The Post-Recession Buyer: Demographics, Housing Choices & Community Services

Presented by:

- Cathy Bennett, ULI MN/Regional Council of Mayors
- John Carpenter, Excensus LLC

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Our Strategic Issue Areas

ULI MN

- Regional Council of Mayors - **Housing Initiative**
  - Promoting full range of housing choices
  - Recognized importance of change data

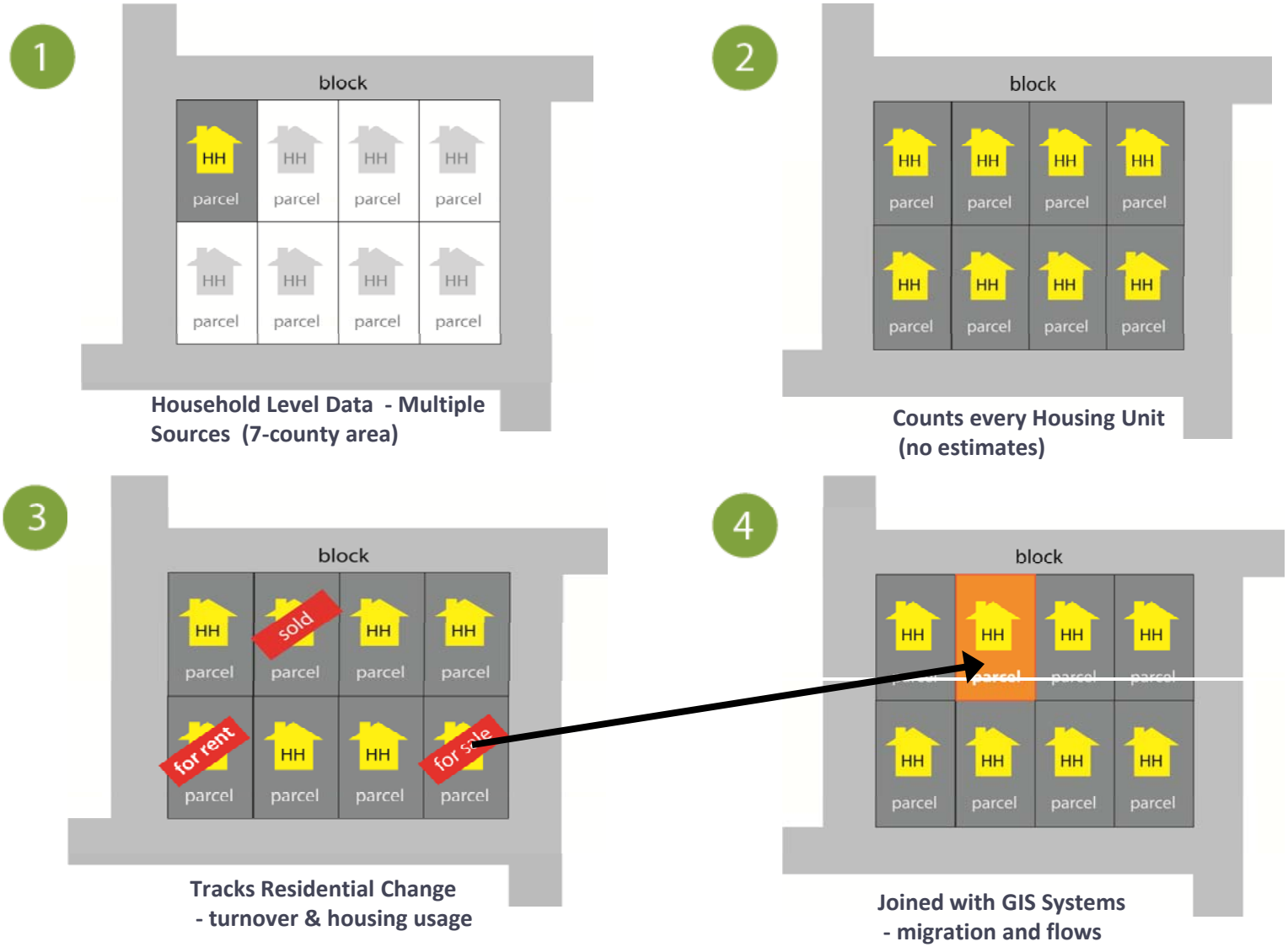
EXCENSUS LLC

- Contract with ULI MN - Community Change Reports
- Data, analysis, outreach applications (subscription services)

Excensus Change Data

What is it?

Excensus Demographic Tracking



Excensus Demographic Tracking

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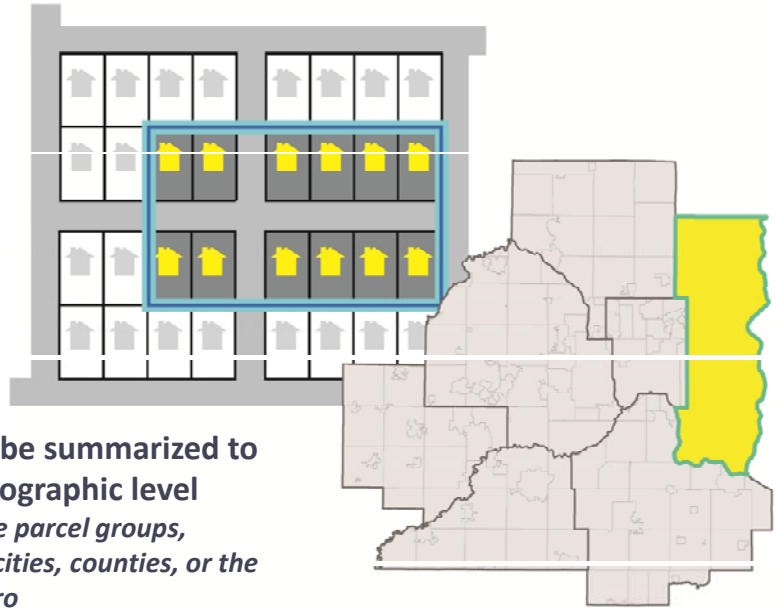

