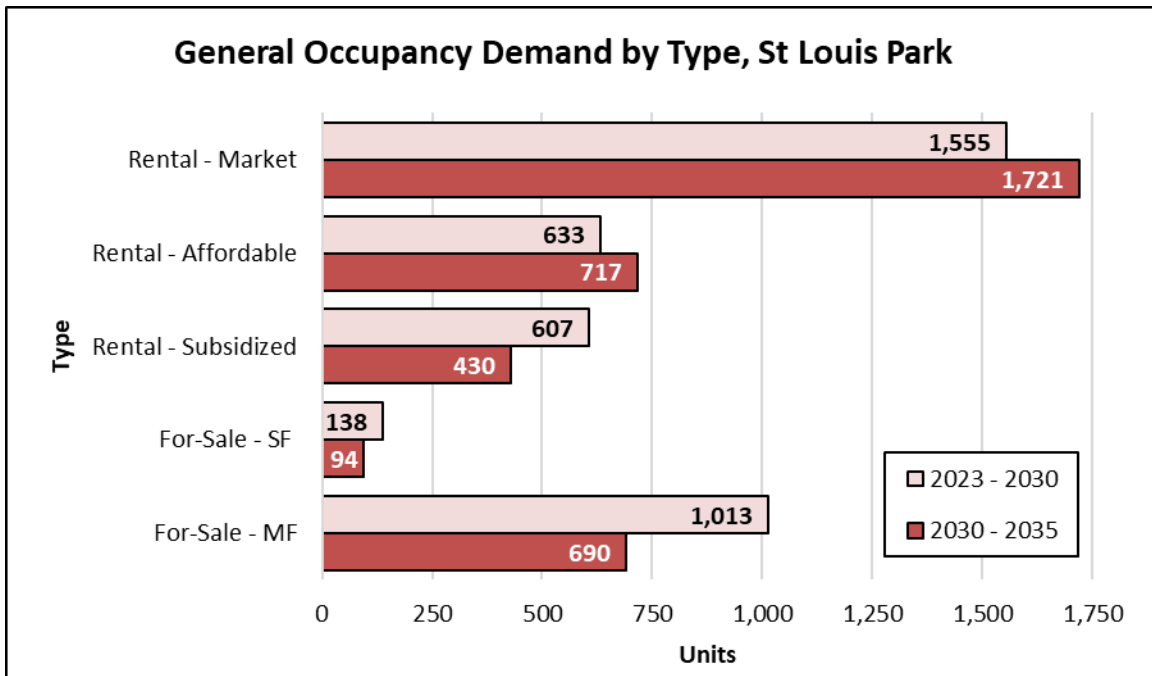
	<b>2023</b>	<b>2030</b>
65 to 74 Population	4,429	4,840
(times) Dementia Incidence Rate <sup>1</sup>	x 5.3%	x 5.3%
(equals) Estimated Senior Pop. with Dementia	= 235	= 257
75 to 84 Population	2,575	3,355
(times) Dementia Incidence Rate <sup>1</sup>	x 17.0%	x 17.0%
(equals) Estimated Senior Pop. with Dementia	= 438	= 570
85+ Population	1,700	1,870
(times) Dementia Incidence Rate <sup>1</sup>	x 32.0%	x 32.0%
(equals) Estimated Senior Pop. with Dementia	= 544	= 598
<b>(equals) Total Population with Dementia</b>	<b>1,216</b>	<b>1,425</b>
(times) Percent Needing Specialized Memory Care Assistance	x 20.0%	x 20.0%
(equals) Total Need for Dementia Care	= 243	= 285
(times) Percent Income/Asset-Qualified <sup>2</sup>	x 59.1%	x 67.4%
(equals) Total Income-Qualified Market Base in the Study Area	= 144	= 192
(plus) Demand from Outside the Study Area (25%)	+ 48	+ 64
<b>Total Demand for Memory Care Units</b>	<b>192</b>	<b>256</b>
(minus) Existing and Pending Memory Care Units <sup>3</sup>	- 42	- 42
<b>(equals) Number of Units Supportable in St. Louis Park</b>	<b>= 150</b>	<b>= 214</b>
<sup>1</sup> Alzheimer's Association: Alzheimer's Disease Facts & Figures (2021)		
<sup>2</sup> Includes seniors with incomes at \$65,000 or above (\$77,000 in 2030) plus 25% of homeowners with incomes below this threshold (who will spend down assets, including home-equity, in order to live in memory care housing).		
<sup>3</sup> Existing and pending units at 93% occupancy. We exclude 20% of units to account for seniors utilizing public subsidy.		
Source: Maxfield Research & Consulting, LLC.		

## Introduction/Overall Housing Recommendations

This section summarizes demand calculated for specific housing products in the City of St. Louis Park and recommends development concepts to meet the housing needs forecast for St. Louis Park. All recommendations are based on findings of the *Comprehensive Housing Market Analysis*. Please note: Demand subtracts housing projects under construction or projects with approvals (see Table P-1). The following table and charts illustrate calculated demand by product type.

TABLE CR-1 HOUSING DEMAND SUMMARY CITY OF ST LOUIS PARK 2023-2030/35			
General Occupancy Housing Demand 2023 to 2030		General Occupancy Housing Demand 2030 to 2035	
<b>For-Sale Units</b>	<b>1,152</b>	<b>For-Sale Units</b>	<b>784</b>
Detached Single-Family	138	Detached Single-Family	94
Other Owned General Occupancy Units*	1,013	Other Owned General Occupancy Units*	690
*Attached single-family (i.e. townhomes, twin homes), villas, condominiums, etc.		*Attached single-family (i.e. townhomes, twin homes), villas, condominiums, etc.	
<b>General Occupancy Rental Units</b>	<b>2,795</b>	<b>General Occupancy Rental Units</b>	<b>2,868</b>
Market Rate	1,555	Market Rate	1,721
Shallow-Subsidy^	633	Shallow-Subsidy^	717
Deep-Subsidy^	607	Deep-Subsidy^	430
<b>Total General Occupancy Housing Units</b>	<b>3,947</b>	<b>Total General Occupancy Housing Units</b>	<b>3,651</b>
Senior Housing Demand 2023 and 2030			
	2023	2030	
<b>Market Rate Active Adult</b>	<b>390</b>	<b>535</b>	
Owner-Occupied	174	231	
Renter-Occupied	217	304	
<b>Affordable Active Adult</b>	<b>324</b>	<b>298</b>	
Deep-Subsidy^	40	30	
Shallow-Subsidy^	284	268	
<b>Service-Enhanced Senior Housing</b>	<b>352</b>	<b>618</b>	
Independent Living w/ Services	45	179	
Assisted Living	157	226	
Memory Care	150	214	
<b>Total Senior Housing Units</b>	<b>1,066</b>	<b>1,451</b>	
^Shallow-subsidy = affordable to households at 30% to 60% AMI			
^Deep-subsidy = affordable to households at 30% AMI or less			
Source: Maxfield Research & Consulting, LLC.			

Based on the finding of our analysis and demand calculations, Table CR-2 provides a summary of the recommended development concepts by product type for the City of St. Louis Park. It is important to note that these proposed concepts are intended to function as a development guide to meet the housing needs of existing and future households most effectively in St. Louis Park. The recommended development types do not directly coincide with total demand as illustrated in Table CR-1, mainly due to the lack of developable land in St. Louis Park.



