

## RESIDENTIAL BUILDING PERMITS ISSUED IN THE TWIN CITIES AREA DURING 2003

The housing market remained exceptionally strong in 2003, and building permits in the Twin Cities region rose to their highest annual level since the late 1980s. Permits were up 6.2 percent compared to 2002, virtually hitting the 20,000 units mark. Single-family construction posted an 18 percent gain over last year, with 13,727 units. Multifamily activity, at 6,238 units, was off 13 percent. The multifamily share of total new units, though not as high as in 2002, nevertheless represented a higher share than seen since the late 1980s.

In the nation as a whole, single-family construction was slightly less rapid (up 10 percent), while multifamily construction increased by 3 percent. In terms of overall housing units added, the national increase was slightly higher than in the Twin Cities; 8 percent compared to 6 percent. Among the nation's 25 most populous metropolitan areas, the Minneapolis-St. Paul MSA ranked 7<sup>th</sup> in its 2003 housing growth rate (per capita basis). Those that grew faster were all sunbelt areas.

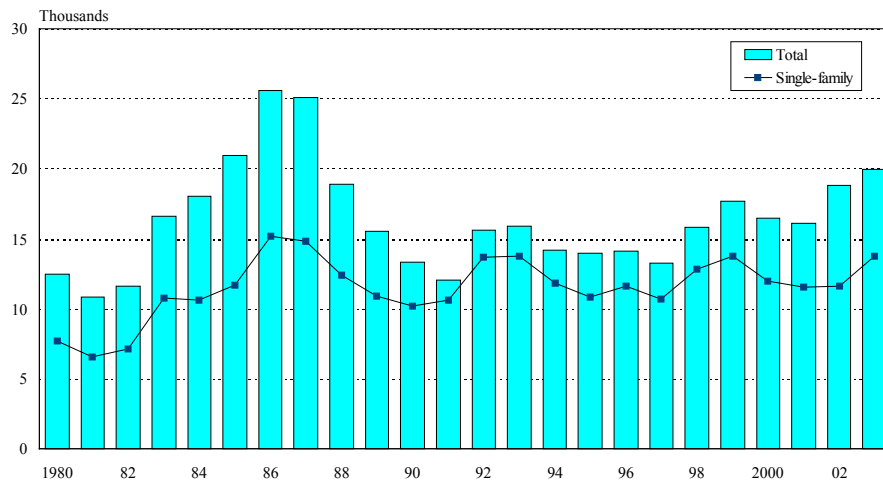
The region's central cities of Minneapolis and St. Paul pulled permits for one out of 10 of the region's units, a slightly lower share than last year but strong in the context of the last couple of decades. Minneapolis reported 1,235 units and St. Paul 774. Other leading cities were a distance from the center of the region: Shakopee (1,087 units), Maple Grove (850), Blaine (813), and Lakeville (780).

Rural area housing construction slipped to below 10 percent of the region's total in 2003. The proportion of development occurring in now-developing suburbs (62 percent) and developed suburbs (18 percent) was consistent with trends of the last several years.

The six other Minneapolis-St. Paul MSA counties adjacent to the seven-county area reported 6,115 new housing authorizations in 2003. Their share of the MSA's housing development, which has consistently grown over recent years, held steady this year at 23 percent.

Single-family costs, as measured by the average building permit valuation, tacked on a relatively mild 3.1 percent per unit (\$190,957) over the year. The average multifamily cost hiked up 12.5 percent, to \$110,067 per unit.

**Twin Cities Metropolitan Area  
Residential Permits, January-December, 1980-2003**



## ABOUT THIS REPORT

This report provides an update of new residential building authorized by cities in the Minneapolis-St. Paul area during 2003. It includes information on the number and location of single-family and multifamily building permits issued, and building permit valuations. The data used in this report was collected by the U.S. Department of Commerce, Bureau of the Census, from local governmental units. Housing permit data for individual cities appear in a table at the end of the report. *Monthly totals shown in the Census Bureau data may not add to the year-to-date figures, since the Census Bureau makes corrections and additions to the data as the year progresses.*

Questions about this information may be directed to Regan Carlson in the Metropolitan Council's Research Office, at (651) 602-1407 or [regan.carlson@metc.state.mn.us](mailto:regan.carlson@metc.state.mn.us).

The Metropolitan Council collects additional housing construction data through an annual survey of cities and townships in the Metropolitan Area, which is compared to the reports from the Commerce Department and used to prepare final data. The annual survey also asks for separate reporting of townhouse units, which is not available from the Commerce Department reports.