Data can be summarized to fit any geographic level

- by unique parcel groups, individual cities, counties, or the entire metro

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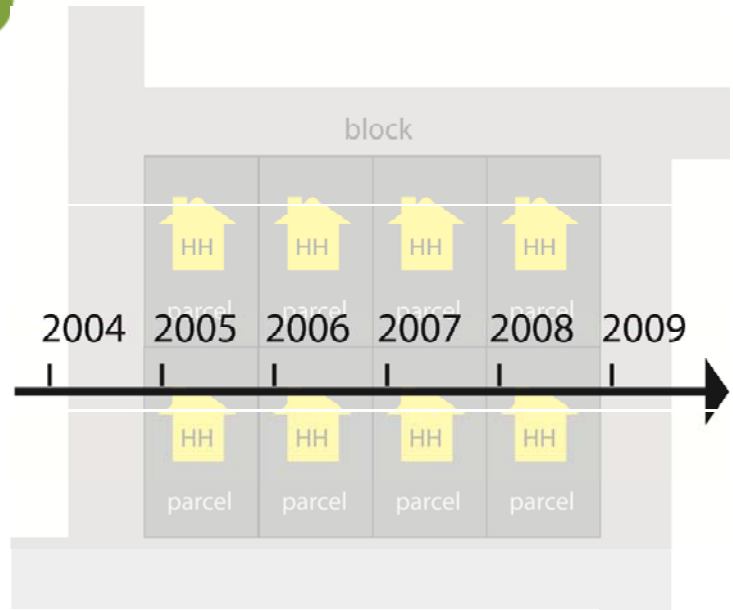