## RECOMMENDATIONS AND CONCLUSIONS

TABLE CR-2 RECOMMENDED HOUSING DEVELOPMENT ST. LOUIS PARK 2023 to 2030				
		Purchase Price/ Monthly Rent Range <sup>1</sup>	No. of Units	Development Timing
Owner-Occupied Homes				
Single Family <sup>2</sup>				
	Move-up	\$450,000 - \$699,999	40 - 50	Ongoing
	Executive	\$700,000+	60 - 70	Ongoing
	Total		100 - 120	
Townhomes/Twinhomes/Villas <sup>2</sup>				
	Attached Townhomes	\$400,000 - \$600,000	100 - 200	2024+
	Twinhomes / Detached Townhomes/Villas	\$600,000+	100 - 200	2024+
	Total		200 - 400	
Condominiums				
	Entry-level	<\$350,000	90 - 100	2024+
	Move-up	\$350,000 - \$500,000	140 - 150	2025+
	Executive	\$500,000+	110 - 120	2025+
	Total		340 - 370	
	Total MF Style For-Sale		540 - 770	
	Total Owner-Occupied		640 - 890	
General Occupancy Rental Housing				
Market Rate Rental Housing				
	Apartment-style (moderate)	\$975/Eff - \$2,200/3BR	350 - 400	2026+
	Apartment-style (luxury)	\$1,100/Eff - \$3,200/3BR	500 - 600	2026+
	Rental Townhomes	\$2,000/2BR - \$3,000/3BR	60 - 80	2024+
	Total		910 - 1,080	
Affordable Rental Housing				
	Apartment-style	Moderate Income <sup>3</sup>	200 - 220	2024+
	Townhomes	Moderate Income <sup>3</sup>	70 - 80	2024+
	Subsidized	30% of Income <sup>4</sup>	250 - 350	2024+
	Total		520 - 650	
	Total Renter-Occupied		1,430 - 1,730	
Senior Housing (i.e. Age Restricted)				
	Active Adult Ownership / Co-op <sup>4</sup>	\$200,000+	120 - 150	2024+
	Active Adult Market Rate Rental <sup>5</sup>	\$1,800/1BR - \$2,500/2BR	80 - 100	2027+
	Active Adult Affordable Rental <sup>5</sup>	Moderate Income <sup>3</sup>	70 - 80	2024+
	Independent Living	\$2,400+ per month	90 - 100	2027+
	Assisted Living	\$3,000/EFF - \$5,000/2BR	150 - 200	2026+
	Memory Care	\$5,000/EFF - \$6,000/2BR	80 - 100	2026+
	Subsidized Senior	30% of Income <sup>4</sup>	70 - 90	2026+
	Total		660 - 820	
	Total - All Units		2,730 - 3,440	
<sup>1</sup> Pricing in 2023 dollars. Pricing can be adjusted to account for inflation.				
<sup>2</sup> Replacement need, infill, and redevelopment. Development of single-family homes and townhomes/twinhomes will hinge on land availability. Due to St. Louis Park's location, there is pent-up demand that exceeds replacement need.				
<sup>3</sup> Affordability subject to income guidelines per Minnesota Housing Finance Agency (MHFA). See Table HA-1 for Hennepin County Income limits.				
<sup>4</sup> Subsidized housing will be difficult to develop financially				
<sup>5</sup> Alternative development concept is to combine active adult affordable and market rate active adult into mixed-income senior community				
Note - Recommended development does not coincide with total demand. St. Louis Park may not be able to accommodate all recommended housing types based on land availability and development constraints.				
Source: Maxfield Research and Consulting, LLC				

### Recommended Housing Product Types

#### *For-Sale Housing*

##### *Single-Family Housing*

Table HD-1 identified demand for about 132 single-family units in the St. Louis Park through 2030. Another 94 single family units are demanded from 2030 to 2035. However, given the lack of vacant land all single-family housing will be through teardowns, lot splits, or other repurposing of land uses to accommodate new construction. Because of the lack of land, most new for-sale housing has been reallocated to multifamily concepts that have a greater propensity to develop.

Due to the age and price of the existing housing stock in St. Louis Park, most of the existing older housing stock appeals to entry-level buyers. Entry-level homes, which we generally classify as homes priced under \$350,000 will be mainly satisfied by existing single-family homes as residents of existing homes move into newer housing products built in St. Louis Park, such as move-up single-family homes, rental housing, and senior housing. A move-up buyer or step-up buyer is typically one who is selling one house and purchasing another one, usually a larger and more expensive home. Usually the move is desired because of a lifestyle change, such as a new job or a growing family. Based on our interviews with real estate professionals, move-up homes are generally priced around \$450,000; however it will be difficult to construct new homes for much less than \$450,000 given today's development costs and high cost of land acquisition. Executive-level homes are loosely defined as those homes priced above \$750,000. Most of these homes would be teardowns with base price points of at least \$750,000 or more.

The new construction market has been rather quiet in St. Louis Park over the past few years as about six to seven homes have been constructed annually. Earlier in the last decade some years almost hit 30 new homes per year, before falling after 2015. Since 2010, about nine homes annually have been constructed in St. Louis Park. Demand in Table HD-1 is higher than historical construction trends, therefore construction is generally estimated at around eight new homes per year.

Much of the new single-family construction in St. Louis Park and the surrounding cities has targeted move-up and executive buyers (pricing \$800,000+); in part because of the high land acquisition costs (i.e. tear downs) and increasing construction, material, and labor costs. However, through our research and housing experience we find demand for a variety of price points of new single-family homes.

Although there would be substantial demand for a new single-family housing product priced under \$400,000, financially it will be extremely difficult to develop even with public assistance due to acquisitions costs, infrastructure costs, and rising labor and material costs.



## RECOMMENDATIONS AND CONCLUSIONS

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In the short-term, new construction could be curtailed given the ever increasing pricing of construction since the pandemic and today's rising mortgage interest rates which are at 20-year highs in 2023. Therefore, new construction could be constrained until pricing levels out and inflation is under control and mortgage rates loosen.

### ***For-Sale Multifamily Housing***

A growing number of households desire alternative housing types such as townhouses, twinhomes, detached villas, and condominiums. Typically, the target market for for-sale multifamily housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, professionals, particularly singles and couples without children, also will seek condominiums and townhomes if they prefer not to have the maintenance responsibilities of a single-family home. In some housing markets, younger households also find purchasing multifamily units to be generally more affordable than purchasing new single-family homes.

Our analysis of the St. Louis Park for-sale housing stock found over 40 condominium developments in St. Louis Park boasting over 2,700 units. The majority of these units are old and target first-time home buyers. At the same time, demand is strong for all maintenance-free products such as twin homes, townhomes, villas, etc. Given the aging of the population and the growth rate in the 65+ population, St. Louis Park would benefit from a more diversified housing stock. Based on the changing demographics and the need for alternative housing types, demand was calculated for 970 new multifamily for-sale units in St. Louis Park through 2030. Like single-family, it will be difficult to achieve this level of development given land acquisition costs and the lack of new condominium construction in the marketplace.

These attached units could be developed as twinhomes, detached townhomes or villas, cottages, townhomes/row homes, condominiums, or any combination. Because the main target market for many maintenance-free products is empty-nesters and young seniors, the majority of townhomes should be one-level, or at least have an owner's suite on the main level if a unit is two-stories. The following provides greater detail into several for-sale concepts.

- *Twinhomes*— By definition, a twinhome is basically two units with a shared wall with each owner owning half of the lot the home is on. Some one-level living units are designed in three-, four-, or even six-unit buildings in a variety of configurations. The swell of support for twinhome and one-level living units is generated by the aging baby boomer generation, which is increasing the numbers of older adults and seniors who desire low-maintenance housing alternatives to their single-family homes but are not ready to move to service-enhanced rental housing (i.e. downsizing or right sizing).

Traditionally most twinhome developments have been designed with the garage being the prominent feature of the home; however, today's newer twinhomes have much more architectural detail. Many higher end twin home developments feature designs where one garage faces the street and the other to the side yard. This design helps reduce the prominence of the garage domination with two separate entrances. Housing products designed

to meet the needs of these aging St. Louis Park residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the near future.

Twinhomes are also a preferred for-sale product by builders as units can be developed as demand warrants. Because twinhomes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family housing. We recommend a broad range of pricing for twinhomes; however pricing should start at around \$600,000 per side.

Many older adults and seniors will move to this housing product with substantial equity in their existing single-family home and will be willing to purchase a maintenance-free home that is priced similar to their existing single-family home. The twinhomes should be association-maintained with 40'- to 50'-wide lots on average. Given lot acreage needed, this product will be challenging to develop in St. Louis Park.

- *Detached Townhomes/Villas* – An alternative to the twinhome is the one-level villa product and/or rambler. This product also appeals mainly to baby boomers and empty nesters seeking a product similar to a single-family living on a smaller scale while receiving the benefits of maintenance-free living. Many of these units are designed with a walk-out or lookout lower level if the topography warrants. We recommend lot widths ranging from 45 to 55 feet with main level living areas between 1,600 and 1,800 square feet. The main level living area usually features a master bedroom, great room, dining room, kitchen, and laundry room while offering a “flex room” that could be another bedroom, office, media room, or exercise room. However, owners should also be able to purchase the home with the option to finish the lower level (i.e. additional bedrooms, game room, storage, den/study, etc.) and some owners may want a slab-on-grade product for affordability reasons. Finally, builders could also provide the option to build a two-story detached product that could be mixed with the villa product.

Pricing for a detached townhome/villa will vary based on a slab-on-grade home versus a home with a basement. Base pricing should start at \$550,000 and will fluctuate based on custom finishes, upgrades, etc.

- *Side-by-Side and Back-to-Back Townhomes* – This housing product is designed with three or four or more separate living units in one building and can be built in a variety of configurations. With the relative affordability of these units and multi-level living, side-by-side and back-to-back townhomes have the greatest appeal among entry-level households without children, young families, and singles and/or roommates across the age span. However, two-story townhomes would also be attractive to middle-market, move-up, and empty-nester buyers. Many of these buyers want to downsize from a single-family home into maintenance-free housing, many of which will have equity from the sale of their single-family home.