The Council also publishes information about nonresidential construction activity. Questions can be directed to Metropolitan Council's Data Center at (651) 602-1140 or see [www.metrocouncil.org](http://www.metrocouncil.org).

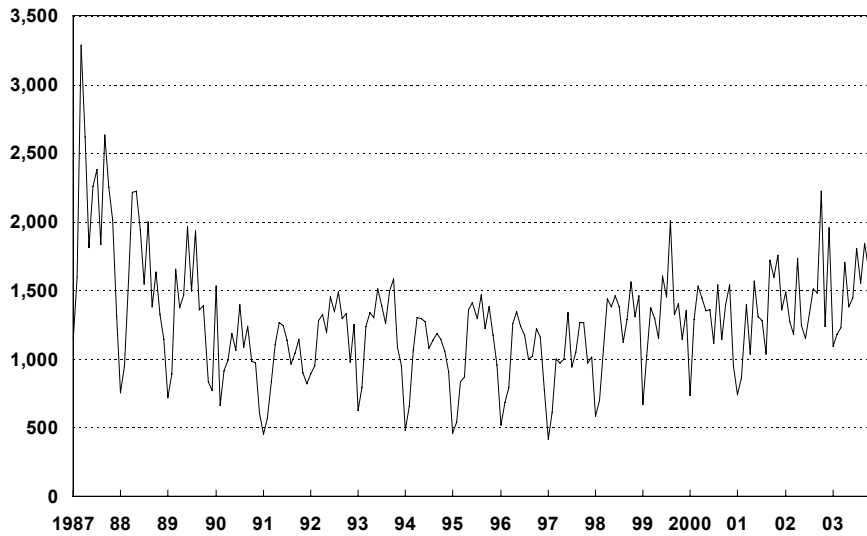
## DEFINITIONS

Residential activity in this report is measured in terms of **residential units** (housing units). A residential unit is defined as a house or apartment unit intended for occupancy as separate living quarters, having either a kitchen or cooking facilities for the exclusive use of the occupant(s) and direct access from the outside or through a common hall. Residential units do not include group quarters such as institutions, dormitories, hotels, and motels. **Townhouse units are included in the single-family category.**

The Twin Cities **Metropolitan Area**, or Region, includes seven counties under the jurisdiction of the Metropolitan Council: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties. The Minneapolis-St. Paul **Metropolitan Statistical Area (MSA)** includes the seven metropolitan area counties, plus the adjacent counties of Chisago, Isanti, Sherburne, and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin. Metropolitan statistical areas are defined by the federal government for the purpose of standardized data collection and analysis.

**Building cost** refers to the valuation assigned to a building permit at the time the permit is issued. Generally, the building permit valuation is determined by the local governmental official on the basis of average square footage costs for various types of construction, according to Minnesota Administration Department guidelines. Consideration is also given to other factors. It is intended to measure the cost of construction, and in the majority of cases is lower than actual sales price. For instance, **the cost of the lot is typically not included.**

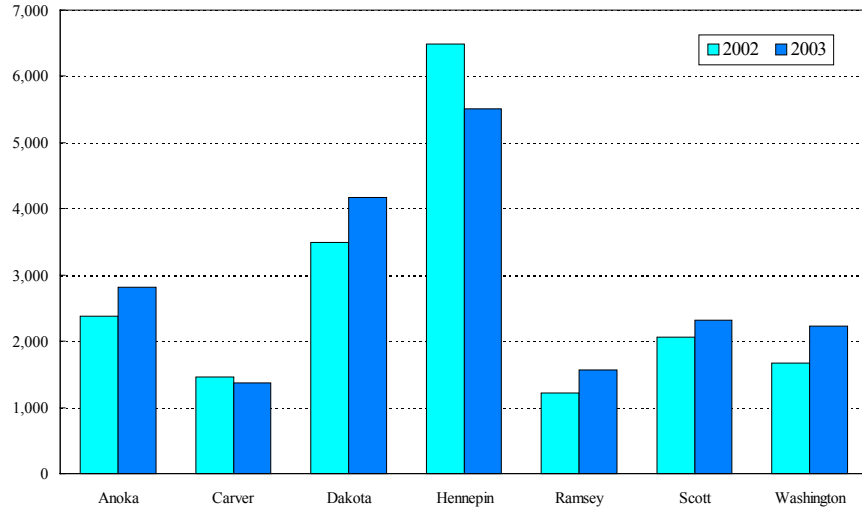
**Twin Cities Metropolitan Area  
Residential Building Permits, January 1987-December 2003**