Longitudinal data /Updated Annually

- current data covers 2004-09

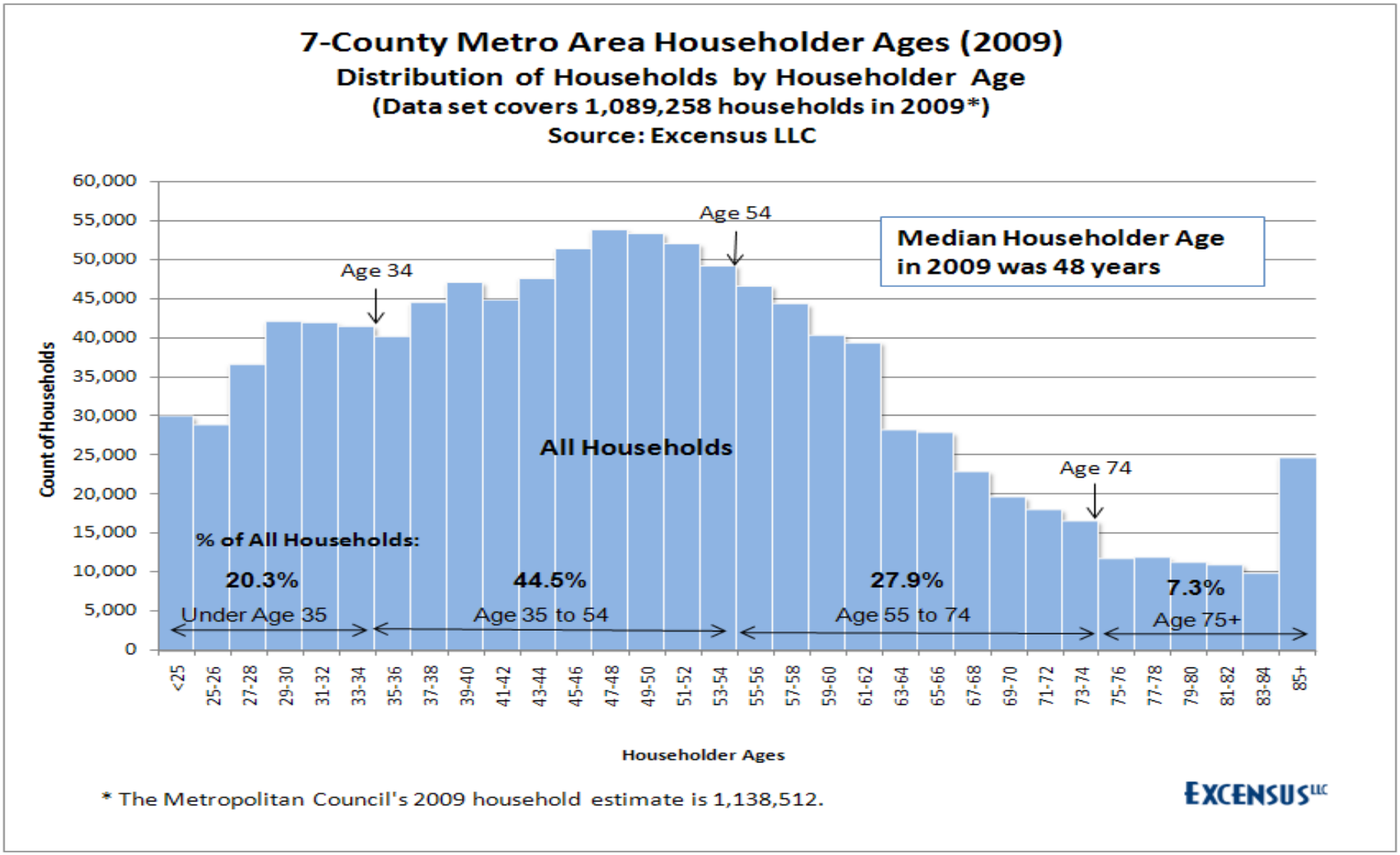
Key Regional Trend

Low Turnover = Increased Aging in Place + Fewer Options for Younger Ages

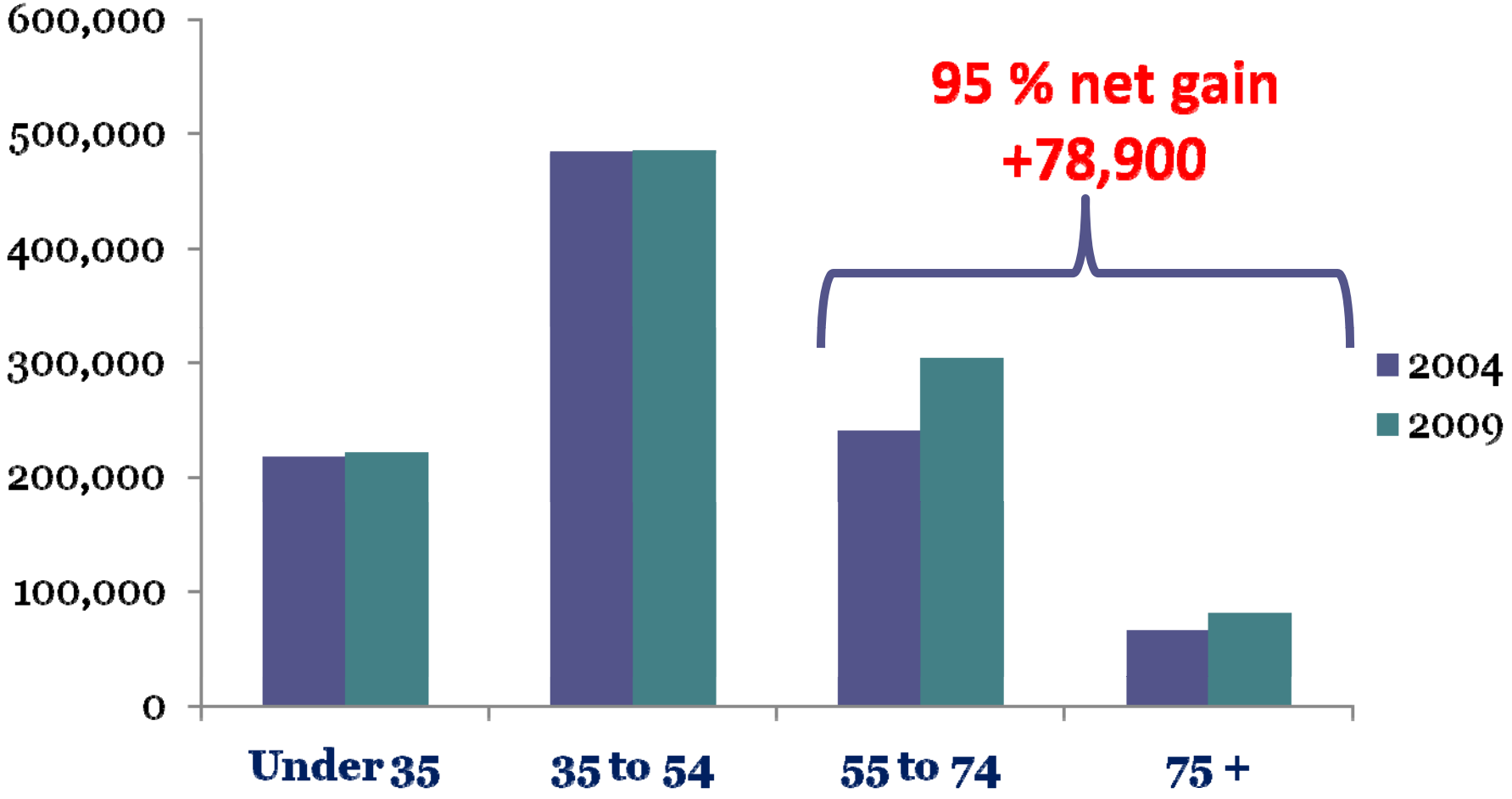
"These things usually creep along at the speed of a glacier. Not so with aging. In demographic terms, this is a tsunami. It doesn't get much bigger than this... the future of Dakota County in the next 20 to 30 years is largely going to depend on what decisions [are made] over the next couple of years."

Dr. Thomas Gillaspy, State Demographer, to the Dakota County Management Team, March 14, 2007 (Dakota County Aging Initiative: Executive Summary, April 2007)

An Aging Tidal Wave



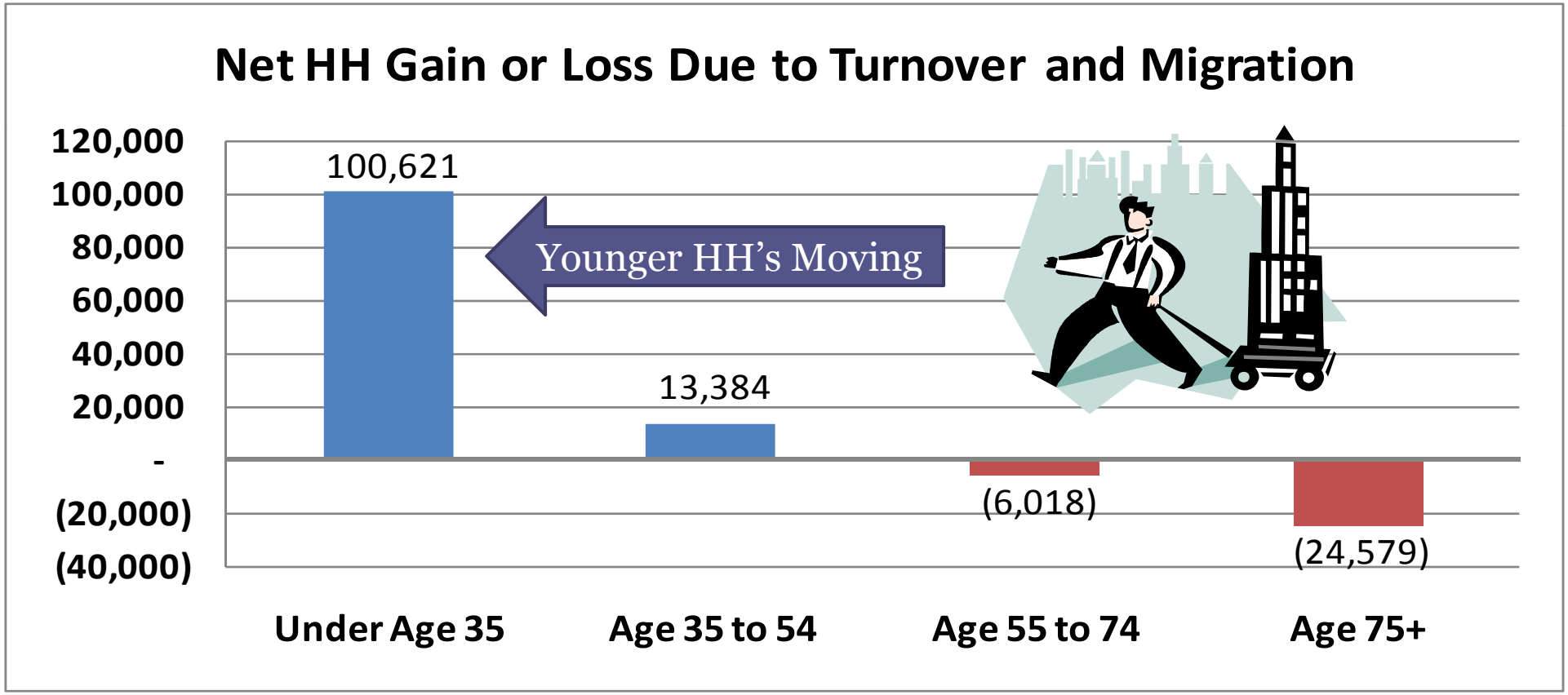
Growth in # - Older Households



- 1,089,300 - Occupied Housing Units (2009) in 7-Co. Area
- +83,400 – Net Household Change (2004-2009)

What Accounts for the Aging?