New attached housing products have taken off since the pandemic as builders try to alleviate high prices through increased density. Side-by-side concepts targeting entry-level buyers should have base prices around \$375,000 and range to about \$600,000.

- *Condominiums* – Condominium development remains slow across the Metro Area since the housing downturn coming out of the Great Recession. Most new condominium development today is high-end luxury product in select submarkets: Wayzata, North Oaks, Edina, Minnetonka, Downtown Minneapolis, etc. The most recent project in St. Louis Park was the *Wooddale Flats* project on Wooddale Avenue completed roughly seven years ago. The lack of new condominium development is due to a variety of factors: overbuilding in the mid-2000s, strict state statutes on condominium construction and warranty laws, and strong rental housing demand and easier financing for apartments than condominiums. Together with lender pre-sale requirements and regulations, developers are mainly focusing on boutique projects and stricter construction methods to avoid Minnesota State Statute laws. As a result, construction costs are extremely high, and the retail price of the condominium then is priced at the top of the market. Although the State of Minnesota revised some of the state laws, Minnesota still has some of the strictest condominium regulations in the country.

However, similar to all the new apartment construction in St. Louis Park, condominium buyers would find St. Louis Park an excellent location for new condo construction targeting a wide range of buyers; including first-time home buyers, move-up, executive, and downsizing seniors.

Demand is strong for multifamily for-sale in St. Louis Park as nearly 1,000 units exists through 2030. However although demand is strong it will be challenging to build this level of new construction given land challenges and preference for developers to pursue rental housing options. We recommend roughly 100 entry-level condominiums (sub \$350,000), about 150 move-up units (\$350,000 to \$500,000), and about 120 executive condominiums (\$500,000 or more). Condominium development could be spread across a variety of building types; from low-rise to high-rise construction. However, in order to achieve upward to 1,000 new units over the next decade the majority of construction would have to be in mid-rise to hi-rise style structures.

### ***General Occupancy Multifamily Rental Housing***

Table R-2 identified an overall vacancy rate of only 3.8% among all stabilized rental units. This vacancy rate is up slightly but still below market equilibrium for rental housing (5% vacancy) indicating continued pent-up demand for rental housing. Maxfield Research found demand for nearly 2,800 units of rental housing through 2030 (1,555 market rate, 633 affordable, and 607 subsidized units).

- ***Market Rate Rental*** – St. Louis Park continues to be one of the hottest new construction markets for new rental housing over the past decade. Despite all the new supply being delivered, vacancy rates are about 4.0% and remain below stabilization. However, due to the new supply vacancy rates have been slowly trending upward over the past few years, yet still low by historical standards. At the time of this study, there are numerous projects under construction and in the development pipeline as over 750 market rate units are under construction and another 741 have been approved. This equates to over 1,500 units that may deliver in the next few years.

Given the elevated construction in the short-term, vacancy rates are expected to increase as new supply is delivered. Many projects will likely offer concessions to new tenants to accelerate the initial lease-up period as these projects are finished. At the same time high construction costs and high financing costs are putting projects on-hold as many projects do not pencil today as interest rates have doubled this past year. The slowdown of new projects being permitted will help keep the market at equilibrium versus flooding the market with newer product simultaneously. High mortgage rates are also benefiting the rental industry as would-be home buyers are on the sidelines as they wait for interest rate drops and more housing supply.

Demand remains strong throughout the decade, but a small pause is welcome news so new product can adequately absorb. Therefore, we recommend new market rate product hold in the near-term and deliver new units after 2025. St. Louis Park will continue to be a sought after submarket for rental housing, especially with the new LRT planned later this decade. Although St. Louis Park would have demand for a variety of rental product types, because of land constraints development will target mid-rise and high-rise development styles with densities over 50 units per acre.

- ***Market Rate General Occupancy Rental Townhomes*** – In addition to the traditional multifamily structures, we find that demand exists for larger townhome units for families – including those who are new to St. Louis Park and want to rent until they find a home for purchase. A portion of the overall market rate demand could be a townhome style development versus traditional multifamily design. We recommend a project with rents of approximately \$2,000 for two-bedroom units to \$3,000 for three-bedroom units. Units should feature contemporary amenities (i.e. in-unit

washer/dryer, high ceilings, etc.) and an attached two car garage. Because of high land acquisition costs, these would likely be denser rowhome style apartments and more vertically integrated.

- *Affordable and Subsidized Rental Housing*– Subsidized housing receives financial assistance (i.e. operating subsidies, tax credits, rent payments, etc.) from governmental agencies in order to make the rent affordable to low-to-moderate income households. Although we find demand for 633 subsidized units over this decade, this product is difficult to pencil out given the lack of funding available. As such, all of the income-restricted housing will fall under the “affordable” product through the tax credit program. We found strong demand for affordable rental housing (633 units); hence development could result from an apartment-style building and/or townhome style affordable units.

### ***Senior Housing***

As illustrated in Table CR-1, demand exists for all types of senior housing product types in St. Louis Park through 2030. Over the course of this decade, there is demand for roughly 1,450 new senior units through 2030. The unmet need of additional senior housing is recommended to provide housing opportunity to these aging residents in their stages of later life. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in St. Louis Park: older adult and senior residents can relocate to new age-restricted housing in St. Louis Park, and existing homes and rental units that were occupied by seniors become available to other new households. Hence, development of additional senior housing does not mean the housing needs of younger households are neglected; it simply means that a greater percentage of housing need is satisfied by housing unit turnover. The types of housing products needed to accommodate the aging population base are discussed individually in the following section.

- *Active Adult Senior Cooperative* – There is one senior age-restricted for-sale development in St. Louis Park at this time – *Aquila Commons* which has 106 units and no units available for purchase. Maxfield Research and Consulting, LLC projected demand for over 231 active adult ownership units through 2030. Construction of a new larger stand-alone cooperative facility would satisfy most adult ownership demand through this decade.

Maxfield Research & Consulting, LLC recommends a cooperative development with a mix of two- and three-bedroom units with share costs starting around \$75,000 (unit value started at about \$225,000). The cooperative model, in particular, appeals to a larger base of potential residents in that it has characteristics of both rental and ownership housing. Cooperative developments allow prospective residents an ownership option and homestead tax benefits without a substantial upfront investment as would be

true in a condominium development or life care option. Maxfield Research & Consulting, LLC has found the cooperative model to be very well-accepted in rural communities across the Midwest.

- Active Adult Rental – There is only one active adult rental community in St. Louis Park – the newly completed Elmwood off of 36<sup>th</sup> Street. In addition, there are two active adult projects under construction, Risor and OlyHI. We have projected demand for 304 market rate active adult rental units in St. Louis Park by 2030. Many of the seniors who would consider an active adult product are presently residing in their existing single-family home or general-occupancy rental housing. Development of this product could be in separate stand-alone facilities or in a mixed-income project. A mixed-income building could include a portion of units that would be affordable to seniors with incomes established by the Minnesota Housing Finance Agency.

Although we find strong demand for this product type; since this product is not need-driven and development costs are expected to be high in the short-term; this product may be best if developed after inflationary pressures subsidize and financing costs are lower. We recommend a product with base rents from \$1,800 to \$2,500.

Because of the hot real estate market since the pandemic, seniors who decide to sell their home today will receive top dollar and can capitalize on the strong housing market and reallocate funds to maintenance-free housing products.

- Affordable and Subsidized Rental – St. Louis Park demand for affordable senior housing is 268 units through 2030; while demand for subsidized housing is 30 units. Affordable senior housing products can also be incorporated into a mixed income building which may increase the projects financial feasibility. Affordable senior housing will likely be a low-income tax credit project through the Minnesota Housing Finance Agency of through the City's inclusionary zoning ordinance. Financing subsidized senior housing is difficult as federal funds have been shrinking. A new subsidized development would likely rely on a number of funding sources; from low-income tax credits (LIHTC), tax-exempt bonds, Section 202 program, USDA 515 program, among others to get financed today.
- Independent Living – There are three existing independent living projects in St. Louis Park boasting over 430 units. Maxfield Research found demand for 179 units through this decade, however demand is strongest near the latter half of the decade as seniors age and need more services. In the short-term there are vacancies in this product and the existing supply needs to absorb more units to reach stabilized occupancy. As such, we recommend holding on independent living until the existing stock reaches market equilibrium.

- *Assisted Living and Memory Care Senior Housing* – Based on our analysis, we project demand to support an additional 226 assisted living units and 214 memory care units in St. Louis Park through 2030. Similar to independent living, although there is strong demand existing supply needs to be leased to reach market equilibrium. The COVID pandemic severely impacted service-based senior housing and occupancies are still recovering from the downturn from 2020. As such, we recommend holding on new serviced-based senior housing for a few more years until occupancies reach pre-pandemic numbers. Senior housing occupancies across the Twin Cities are still elevated and likely need at least another one to-two years to reach stabilization.