<b>RESIDENTIAL BUILDING PERMITS FOURTH QUARTER 2003</b>						
	<b>OCTOBER</b>		<b>NOVEMBER</b>		<b>DECEMBER</b>	
<b>COUNTY</b>	<b>SINGLE FAMILY</b>	<b>MULTI- FAMILY</b>	<b>SINGLE FAMILY</b>	<b>MULTI- FAMILY</b>	<b>SINGLE FAMILY</b>	<b>MULTI- FAMILY</b>
Anoka	262	4	236	0	186	0
Carver	60	22	73	14	48	167
Dakota	284	96	159	193	239	288
Hennepin	294	120	205	107	255	417
Ramsey	30	5	30	98	43	150
Scott	126	36	169	34	99	187
Washington	246	78	205	14	154	36
<b>REGION</b>	<b>1,302</b>	<b>361</b>	<b>1,077</b>	<b>460</b>	<b>1,024</b>	<b>1,245</b>
Chisago	19	62	28	0	32	0
Isanti	65	0	25	0	23	0
Pierce (Wisc.)	53	6	17	0	14	0
St. Croix (Wisc.)	121	35	86	40	59	4
Sherburne	188	0	87	0	117	0
Wright	158	8	133	24	106	23
<b>MSA</b>	<b>1,906</b>	<b>472</b>	<b>1,453</b>	<b>524</b>	<b>1,375</b>	<b>1,272</b>

(Monthly figures may not add exactly to the year-to-date total, since corrections are made to the data as the year progresses).

Twin Cities Metropolitan Area  
**RESIDENTIAL BUILDING PERMITS BY COUNTY**  
 JANUARY-DECEMBER, 2002 AND 2003



<b>RESIDENTIAL PERMITS ISSUED, BY COUNTY 2002 AND 2003</b>				
COUNTY	2002	2003	CHANGE	PERCENT CHANGE
Anoka	2,379	2,818	439	18.5%
Carver	1,467	1,370	-97	-6.6%
Dakota	3,494	4,168	674	19.3%
Hennepin	6,488	5,507	-981	-15.1%
Ramsey	1,219	1,567	348	28.5%
Scott	2,069	2,311	242	11.7%
Washington	1,678	2,224	546	32.5%
<b>METROPOLITAN AREA</b>	<b>18,794</b>	<b>19,965</b>	<b>1,171</b>	<b>6.2%</b>