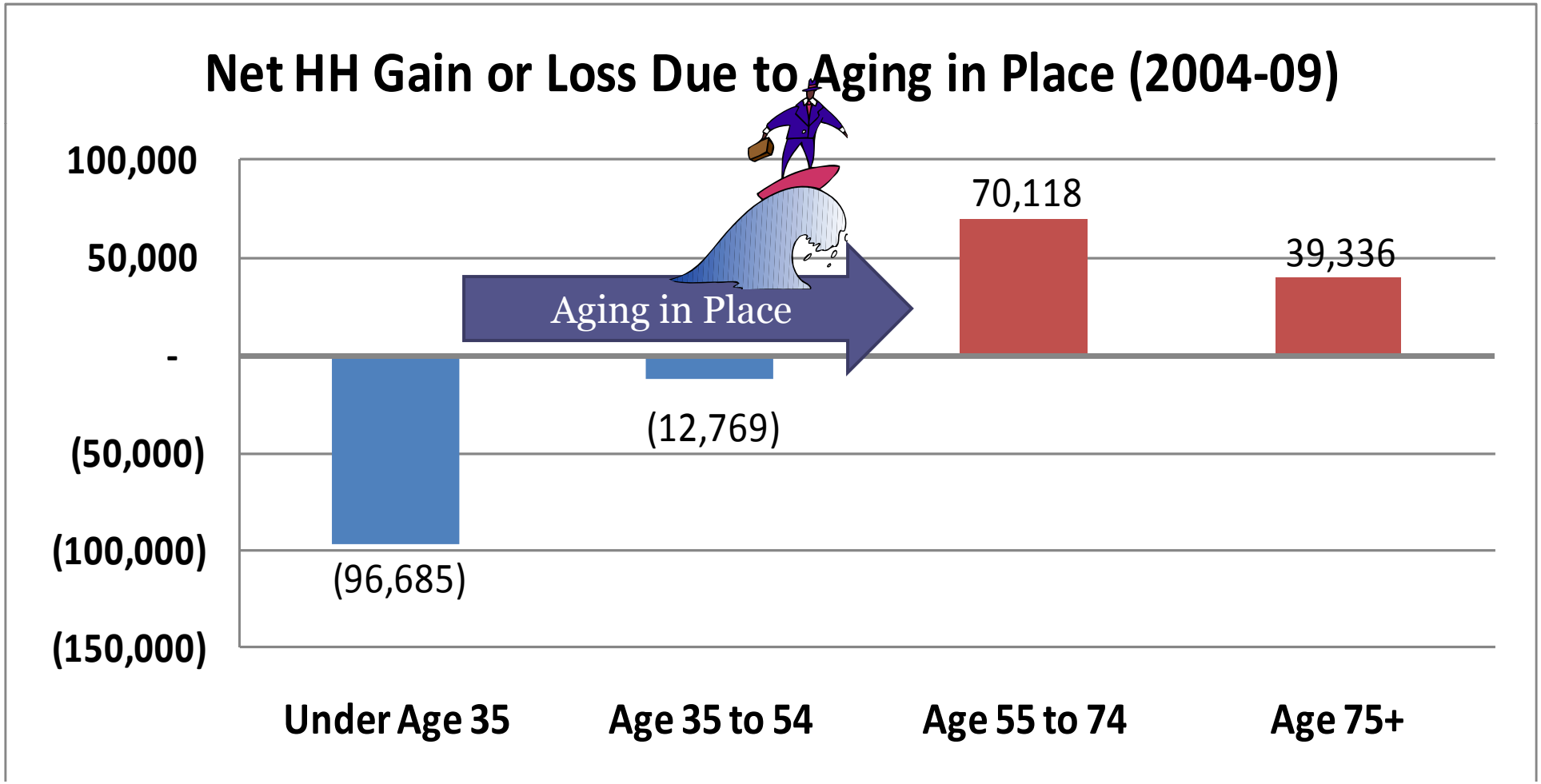
Not the Moves in/out



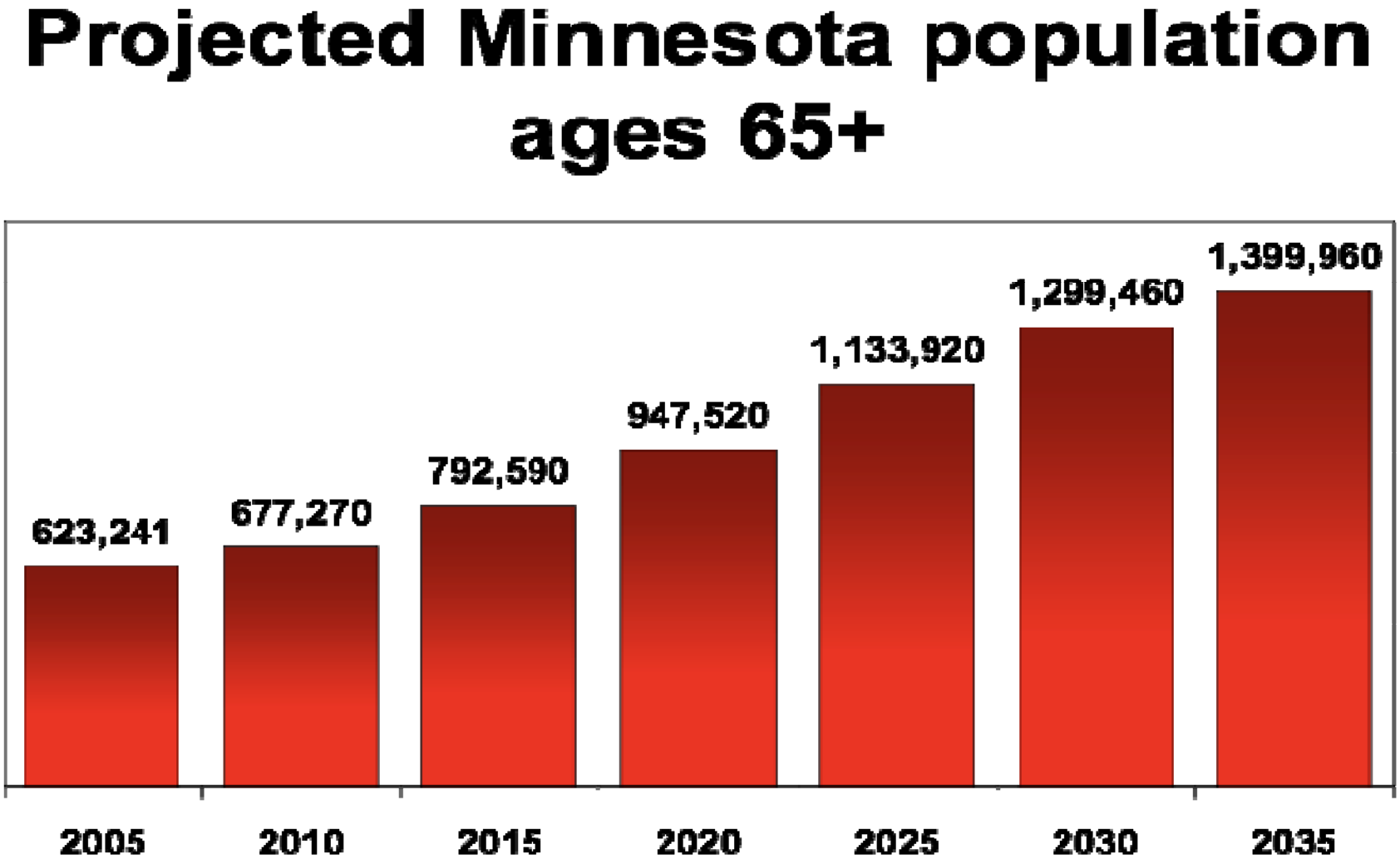
7-Co. Area Homes (2004-09)

They've Been Here All Along

The **Tidal Wave** - Existing HHs that did not move, but aged into the next higher age group



Expect 20 to 25 Year Duration



Minnesota State Demographic Center projections

What is the Cost?