We recommend assisted living units include a mix of studio, and one-bedroom, and a few two-bedroom units with base monthly rents ranging from \$3,000 to \$5,000. Memory care unit mix should be studios, one-bedroom units, and small two-bedroom units with base monthly rents ranging from \$5,000 to \$6,000. Memory care units should be located in a secured, self-contained wing located on the first floor of a building and should feature its own dining and common area amenities including a secured outdoor patio and wandering area.

The base monthly fees should include all utilities (except telephone and basic cable/satellite television) and the following services:

- Three meals per day;
- Weekly housekeeping and linen service;
- Two loads of laundry per week;
- Weekly health and wellness clinics;
- Meal assistance;
- Regularly scheduled transportation;
- Professional activity programs and scheduled outings;
- Nursing care management;
- I'm OK program;
- 24-hour on site staffing;
- Personal alert pendant with emergency response; and
- Nurse visit every other month.

Additional personal care packages should also be available for an extra monthly charge above the required base care package. A care needs assessment is recommended to be conducted to determine the appropriate level of services for prospective residents.

Given the service-intensive nature of memory care housing and staffing ratios, typically most memory care facilities are attached to either an assisted living development or are a component of a skilled nursing facility. However, stand-alone memory care facilities are gaining marketing traction and could be considered later this decade.



### Challenges and Opportunities

The following were identified as the greatest challenges and opportunities for developing the recommended housing types (in no particular order – sorted alphabetically).

- **Accessory Dwelling Units (“ADU”):** Accessory dwelling units (“ADUs”) go by several different names such as: In-law suites, garage apartments, backyard cottages, granny flats, guest houses, etc. An ADU is simply a small, stand-alone residential dwelling unit located on the same property as a detached single-family home. However, in some cases an ADU could include an addition on an existing home, apartment over a garage, or be located within an attic or basement within the home. Legally, however, an ADU is still a part of the original parcel’s PID number and title is with the property owner. The most common reason for building an ADU is generating rental income for the homeowner or housing a family member (often for free).

Because of increased density on the property and smaller sized units, ADUs have the potential to increase housing affordability and create a wider range of housing options. Many communities that permit ADUs in their zoning code limit the number of accessory structures to just one; however, some cities have recently revised their zoning code to allow up to two accessory structures. Some communities monitor ADU construction by limiting new construction to only owner-occupied housing units (main structure is owned), minimum lot size, setbacks, and number of occupants or bedrooms in the accessory structure.

Maxfield Research recommends that local planning departments review their existing zoning code and if not already permitted, revise zoning codes to ensure ADUs can be a permitted use. Demand for ADUs has increased significantly since the COVID-19 pandemic as homeowners sought to move family members together in a multi-generational environment. Also, many homeowners will design the ADU as a multifunctional space as a home office and living space away from the main home. Finally, ADUs offer another solution for meeting rental housing demand and/or short-term housing needs.

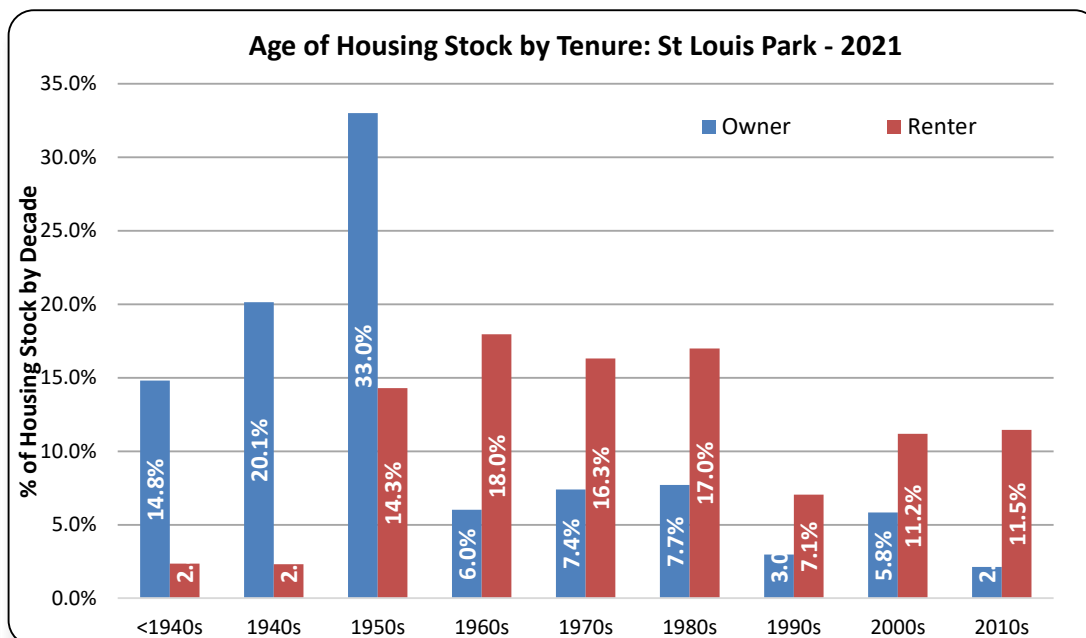
- **Affordable Housing/Naturally Occurring Affordable Housing.** Table HA-1 identified Hennepin County/Twin Cities Median Incomes (“AMI”) and the fair market rents by bedroom type (i.e. \$1,078/one-bedroom unit). The average market rate rent averages for one-bedroom units is about \$1,500/month and the overall average rent per square foot is about \$2.00. The influx of new market rate rentals has driven up the average cost of a one-bedroom unit in St. Louis Park that is higher than fair market rents. At 60% AMI the maximum gross rent for a one-bedroom is \$1,400. According to our inventory the number of the market rate rental stock, approximately 50% of the rental units in St. Louis Park are affordable at 50% or 60% of AMI. Another 30% of the market rate rental stock is affordable at 80% AMI, or workforce housing. However, these numbers have shifted since the 2018 housing study where a higher percentage of units were affordable at 50% and they have now shifted to affordable at 60% AMI. Similarly, the number of units affordable at 60% AMI has declined

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and has shifted to 80% AMI. Rent inflation from the after effects of the pandemic and rising operational expenses from 40-year high inflation has driven up rents faster than inflation in the past few years. has often

Because of the higher proportion of new rental product and higher rent structures at the new market rental buildings in St. Louis Park, the minimum incomes needed to afford a luxury rental are significantly higher than older existing rentals in St. Louis Park. New rental housing development targets “lifestyle renters” or those with higher incomes who have enough money to buy a house but choose to rent for the convenience and lifestyle. Many of these renters may be cost burdened, but they choose so for the location or amenities and the option to live adjacent to transit and lose car ownership expenses.

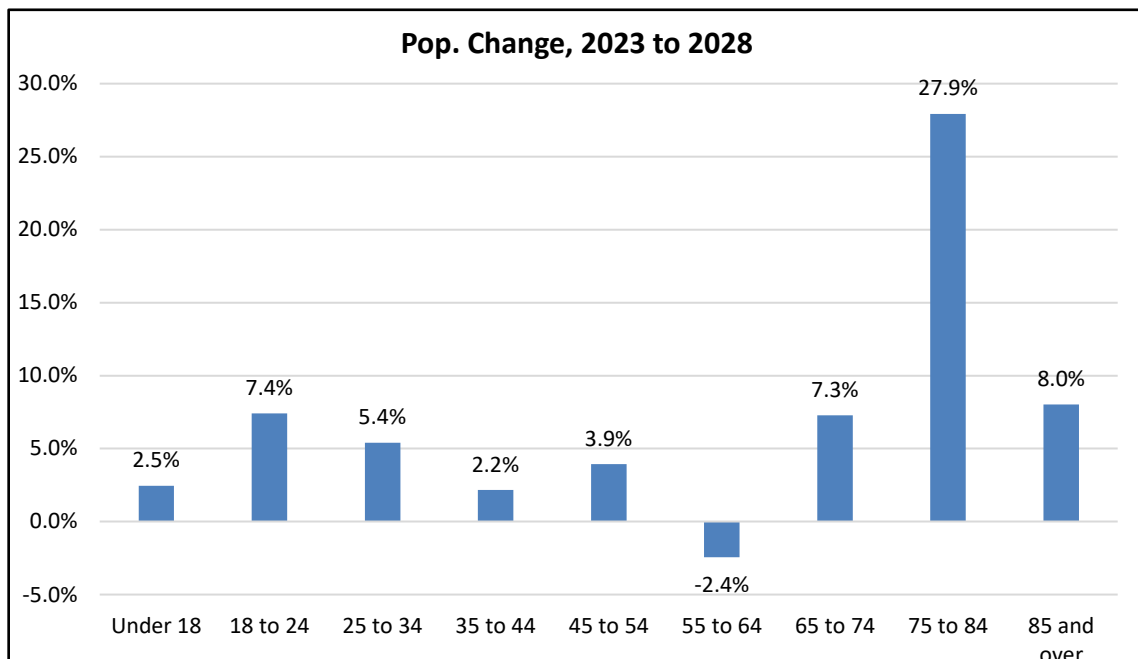
- **Age of Existing Housing Stock.** As illustrated in *the Housing Characteristics* Section of the report (Table HC-3), the median year built for a home in St. Louis Park is 1954 and about 58% of the total housing stock was built prior to 1970 while 68% of the single-family housing stock was constructed prior to 1960. Much of the single-family housing stock in St. Louis Park is comprised of smaller one-story and 1.5-story homes on smaller lots. Although there is a rental housing boom underway over the past decade, the majority of rental housing stock is over 40 years old and lacks contemporary amenities today’s renters seek. Because of the older housing stock, we recommend continued promotion of remodeling and move-up housing programs that encourage reinvestment into the city’s owner and renter housing stock.