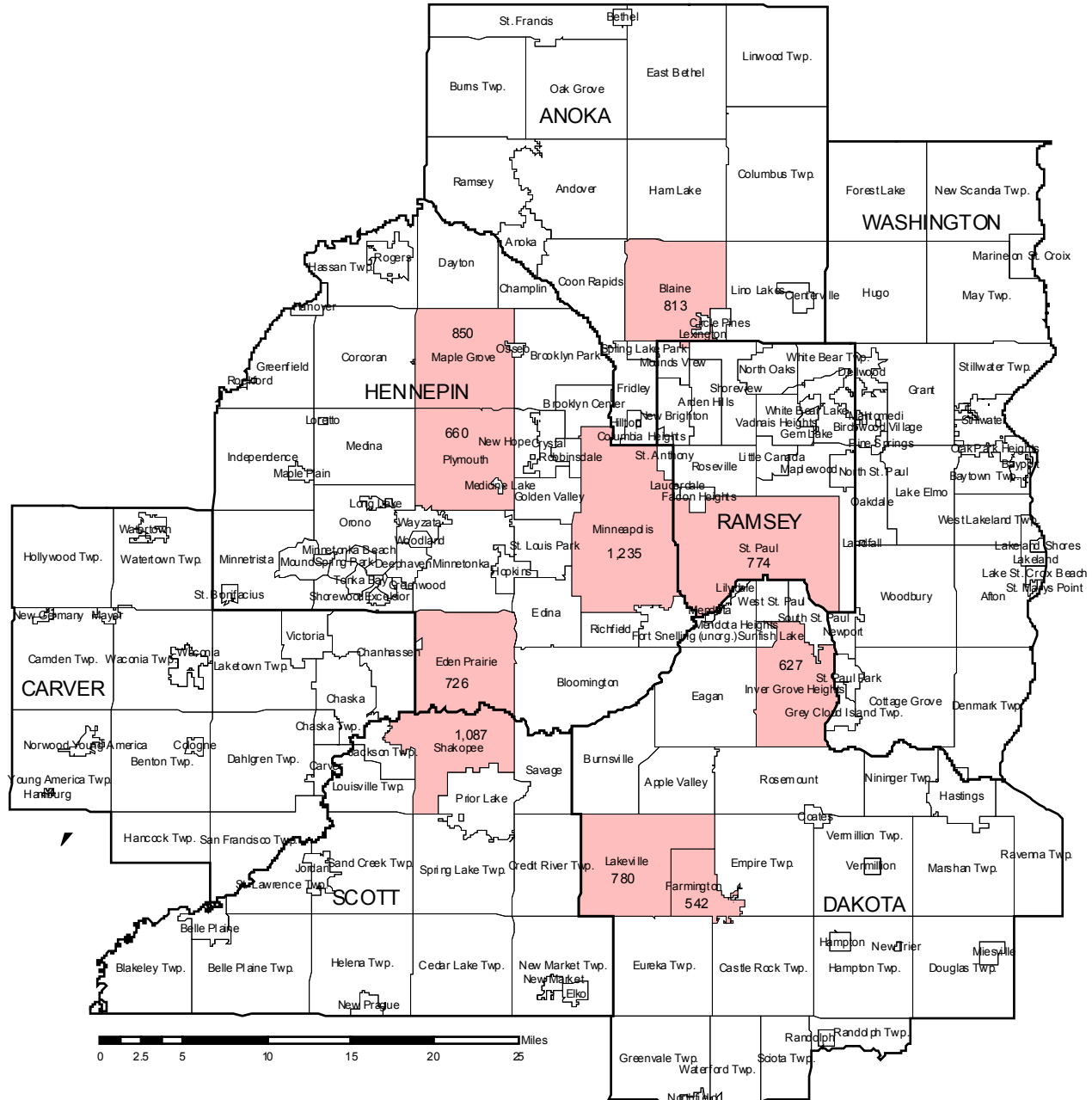
**DISTRIBUTION OF BUILDING PERMITS BY COUNTY  
2002 AND 2003**

COUNTY	SINGLE-FAMILY		MULTIFAMILY		TOTAL UNITS	
	2002	2003	2002	2003	2002	2003
Anoka	19.3	20.0	1.9	1.1	12.7	14.1
Carver	9.5	6.4	5.1	8.0	7.8	6.9
Dakota	18.8	19.7	18.2	23.5	18.6	20.9
Hennepin	22.9	22.3	53.3	39.2	34.5	27.6
Ramsey	3.7	3.1	11.1	18.4	6.5	7.8
Scott	14.8	13.8	4.8	6.7	11.0	11.6
Washington	11.0	14.7	5.5	3.2	8.9	11.1
REGION	100%	100%	100%	100%	100%	100%

**TOP 20 CITIES ISSUING NEW RESIDENTIAL BUILDING PERMITS  
DURING 2003**

Single Family Leaders	# Units	Multifamily Leaders	# Units	Leading in Total Units	# Units
Shakopee	906	Minneapolis	914	Minneapolis	1235
Blaine	807	St. Paul	621	Shakopee	1087
Lakeville	687	Maple Grove	430	Maple Grove	850
Farmington	542	Inver Grove Heights	429	Blaine	813
Eden Prairie	506	Chanhassen	307	Lakeville	780
Forest Lake	502	Plymouth	304	St. Paul	774
Woodbury	455	Apple Valley	296	Eden Prairie	726
Brooklyn Park	449	Richfield	238	Plymouth	660
Maple Grove	420	Eden Prairie	220	Inver Grove Heights	627
Ramsey	380	Eagan	207	Farmington	542
Plymouth	356	New Prague	187	Apple Valley	527
Rosemount	335	Chaska	184	Forest Lake	502
Coon Rapids	332	Shakopee	181	Woodbury	491
Minneapolis	321	Roseville	170	Brooklyn Park	473
Chaska	283	Burnsville	136	Chaska	467
Cottage Grove	283	Hastings	129	Rosemount	440
Prior Lake	265	Rosemount	105	Chanhassen	396
Hastings	257	Maplewood	104	Eagan	391
Stillwater	238	Bloomington	96	Hastings	386
Apple Valley	231	Lakeville	93	Ramsey	380
TOP 10 SUBTOTAL:	5,654		3,966		8,094
PCT. OF REGION	41.2%		63.6%		40.5%
TOP 20 SUBTOTAL:	8,555		5,351		12,547
PCT. OF REGION	62.3%		85.5%		62.8%