- Shifts in demand for local goods/services
- Shrinking local tax bases
- Job markets impacts & transportation systems
- Demand for New Housing Types

Communities and Aging

Community Responses

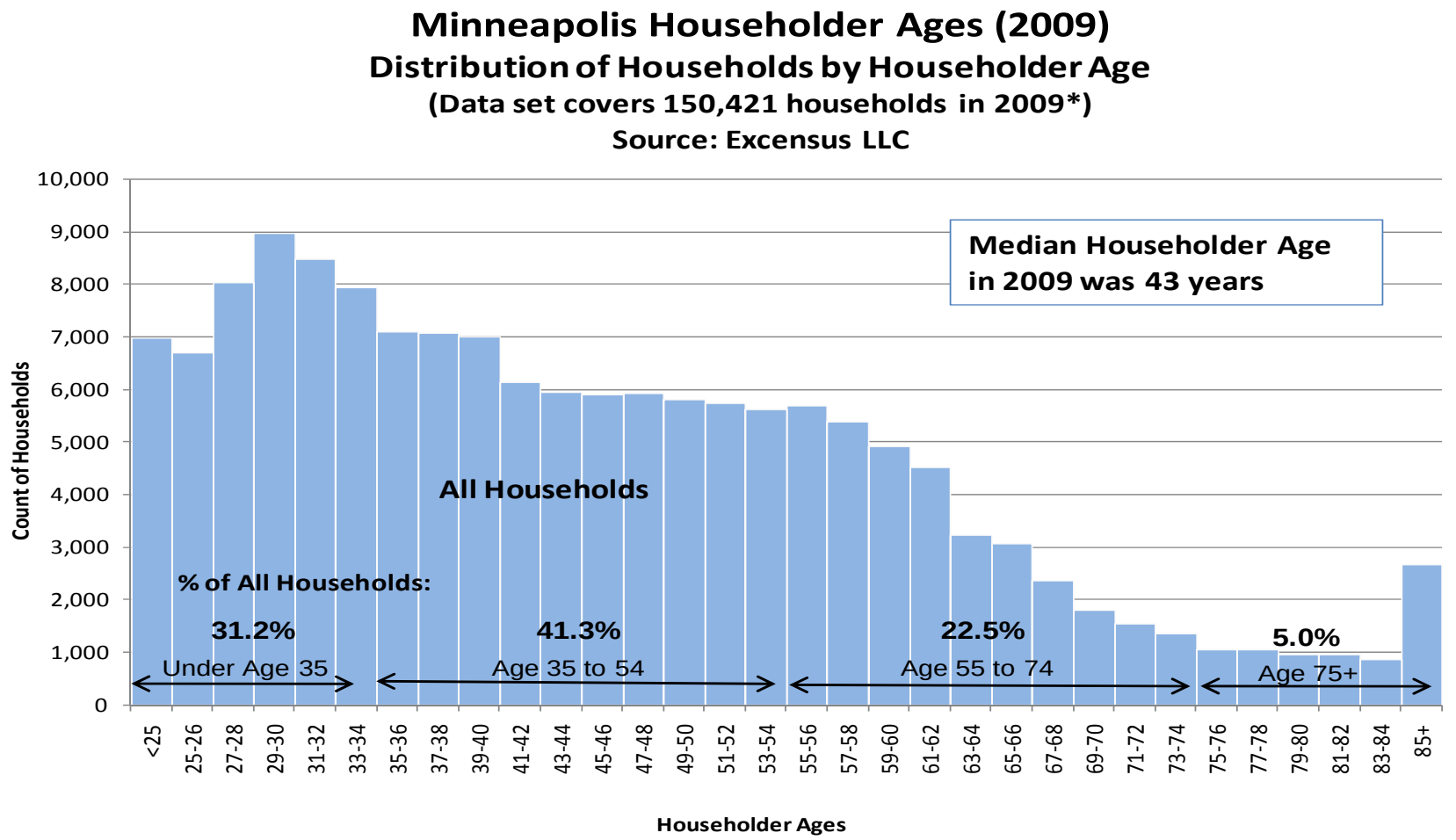
- Inconsistent Rate of Aging Across Metro Area
- Retooling is Occurring
  - **Dakota and Hennepin Counties** - *implementing aging initiatives and active transit development projects*
  - **Minneapolis, St. Paul, Anoka-Hennepin, Bloomington, Eden Prairie, Lakeville**, *actively closing schools and/or realigning boundaries*
- Aggressively marketing to younger households
  - **Mounds View and Minnetonka Schools** *actively enrolling students living in other districts*

Key Factors that Mitigate Impacts of Aging in Place

1. **Share of Younger HH's** - *larger amount initially reduces impact later*
2. **Turnover** - *Strong and steady rate of housing availability*
3. **Housing Choices** - *Full range of housing choices*
4. **Location** - *Access to younger households*
5. **Proximity to jobs and transportation**

Profile: Minneapolis (2009)

The Metro area's youngest age profile



* The Metropolitan Council's 2009 household estimate is 169,798.