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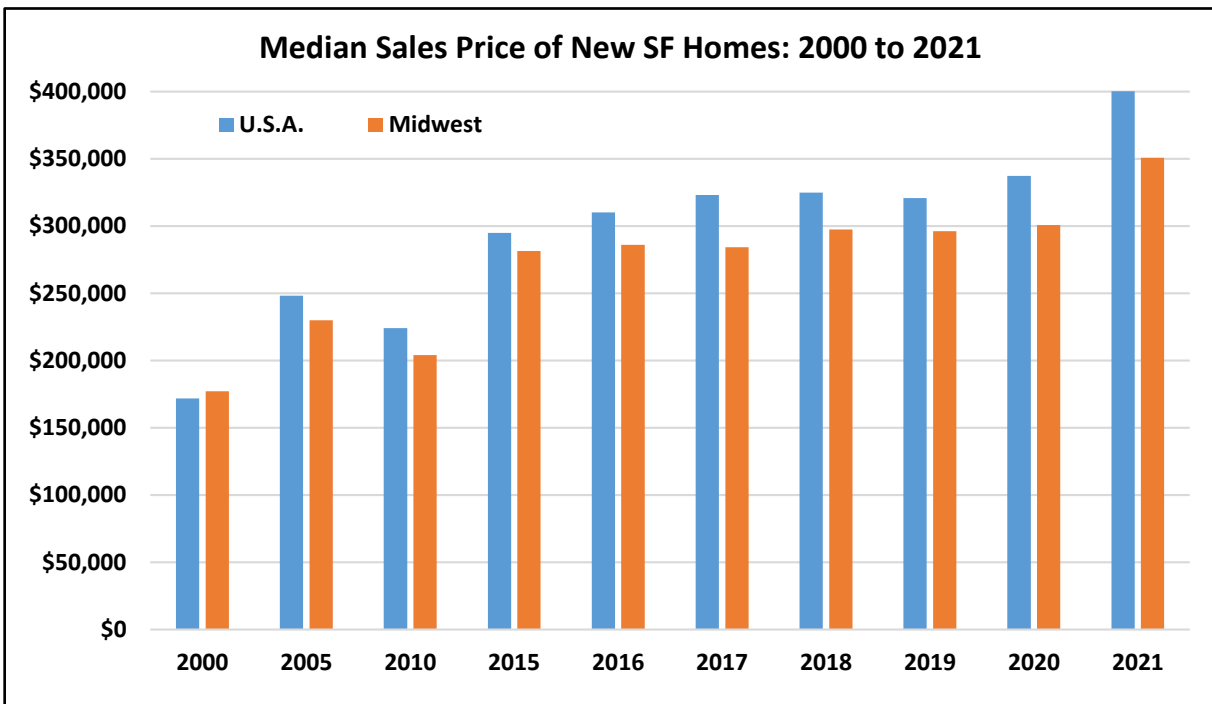
Given St. Louis Park's location and age of housing stock, demand for larger single-family homes via teardowns or additions will continue to grow. Today's home buyers, especially those buyers with children, are demanding larger home sizes and modern amenities that are not offered with some of the city's older housing stock. Teardowns are driven by a desire to live in a well-established neighborhood near other more valuable homes. Teardown buyers are purchasing "buildable lots" when the value of the lot is equal to or higher than the value of the home. As a result, the cost for a teardown is substantial as high land acquisition costs drive up the overall retail purchase price of the home.

- **Aging Population.** As illustrated in Table D-2, there is growth in the City of St. Louis Park senior population, especially among ages 75 to 84 (28% growth through 2028). In addition, Table D-7 shows the City of St. Louis Park homeownership rates among seniors 65+ is approximately 75% and 72% for homeowners over age 75. St. Louis Park ownership rates are higher than both Hennepin County and the Twin Cities Metro Area. High homeownership rates among seniors indicate there could be lack of senior housing options, or simply that many seniors prefer to live in their home and age in place. Because of the rising population of older adults, demand for alternative maintenance-free housing products should be rising. In addition, demand for home health care services and home remodeling programs to assist seniors with retrofitting their existing homes should also increase. The smaller size of the majority of homes in St. Louis Park also makes them more manageable for aging in place for longer periods of time, especially if they feature bedrooms on the main-level.



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- **Construction & Development Costs.** The cost to build and develop new single-family housing has increased significantly over the past decade and since the Great Recession in all markets across the U.S.A., as seen in the chart below. New construction pricing peaked last decade between 2005 and 2007 before falling during the recession. Pricing in nearly every market across the United States decreased between 2008 and 2011 before starting to rebound in 2012 and beyond. However, since the Great Recession it has become increasingly difficult for builders to construct entry-level new homes due to a number of constraints – rising land costs, rising material and labor costs, lack of construction labor, and increasing regulation and entitlement fees. As a result, affordable new construction homes have become rare as builders are unable to pencil-out modestly priced new construction. New construction in St. Louis Park is difficult to achieve under \$500,000 and most new infill product is even surpassing \$1 million. At the same time, new construction pricing is at an all-time high coming out of the pandemic due to strong demand and supply and labor constraints for builders that are driving up housing costs. However, with continued interest rate hikes from the Federal Reserve in 2022, construction costs are slowly starting to normalize as labor is loosening. Given the complexities of new construction in a built-out community like St. Louis Park; new construction will cater to the move-up and executive buyer.



- **COVID-19 Impacts.** The COVID-19 pandemic has had both direct and indirect effects on the housing industry. The senior housing industry was directly impacted as the virus affected older adults at a much higher rate. Senior properties hit record high vacancy rates and many seniors continue to age in place as long as possible as they have avoided living in a shared space. This is evident in St. Louis Park where elevated vacancies persist for service-based senior housing.

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Economically, the unemployment rate in St. Louis Park was considerably low compared to the rest of the country during the pandemic. In early 2020, the unemployment rates were under 3% before peaking at 5.7% for the year. Unemployment quickly decreased to 2.8% in 2021 and is at a record low of 2.2% at the end of 2022.

Despite the pandemic over the past three years, the local real estate market has performed above expectations and strong demand remains for housing. St. Louis Park was a major destination for relocating households from the central cities/neighborhoods in the Twin Cities. Supply remains at an all-time low, however that is slowly leveling-out now with elevated mortgage rates. The pandemic has changed buyer preferences as buyers have a greater desire for outdoor features, green space, more square footage, flexible spaces for home offices, and healthy living conditions. Buyers are also trading location for more home by locating further from their place of employment.

On the rental side, social distancing initially had an impact on common corridor apartment buildings as all communal areas were shut down and tenants could not utilize amenities. Since the pandemic, the demand for smaller unit sizes has waned as renters desire larger spaces as they work from home, utilize for fitness, etc. With telecommuting and work from home being the norm tenants are seeking a separation of work and live spaces as well as access to balconies and patios to provide fresh air and extra space. There has been strong demand for townhome-style rentals or a building that has been designed with a separate entrance to eliminate the possible of interacting with others and catching the virus. These trends and preferences will likely continue as the pandemic has waned.