# Twin Cities Metropolitan Area Top 10 Cities Issuing New Residential Permits January-December 2003

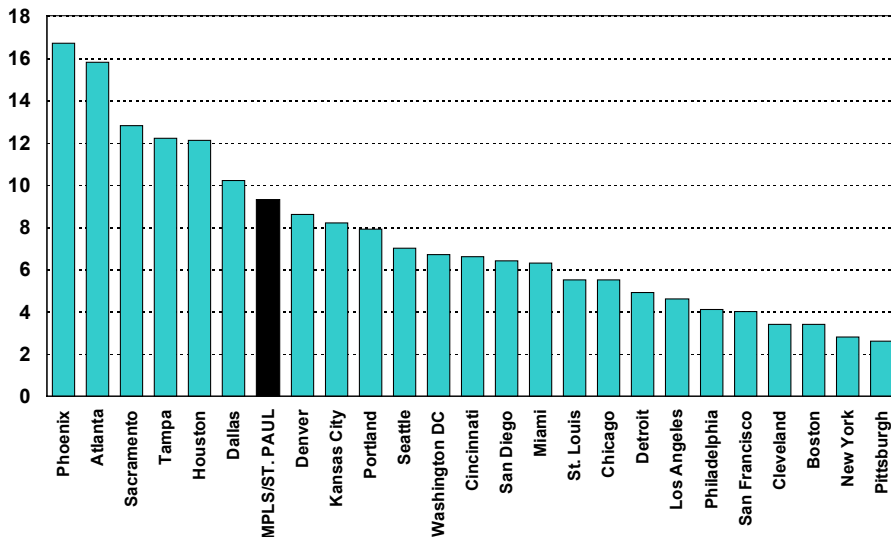


MULTI-UNIT PERMITS BY TYPE, 2003	Total Units	Duplex Units	Buildings with 3-4 units:		Buildings with 5+ units:	
			Bldgs.	Units	Bldgs.	Units
Minneapolis	914	36	10	31	38	847
St. Paul	621	34	4	14	14	573
Maple Grove	430	0	18	72	31	358
Inver Grove Heights	429	2	18	72	19	355
Chanhassen	307	0	0	0	12	307
Plymouth	304	0	10	40	7	264
Apple Valley	296	0	2	6	13	290
Richfield	238	0	0	0	4	238
Eden Prairie	220	2	0	0	4	218
Eagan	207	0	13	52	6	155
New Prague	187	26	6	22	15	139
Chaska	184	0	10	40	17	144
Shakopee	181	0	0	0	2	181
Roseville	170	0	1	4	3	166
Burnsville	136	0	0	0	1	136
Hastings	129	14	7	27	10	88
Rosemount	105	0	8	32	3	73
Maplewood	104	0	1	4	3	100
Bloomington	96	0	0	0	1	96
Lakeville	93	4	7	27	7	62
Medina	91	0	1	4	1	87
Little Canada	79	0	0	0	1	79
Oak Park Heights	78	0	0	0	3	78
White Bear Lake	65	2	1	3	1	60
Mendota Heights	64	4	0	0	1	60
Oakdale	56	36	2	8	2	12
Falcon Heights	56	0	0	0	1	56
Edina	51	0	0	0	1	51
Savage	38	0	0	0	3	38
Woodbury	36	0	6	24	2	12
White Bear township	34	34	0	0	0	0
Osseo	32	0	0	0	2	32
Andover	30	0	0	0	1	30
Brooklyn Park	24	0	0	0	3	24
Hugo	22	2	1	4	2	16
Mound	20	0	0	0	1	20
Excelsior	18	0	0	0	2	18
Ham Lake	18	18	0	0	0	0
Vadnais Heights	16	8	0	0	1	8
Minnetonka	8	4	1	4	0	0
Fridley	8	0	0	0	1	8
Lake Elmo	6	6	0	0	0	0
Jordan	6	0	0	0	1	6
Watertown	6	0	2	6	0	0
Blaine	6	0	0	0	1	6
Belle Plaine	6	6	0	0	0	0
Lilydale	5	0	0	0	1	5
Columbia Hts 4, Newport 2, Champlin 2	8	8	0	0	0	0
<b>7-COUNTY AREA TOTAL</b>	<b>6,238</b>	<b>246</b>	<b>129</b>	<b>496</b>	<b>242</b>	<b>5,496</b>