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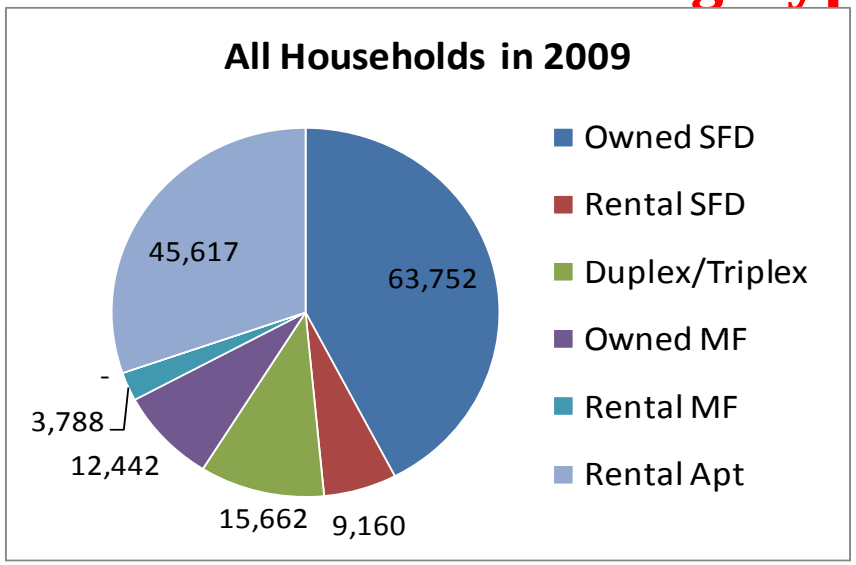
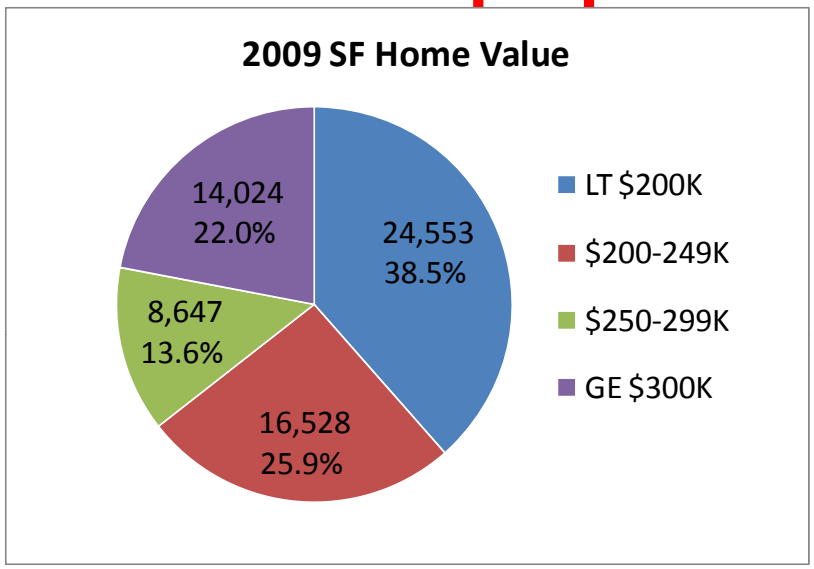
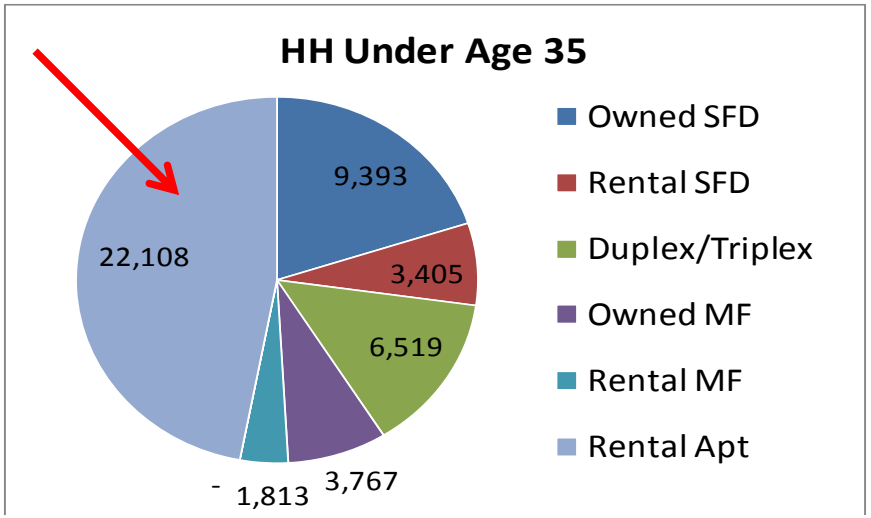
Profile: Minneapolis (2009)

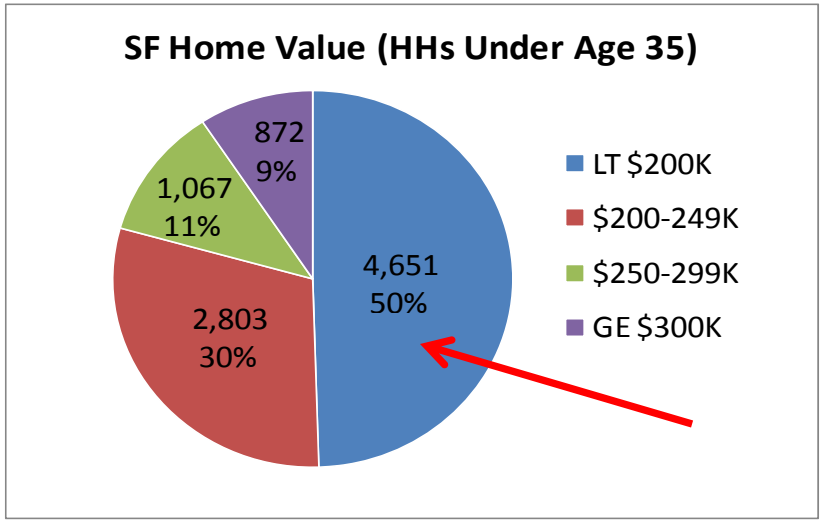
Good Mix of Housing Types and Ownership Options





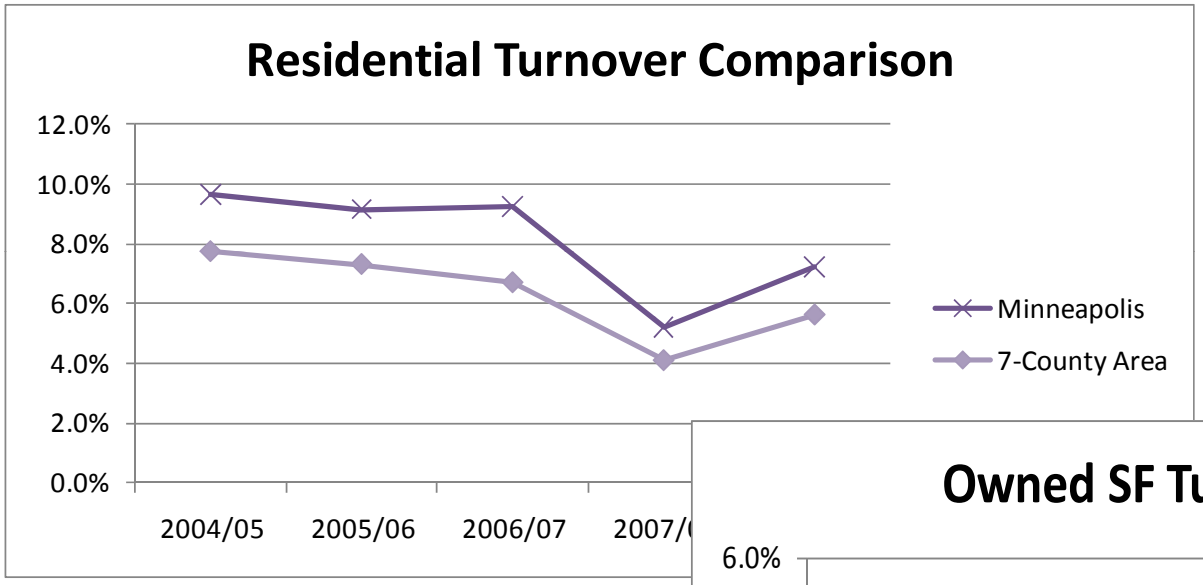
Young HHs Mostly in Rental or lower priced Housing