- **Housing Programs.** The St. Louis Park Housing Authority (HA) and City of St. Louis Park offer many programs to promote and preserve the existing housing stock in St. Louis Park. Compared to other housing authorities and cities throughout the Metro Area and State of Minnesota, St. Louis Park offers significantly more programs than many other communities of similar size. Some of the key programs that are offered or promoted through the City or through 3<sup>rd</sup> party referrals in St. Louis Park include:

## RECOMMENDATIONS AND CONCLUSIONS

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- Architectural design services;
- Home Energy Squad;
- Community fix-up funds;
- Deferred loan programs;
- Energy Efficient rebates;
- First-time home-buyer programs;
- Foreclosure prevention;
- Home energy loans;
- Home Improvement Area (HIA);
- Home Point of Sale;
- Housing Fair;
- Housing Choice Voucher Program
- Inclusionary Housing Policy;
- Kids in the Park rental assistance;
- Land Trust;
- Down payment assistant program;
- First-generation down payment assistance program;
- Public housing;
- Realtor forum;
- Remodeling advisor;
- Rental license ordinance;
- Stable Home Rental Assistance Program
- SPARC – SLP Rental Coalition

- **Inflation.** U.S. inflation rates hit a new 40-year high of 8.6% in 2022, the biggest yearly increase since December 1981. Rampant price increased for nearly every good and service and specifically energy and food costs are having an impact on American consumers and will eventually affect housing affordability. As a result, the Federal Reserve is implementing interest rate hikes and increasing borrowing costs to hopefully offset a recession. As interest rates have increased for-sale housing demand has slowed and demand for rental housing has increased. This has resulted in higher housing costs for both buyers and renters. Housing assets are in higher demand during inflationary times as real estate values tend to hedge inflation and investors seek out rental housing assets as equity continues to grow. In the short term, household balance sheets will continue to be stretched as rising costs affect St. Louis Park residents. This could hinder housing production in the near term as new construction will be difficult to pencil.
- **Job Growth/Employment.** The Covid-19 pandemic created a number of new challenges for businesses, workers, and government. As depicted earlier, the unemployment rate in St. Louis Park has historically been under 4.0% before shortly rising to 5.7% during the peak shutdowns in spring 2020. These unprecedented challenges had an economic ripple effect across the country as thousands of Americans found themselves out of work with increases in unemployment. However, St. Louis Park employers weathered the pandemic much better than most of the country as the unemployment rate has stayed low and the area brought back lost jobs from the initial shutdowns earlier in 2020.

The St. Louis Park unemployment rate has declined to a low of 2.2% and the labor force has improved annually since 2020, but the labor force has not met pre-pandemic numbers as of yet. Although a low unemployment rate is generally considered positive news, an extremely low unemployment rate can be challenging for employers looking to add additional staff. Although additional job creation supports the need for housing, a lack of housing, and especially, affordable housing, can place pressure on attracting workers and new jobs.

- **Land Supply (Lack of).** As a first-ring suburban community, St. Louis Park lacks developable land to accommodate all the demand and recommended concepts in Table CR-2. Development will be primarily via redevelopment or via infill sites. Due to St. Louis Park's excellent location, housing demand could be significantly higher should St. Louis Park have the available land to accommodate future growth. The vast majority of residential land transactions are for multifamily development targeting the rental sector.
- **Lifestyle Renters.** Historically, householders rented because they couldn't afford to buy or didn't have the credit to qualify for a mortgage. Today that is no longer the case, and many householders are renting by choice. High-income renters represent the fastest growing market segment of the rental market today; having grown 48% over the past decade. Demand is being driven by the Millennials, would-be buyers on the side-line, and empty nesters. As a result, rental housing is one of the preferred real estate asset classes today across country. Lifestyle renters are attracted to developments offering excellent finishing quality, extensive common area facilities, and typically focus on an environment providing a more



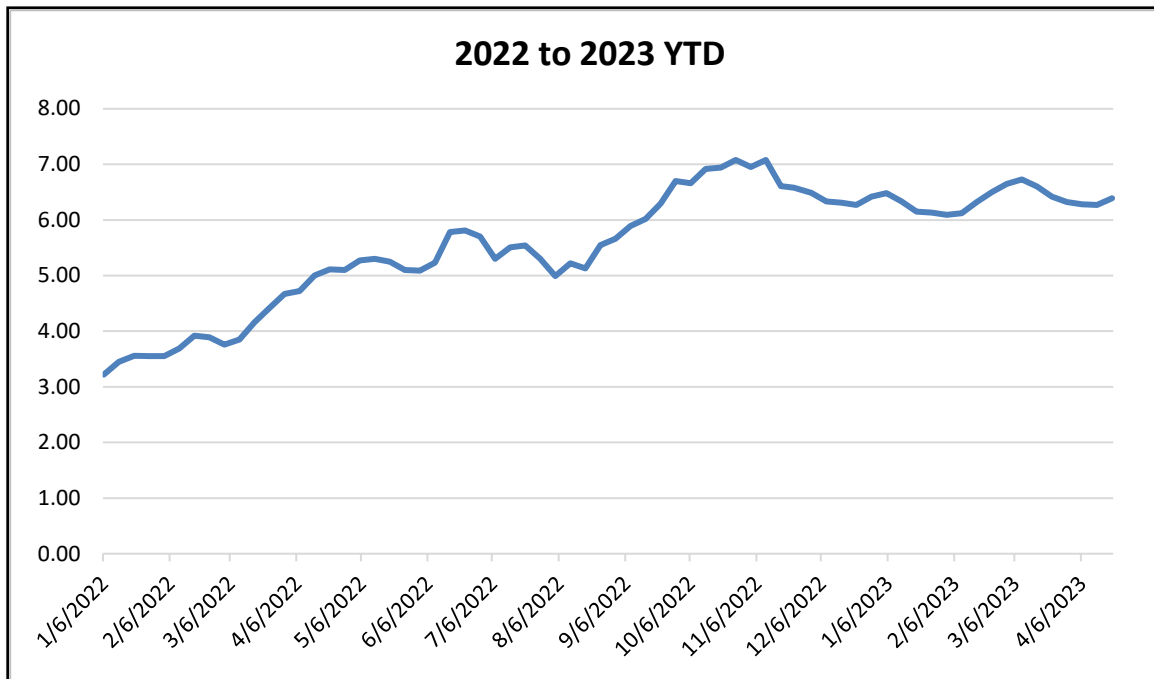
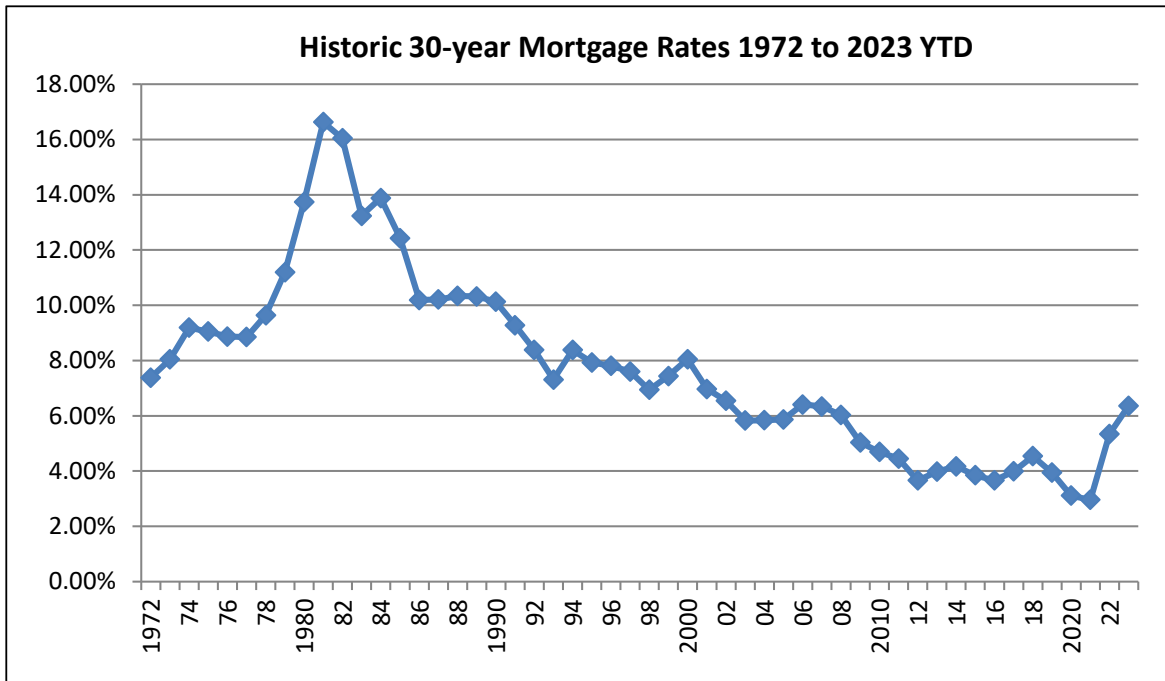
social experience. Most of the new market rate rental construction in St. Louis Park targets the lifestyle renter.

- **Modular Housing.** Modular housing, often referred to as prefab housing, is the construction of housing units in a controlled factory-like setting or on a manufacturers site or lumber yard. Modular housing is gaining steam from developers and investors to combat high construction costs, labor shortages, and speed-up the construction timeline. The biggest advantage modular housing provides is time and shaving months of holding costs off the consumer's bottom line. Originally modular housing was mostly single-family oriented; however, developers are now constructing entire apartment buildings, hotels, senior living, man camps, and college dorms. Historically the biggest challenge of modular housing is transportation, shipping costs, and perception. Modular housing has made huge strides over the decades and are now built on concrete foundations or include basements. The industry continues to battle the stigma of the older mobile homes as the appraisal community continually mis-appraises modular homes due to biases or lack of education on the product. Locally, there is a new manufacturer in Owatonna and future modular plants are in the works along the Interstate 94 corridor and potentially in North Minneapolis. Maxfield Research believes there is opportunity in the modular construction sector that can be utilized in St. Louis Park, providing a win-win scenario by providing housing production and passing cost savings along to consumers.