PERMITS ISSUED IN MSA COUNTIES ADJACENT TO THE TWIN CITIES AREA							
COUNTY	1997	1998	1999	2000	2001	2002	2003
Chisago	425	574	692	659	687	610	628
Isanti	173	319	294	283	807	537	435
Pierce (Wisc.)	283	292	317	303	372	446	374
St. Croix (Wisc.)	709	642	686	854	1,014	1,308	1,418
Sherburne	835	1,091	1,152	1,282	1,125	1,109	1,484
Wright	801	1,134	1,353	1,526	1,697	1,959	1,776
<b>6-COUNTY TOTAL:</b>	3,226	4,275	4,494	4,907	5,702	5,969	6,115
<b>PERCENT OF THE 13-COUNTY MSA:</b>	19.2%	20.9%	19.2%	21.6%	23.9%	23.1%	23.4%

(1992-2002 percentages are based on final data for the Twin Cities seven county area, from Metropolitan Council annual survey of communities, and revised/final annual data for the adjacent six counties from U.S. Commerce Department. Data for 2003 are from U.S. Commerce Department, not final).

**25 Largest Metropolitan Areas Ranked by  
2003 December Year-to-Date Residential Building Permits  
Per 1,000 Population**



<b>RESIDENTIAL BUILDING PERMITS 2003</b>				
	<b>SINGLE FAMILY</b>		<b>MULTIFAMILY</b>	
<b>COUNTY</b>	<b>Number of Units</b>	<b>Total Permit Valuation</b>	<b>Number of Units</b>	<b>Total Permit Valuation</b>
Anoka	2,752	\$435,958,016	66	\$6,540,472
Carver	873	187,251,356	497	47,712,972
Dakota	2,704	501,833,736	1,464	151,174,752
Hennepin	3,059	694,239,906	2,448	309,927,711
Ramsey	422	81,328,521	1,145	109,881,116
Scott	1,893	322,007,177	418	36,542,904
Washington	2,024	398,647,719	200	24,817,447
<b>METROPOLITAN AREA</b>	<b>13,727</b>	<b>\$2,621,266,431</b>	<b>6,238</b>	<b>\$686,597,374</b>
Chisago	563	\$83,825,661	65	\$3,798,314
Isanti	435	54,451,842	0	0
Pierce (Wisc.)	358	56,347,101	16	1,805,156
St. Croix (Wisc.)	1,087	179,276,474	331	25,325,195
Sherburne	1,414	210,108,269	70	5,500,000
Wright	1,681	279,180,721	95	11,026,099
<b>MSA</b>	<b>19,265</b>	<b>\$3,484,456,499</b>	<b>6,815</b>	<b>\$734,052,138</b>

<b>RESIDENTIAL BUILDING PERMITS 2002</b>				
	<b>SINGLE FAMILY</b>		<b>MULTIFAMILY</b>	
<b>COUNTY</b>	<b>Number of Units</b>	<b>Total Permit Valuation</b>	<b>Number of Units</b>	<b>Total Permit Valuation</b>
Anoka	2,239	\$342,262,298	140	\$13,076,992
Carver	1,097	194,356,065	370	33,228,111
Dakota	2,185	375,575,936	1,309	127,829,091
Hennepin	2,660	586,024,123	3,828	393,226,055
Ramsey	424	82,867,240	795	70,898,769
Scott	1,722	315,197,785	347	28,555,752
Washington	1,281	253,251,631	397	36,233,580
<b>METROPOLITAN AREA</b>	<b>11,608</b>	<b>\$2,149,535,078</b>	<b>7,186</b>	<b>\$703,048,350</b>
Chisago	593	\$78,215,156	4	\$384,560
Isanti	495	54,244,449	8	901,000
Pierce (Wisc.)	349	54,183,679	97	5,957,600
St. Croix (Wisc.)	924	133,830,002	132	11,951,500
Sherburne	1,071	147,966,690	34	2,430,000
Wright	1,579	244,973,505	104	9,112,894
<b>MSA</b>	<b>16,619</b>	<b>\$2,862,948,559</b>	<b>7,565</b>	<b>\$733,785,904</b>