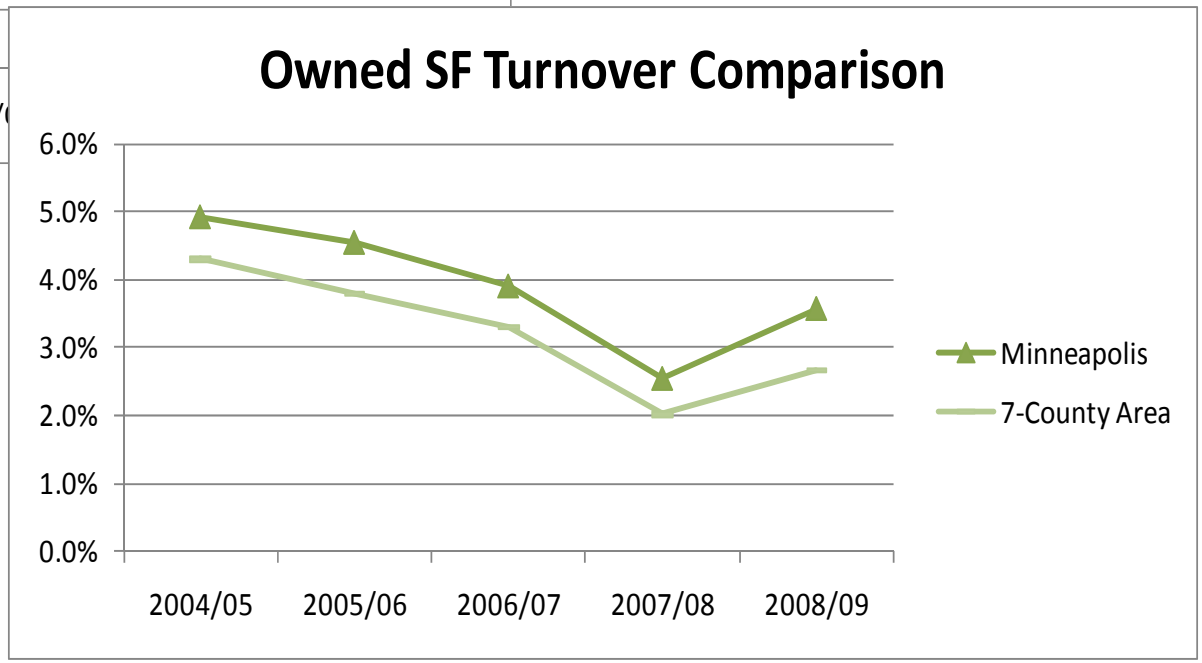


Profile: Minneapolis (2004-09)

Household turnover consistently above the metro area average.



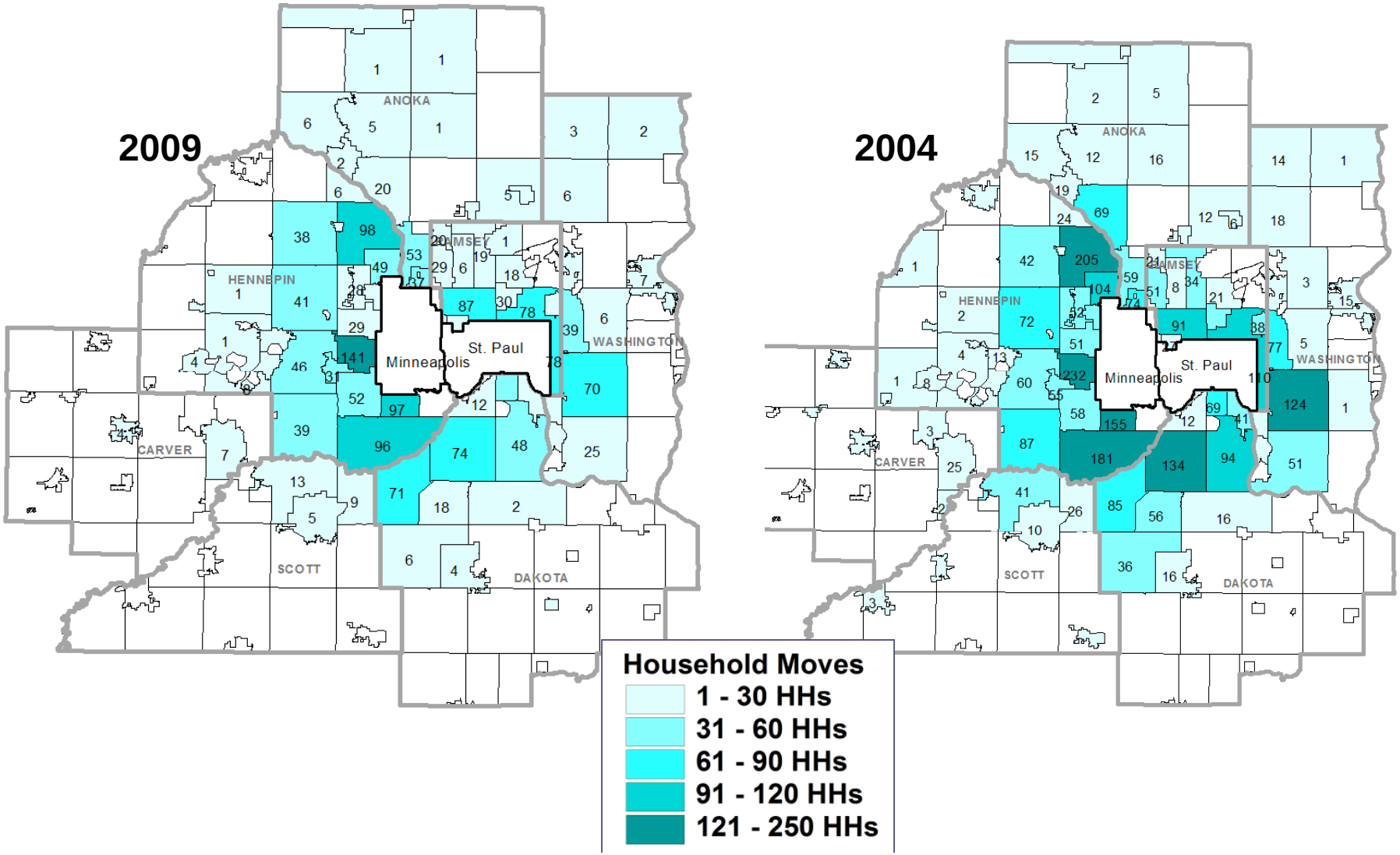
The impact of the recession on turnover in owned single family housing.