If not already, we recommend the City of St. Louis Park revise zoning codes to allow for this type of housing if it is not permitted. However, design standards should be enforced in order to ensure incompatible housing does not deter neighborhoods.

- **Mortgage Rates.** Mortgage rates play a crucial part in housing affordability. Lower mortgage rates result in a lower monthly mortgage payment and buyers receiving more home for their dollar. Rising interest rates often require homebuyers to raise their down payment in order to maintain the same housing costs. Mortgage rates have stayed at historic lows for most of the past decade trending under 4.5% (30-year fixed) since around 2010. At the on-set of the COVID-19 pandemic, rates plummeted to at or near an all-time low under 3% for part of 2020 and most of 2021. However, due to a 40-year high inflation the Federal Reserve began hiking rates in 2022 to slow the economy and curtail inflation. The Federal Reserve has implemented five rate hikes to date in 2022 and is expected to be aggressive throughout the end of year into 2023. As a result, the cost of for-sale housing has increased significantly this year and many would-be-buyers are on the sidelines and have been priced out of the market. Compared to early 2022, mortgage payments in the Fall of 2022 are on average about 60% higher than the beginning of 2022 (3.25% vs. 6.75%). As a result, affordability has been crushed and a housing market reset is in play.

The following charts illustrates historical mortgage rate averages as compiled by Freddie Mac. The Freddie Mac Market Survey (PMMS) has been tracking mortgage rates since 1972 and is the most relied upon benchmark for evaluating mortgage interest market conditions. The Freddie Mac survey is based on 30-year mortgages with a loan-to-value of 80%.



- Short-Term Stay Housing.** The short-term stay housing market continues to gain ground; in-part from pandemic and from households desiring temporary housing accommodations. Establishments range from hotels, suites, apartments, townhomes, or single-family homes, etc. Many of these furnished units offer weekly and monthly rates that have flexible rental agreements. There has been a growing preference for non-traditional lodging choices as

companies such as VRBO, Airbnb, Stay Alfred, Sonder, and others make a splash into the rental and hospitality sector. Many apartment owners are entertaining relationships with short-term stay companies as an avenue to lock-up long-term leases with a short-term operator. Maxfield Research recommends addressing local zoning codes to monitor future multifamily concepts that may include short-term and long-term stay leases.

- **Single-Family Rental Housing Demand.** Table HC-4 showed that about 7% of the rental housing inventory in St. Louis Park in 2020 is within single-unit housing structures. Another 4.2% of units were located within an attached structure such a townhome or condo. Nationwide, it is estimate that 25 of the 43 million rental households in the United States (58%) reside in either single-family rentals, townhomes, duplexes, triplexes, and quads. Single-family units, townhomes, and condos make-up about 34% of all rental units in the country, 27% in Minnesota, and about 23% in the Twin Cities Metro Area. Compared to the Twin Cities and Minnesota averages, St. Louis Park has significantly fewer single-family rentals.

A recent study by Freddie Mac identified the market share of single-family rentals (“SFR”) by ownership type across the country. The study found that 88% of SFR are owned by investors with between 1 and 10 homes. Institutional investors make-up only 1% of the market share today; even though they are they have the financial backing and are able to acquire larger portfolios.

Demand is strong for SFR by providing renter lifestyle choice and the ability to reside in a detached unit without having to obtain the funds for a down payment on a mortgage. Especially today with mortgage rates that have doubled in the past year there is even stronger demand for single-family rentals. Many SF renters may consider purchasing; however, the rising costs of real estate and the down payment requirements hinder some renters from making the leap to home ownership. The COVID-19 pandemic increased demand for SFR as renters desire more square footage, green space/yards, separate entrances, and more privacy than traditional multifamily structures.

Single-family rental communities have been one of the hottest real estate products to come out of the pandemic over the past few years. Although the Twin Cities is behind the rest of the country, there are several developments in the pipeline or that have recently been completed in the Twin Cities. Nearly all of these developments are located in suburban tertiary markets with available land, however in other markets in the U.S. these communities are developed in core cities and inner-ring suburbs. We recommend exploring purpose-built single-family rental communities in the City of St. Louis Park and zoning codes that permit the project concept.

**APPENDIX**

### Definitions

**Absorption Period** – The period of time necessary for newly constructed or renovated properties to achieve the stabilized level of occupancy. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the stabilized level of occupancy has signed a lease.

**Absorption Rate** – The average number of units rented each month during the absorption period.

**Active adult (or independent living without services available)** – Active Adult properties are similar to a general-occupancy apartment building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Organized activities and occasionally a transportation program are usually all that are available at these properties. Because of the lack of services, active adult properties typically do not command the rent premiums of more service-enriched senior housing.

**Adjusted Gross Income “AGI”** – Income from taxable sources (including wages, interest, capital gains, income from retirement accounts, etc.) adjusted to account for specific deductions (i.e. contributions to retirement accounts, unreimbursed business and medical expenses, alimony, etc.).

**Affordable housing** – Housing that is income-restricted to households earning at or below 80% AMI, though individual properties can have income-restrictions set at 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is essentially housing affordable to low or very low-income tenants.

**Amenity** – Tangible or intangible benefits offered to a tenant in the form of common area amenities or in-unit amenities. Typical in-unit amenities include dishwashers, washer/dryers, walk-in showers, and closets and upgraded kitchen finishes. Typical common area amenities include detached or attached garage parking, community room, fitness center and an outdoor patio or grill/picnic area.

**Area Median Income “AMI”** – AMI is the midpoint in the income distribution within a specific geographic area. By definition, 50% of households earn less than the median income and 50% earn more. The U.S. Department of Housing and Urban Development (HUD) calculates AMI annually and adjustments are made for family size.

**Assisted Living** – Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who need extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

**Building Permit** – Building permits track housing starts, and the number of housing units authorized to be built by the local governing authority. Most jurisdictions require building permits for new construction, major renovations, as well as other building improvements. Building permits ensure that all the work meets applicable building and safety rules and is typically required to be completed by a licensed professional. Once the building is complete and meets the inspector's satisfaction, the jurisdiction will issue a "CO" or "Certificate of Occupancy." Building permits are a key barometer for the health of the housing market and are often a leading indicator in the rest of the economy as it has a major impact on consumer spending.

**Capture Rate** – The percentage of age, size, and income-qualified renter households in a given area or "Market Area" that the property must capture to fill the units. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size, and income-qualified renter households in the designated area.

**Comparable Property** – A property that is representative of the rental housing choices of the designated area or "Market Area" that is similar in construction, size, amenities, location and/or age.

**Concession** – Discount or incentives given to a prospective tenant to induce signature of a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or free amenities, which are normally charged separately, such as parking.

**Independent living with services available** – Independent living properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Independent living properties attract a slightly older target market than adult housing, typically seniors 75 and older. Rents are also above those of the active adult buildings, even excluding the services.

**Contract Rent** – The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease.

**Demand** – The total number of households that would potentially move into a proposed new or renovated housing project. These households must be of appropriate age, income, tenure, and size for a specific proposed development. Components vary and can include, but are not limited to: turnover, people living in substandard conditions, rent over-burdened households, income-qualified households, and age of householder. Demand is project specific.

**Density** – Number of units in a given area. Density is typically measured in dwelling units (DU) per acre – the larger the number of units permitted per acre the higher the density; the fewer units permitted results in lower density. Density is often presented in a gross and net format:

- **Gross Density** – The number of dwelling units per acre based on the gross site acreage.  
*Gross Density = Total residential units/total development area*
- **Net Density** - The number of dwelling units per acre located on the site, but excludes public right-of-way (ROW) such as streets, alleys, easements, open spaces, etc.  
*Net Density = Total residential units/total residential land area (excluding ROWs)*

**Detached housing** – a freestanding dwelling unit, most often single-family homes, situated on its own lot.

**Effective Rents** – Contract rent less applicable concessions.

**Elderly or Senior Housing** – Housing where all the units in the property are restricted for occupancy by persons 62 years or older, or at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or better and the housing is designed with amenities, facilities, and services to meet the needs of senior citizens.

**Extremely low-income** – person or household with incomes below 30% of Area Median Income, adjusted for respective household size.

**Fair Market Rent** – Estimates established by HUD of the Gross Rents needed to obtain modest rental units in acceptable conditions in a specific geographic area. The amount of rental income a given property would command if it were open for leasing at any given moment and/or the amount derived based on market conditions that is needed to pay gross monthly rent at modest rental housing in a given area. This figure is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families on at financially assisted housing.

**Minneapolis-St Paul-Bloomington, MN-WI HUD FMR Area – 2022**

	Fair Market Rent				
	EFF	1BR	2BR	3BR	4BR
Fair Market Rent	\$932	\$1,078	\$1,329	\$1,841	\$2,145



**Floor Area Ratio (FAR)** Ratio of the floor area of a building to area of the lot on which the building is located.

**Foreclosure** – A legal process in which a lender or financial institute attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by using the sale of the house as collateral for the loan.

**Gross Rent** – The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease, plus the estimated cost of all utilities paid by tenants. Maximum Gross Rents for Hennepin County in 2022 are as follows:

**Gross Rent**  
**Minneapolis-St Paul-Bloomington, MN-WI HUD FMR Area – 2022**

	Maximum Gross Rent				
	EFF	1BR	2BR	3BR	4BR
30% of median	\$616	\$704	\$792	\$879	\$950
50% of median	\$1,027	\$1,173	\$1,320	\$1,466	\$1,583
60% of median	\$1,233	\$1,408	\$1,584	\$1,759	\$1,900
80% of median	\$1,644	\$1,878	\$2,112	\$2,346	\$2,534
100% of median	\$2,055	\$2,347	\$2,640	\$2,932	\$3,167
120% of median	\$2,466	\$2,817	\$3,168	\$3,519	\$3,801

**Household** – All persons who occupy a housing unit, including occupants of a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

**Household Trends** – Changes in the number of households for any particular areas over a measurable period of time, which is a function of new household's formations, changes in average household size, and net migration.

**Housing Choice Voucher Program** – The federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Housing choice vouchers are administered locally by public housing agencies. They receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program. A housing subsidy is paid to the landlord directly by the public housing agency on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

**Housing unit** – House, apartment, mobile home, or group of rooms used as a separate living quarters by a single household.

**HUD Project-Based Section 8** – A federal government program that provides rental housing for very low-income families, the elderly, and the disabled in privately owned and managed rental units. The owner reserves some or all of the units in a building in return for a Federal government guarantee to make up the difference between the tenant's contribution and the rent. A tenant who leaves a subsidized project will lose access to the project-based subsidy.

**HUD Section 202 Program** – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by elder household who have incomes not exceeding 50% of Area Median Income.

**HUD Section 811 Program** – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy of persons with disabilities who have incomes not exceeding 50% Area Median Income.

**HUD Section 236 Program** – Federal program that provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% Area Median Income who pay rent equal to the greater or market rate or 30% of their adjusted income.

**Income limits** – Maximum household's income by a designed geographic area, adjusted for household size and expressed as a percentage of the Area Median Income, for the purpose of establishing an upper limit for eligibility for a specific housing program.

**Income Limits**  
**Minneapolis-St Paul-Bloomington, MN-WI HUD FMR Area – 2022**

	Income Limits by Household Size							
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph
30% of median	\$24,660	\$28,170	\$31,680	\$35,190	\$38,010	\$40,830	\$43,650	\$46,470
50% of median	\$41,100	\$46,950	\$52,800	\$58,650	\$63,350	\$68,050	\$72,750	\$77,450
60% of median	\$49,320	\$56,340	\$63,360	\$70,380	\$76,020	\$81,660	\$87,300	\$92,940
80% of median	\$65,760	\$75,120	\$84,480	\$93,840	\$101,360	\$108,880	\$116,400	\$123,920
100% of median	\$82,200	\$93,900	\$105,600	\$117,300	\$126,700	\$136,100	\$145,500	\$154,900
120% of median	\$98,640	\$112,680	\$126,720	\$140,760	\$152,040	\$163,320	\$174,600	\$185,880

**Inflow/Outflow** – The Inflow/Outflow Analysis generates results showing the count and characteristics of worker flows in to, out of, and within the defined geographic area.

**Low-Income** – Person or household with gross household incomes below 80% of Area Median Income, adjusted for household size.

**Low-Income Housing Tax Credit** – A program aimed to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code. The

program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and rents on these units be restricted accordingly.

**Market analysis** – The study of real estate market conditions for a specific type of property, geographic area or proposed (re)development.

**Market rent** – The rent that an apartment, without rent or income restrictions or rent subsidies, would command in a given area or “Market Area” considering its location, features, and amenities.

**Market study** – A comprehensive study of a specific proposal including a review of the housing market in a defined market or geography. Project specific market studies are often used by developers, property managers or government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what house needs, if any, existing within a specific geography.

**Market rate rental housing** – Housing that does not have any income-restrictions. Some properties will have income guidelines, which are minimum annual incomes required in order to reside at the property.

**Memory Care** – Memory Care properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which deals almost exclusively with widows or widowers, a higher proportion of persons afflicted with Alzheimer’s disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver’s concern of incurring the costs of health care at a special facility while continuing to maintain their home.

**Migration** – The movement of households and/or people into or out of an area.

**Mixed-income property** – An apartment property contained either both income-restricted and unrestricted units or units restricted at two or more income limits.

**Mobility** – The ease at which people move from one location to another.

**Moderate Income** – Person or household with gross household income between 80% and 120% of the Area Median Income, adjusted for household size.

**Multifamily** – Properties and structures that contain more than two housing units.

**Naturally Occurring Affordable Housing** – Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (i.e. assisted) yet are more affordable than other units in a community are considered “naturally-occurring” or “unsubsidized affordable” units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc.

**Net Income** – Income earned after payroll withholdings such as state and federal income taxes, social security, as well as retirement savings and health insurance.

**Net Worth** – The difference between assets and liabilities, or the total value of assets after the debt is subtracted.

**Pent-up demand** – A market in which there is a scarcity of supply and as such, vacancy rates are extremely low or non-existent.

**Population** – All people living in a geographic area.

**Population Density** – The population of an area divided by the number of square miles of land area.

**Population Trends** – Changes in population levels for a particular geographic area over a specific period of time – a function of the level of births, deaths, and in/out migration.

**Project-Based rent assistance** – Rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

**Redevelopment** – The redesign, rehabilitation, or expansion of existing properties.

**Rent burden** – gross rent divided by adjusted monthly household income.

**Restricted rent** – The rent charged under the restriction of a specific housing program or subsidy.

**Saturation** – The point at which there is no longer demand to support additional market rate, affordable/subsidized, rental, for-sale, or senior housing units. Saturation usually refers to a particular segment of a specific market.

**Senior Housing** – The term “senior housing” refers to any housing development that is restricted to people 55 and older. Today, senior housing includes an entire spectrum of housing alternatives. Maxfield Research Inc. classifies senior housing into four categories based on the level of support services. The four categories are: Active Adult, Independent Living, Assisted Living and Memory Care.

**Short Sale** – A sale of real estate in which the net proceeds from selling the property do not cover the sellers’ mortgage obligations. The difference is forgiven by the lender, or other arrangements are made with the lender to settle the remainder of the debt.

**Single-family home** – A dwelling unit, either attached or detached, designed for use by one household and with direct street access. It does not share heating facilities or other essential electrical, mechanical, or building facilities with another dwelling.

**Stabilized level of occupancy** – The underwritten or actual number of occupied units that a property is expected to maintain after the initial lease-up period.

**Subsidized housing** – Housing that is income-restricted to households earning at or below 30% AMI. Rent is generally based on income, with the household contributing 30% of their adjusted gross income toward rent. Also referred to as extremely low-income housing.

**Subsidy** – Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment’s contract/market rate rent and the amount paid by the tenant toward rent.

**Substandard conditions** – Housing conditions that are conventionally considered unacceptable and can be defined in terms of lacking plumbing facilities, one or more major mechanical or electrical system malfunctions, or overcrowded conditions.

**Target population** – The market segment or segments of the given population a development would appeal or cater to.

**Tenant** – One who rents real property from another individual or rental company.

**Tenant-paid utilities** – The cost of utilities, excluding cable, telephone, or internet necessary for the habitation of a dwelling unit, which are paid by said tenant.

**Tenure** – The distinction between owner-occupied and renter-occupied housing units.

**Turnover** – A measure of movement of residents into and out of a geographic location.

**Turnover period** – An estimate of the number of housing units in a geographic location as a percentage of the total house units that will likely change occupants in any one year.

**Unrestricted units** – Units that are not subject to any income or rent restrictions.

**Vacancy period** – The amount of time an apartment remains vacant and is available on the market for rent.

**Workforce housing** – Housing that is income-restricted to households earning between 80% and 120% AMI. Also referred to as moderate-income housing.

**Zoning** – Classification and regulation of land use by local governments according to use categories (zones); often also includes density designations and limitations.