Mpls. Avg. Annual Turnover	
Under Age 35	12.1%
Age 35 to 54	7.3%
Age 55 to 74	4.3%
Age 75+	4.7%

Profile: Minneapolis (2004/09)

Export of Younger Households from Minneapolis & St. Paul

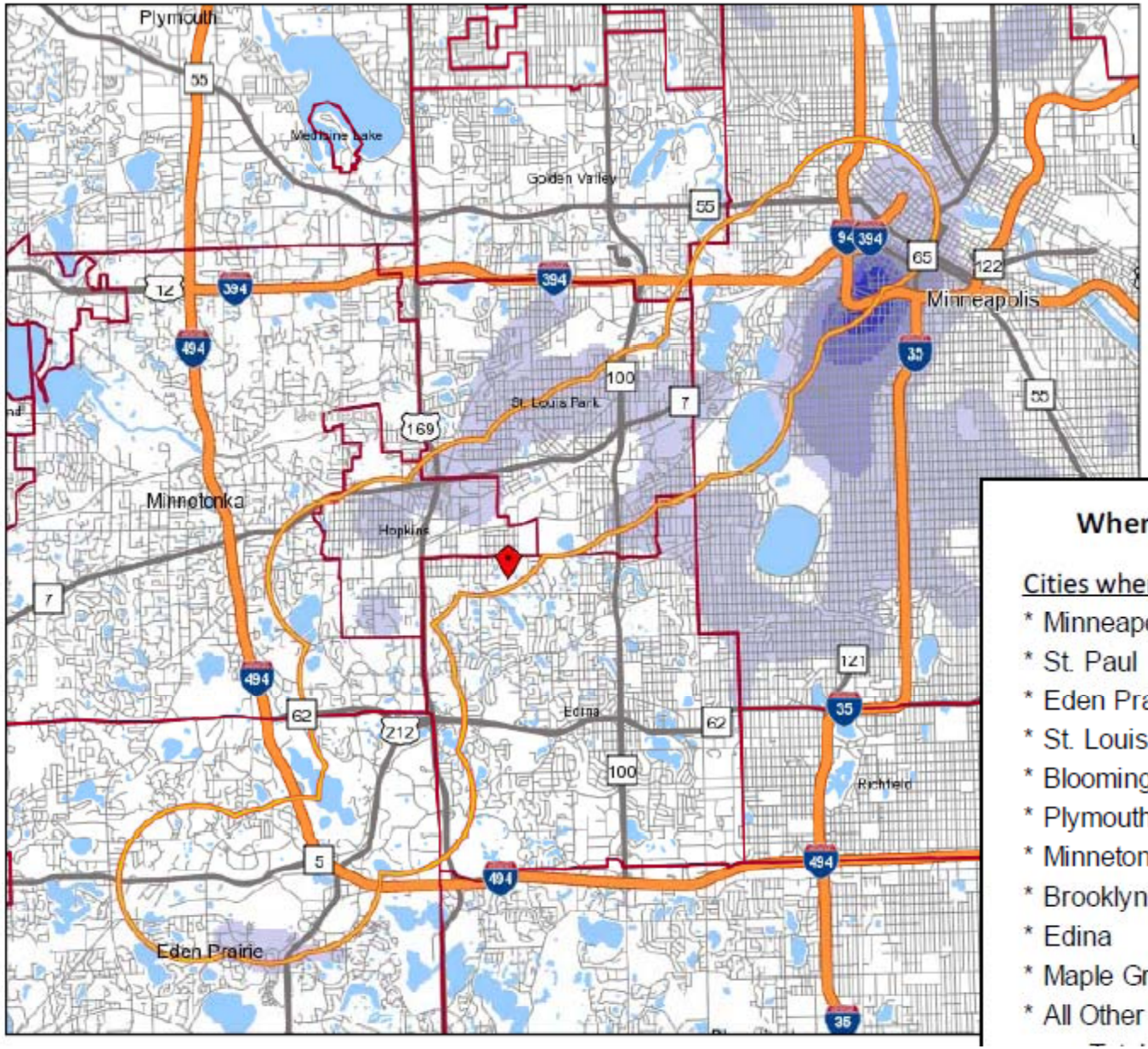


Suburban County Comparison

Housing Mix = Above Average Turnover & Retention

County	Turnover	Retention	Housing Mix Owner/Renter
Anoka	5%	**66%**	**78/22**
Carver	4.4%	57%	83/17
Dakota	**6%**	**66%**	**75/25**
Sub. Hennepin	**6%**	**67%**	**74/26**
Sub. Ramsey	5.7%	52%	**75/25**
Scott	4.8%	60%	83/17
Washington	4.7%	63%	82/18

SW LRT Corridor Project:



Corridor Labor Shed Where Employers Draw Their Workers

Where Workers Come From

Cities where workers originate		Pct.
* Minneapolis	43,143	18%
* St. Paul	12,612	5%
* Eden Prairie	9,839	4%
* St. Louis Park	8,498	4%
* Bloomington	7,736	3%
* Plymouth	7,282	3%
* Minnetonka	6,858	3%
* Brooklyn Park	6,361	3%
* Edina	5,488	2%
* Maple Grove	5,212	2%
* All Other	126,387	53%

Some thoughts on the future …

1. Continue to support a full range of housing choices.

2. Profile the importance of Universal Design, Energy and Environmental Conservation – downsizing, reaching the young, singles and old

3. Identify best practices related to existing resources in scattered site maintenance and aging in place.

4. Evaluate best practices and demonstrate the benefits of allowing accessory dwelling units.

5. Seek partnerships with housing providers, cities and agencies.

Excensus Online Demo

Web-based Demographic Profiling Tool

Excensus Online Demo

- **Subscription service** offering up-to-date access to local demographic tracking data.
- ULI MN County HRA/CDA tracking projects and funding partners: ***ULI MN 2010 Opportunity Cities, Family Housing Fund, and Metropolitan Council Research***
- Web-mapping application permits quick and accurate demographic profiling of any user defined area - ***neighborhoods, developments, transit corridors, redevelopment areas, etc.***

Contact Information

- Cathy Bennett
  Urban Land Institute Minnesota/Regional Mayors
  cathycbennett@frontiernet.net
  612-670-8147

  http://minnesota.uli.org/

- John Carpenter, Excensus
  (call for Subscription information)
  john@excensus.com
  952-892-6622