

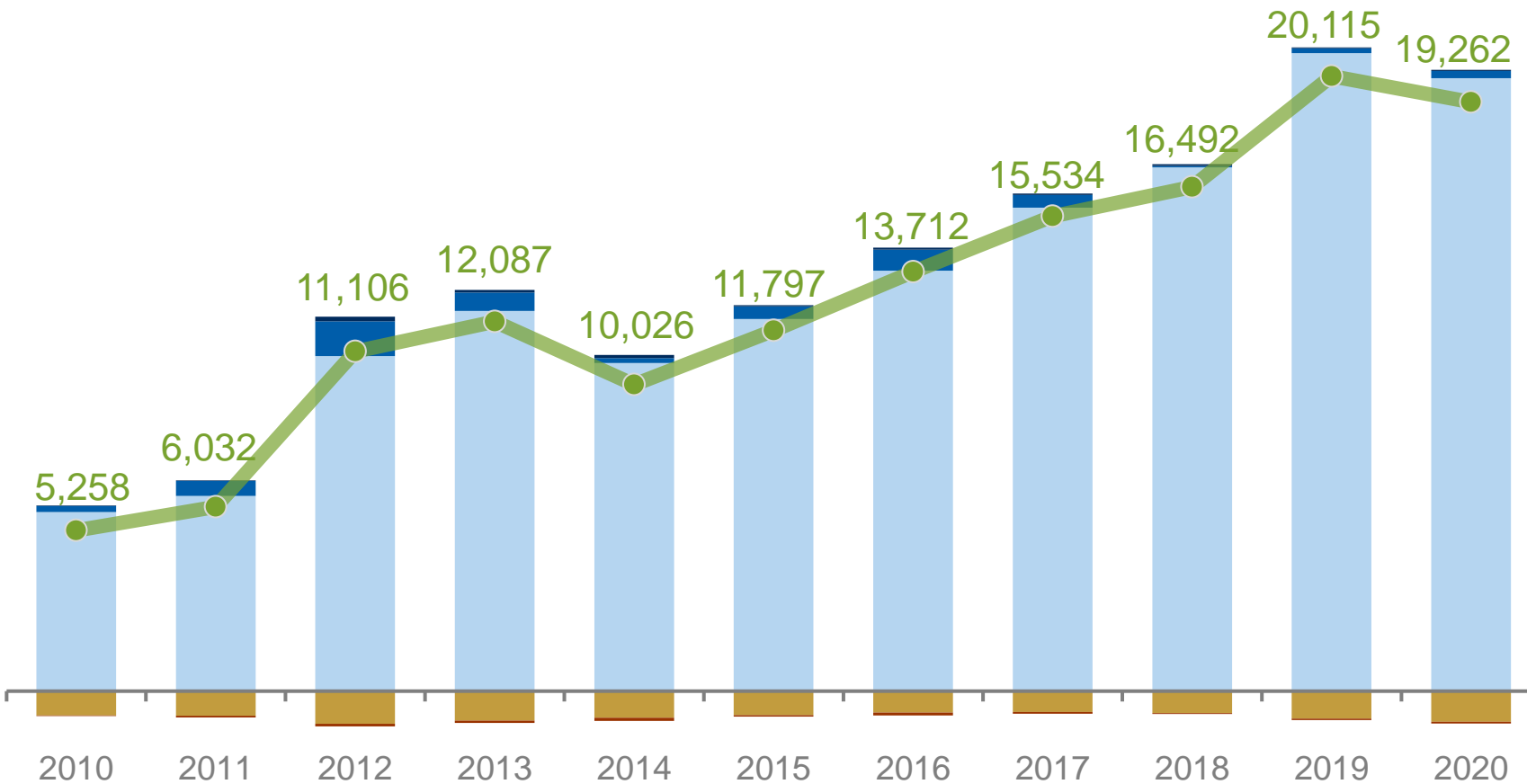
Residential Development Trends

Findings from the 2020 Building Permit Survey

Today's presentation

- 2020 Building Permit Survey findings
 - Number, locations, and types of newly permitted housing
 - Context: How events of 2020 effected housing production
- What early 2021 data says about enduring impacts

Housing Permit Types



Net change in units

Added units

Other additions

Conversions

New construction

Units removed

Demolition

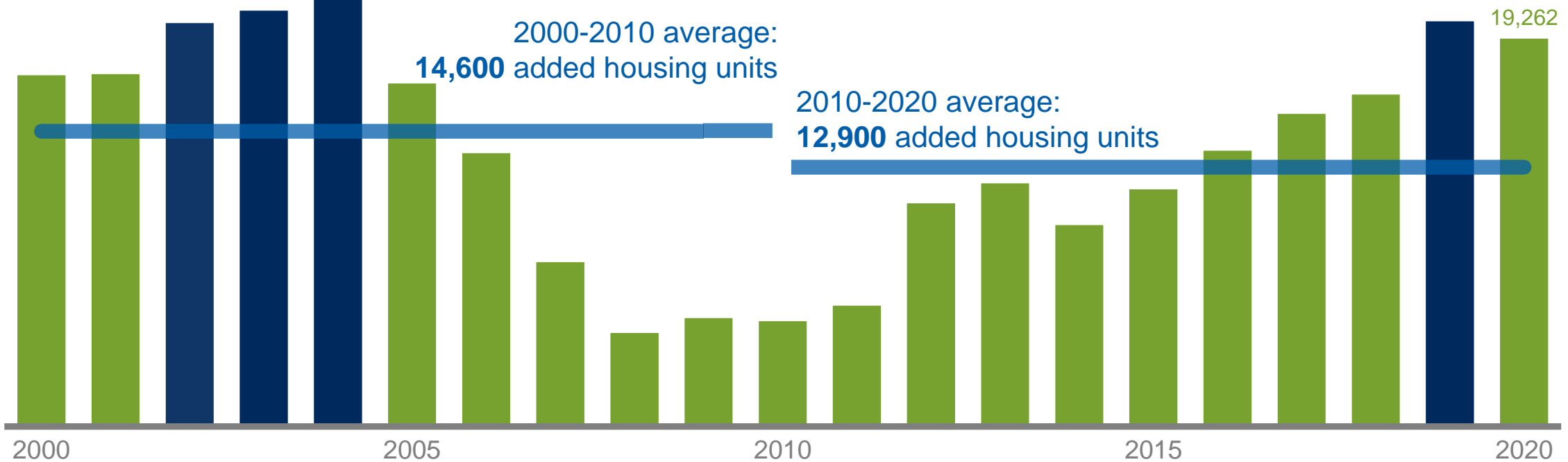
Other losses

Source: Metropolitan Council Building Permit Survey.

“Net change” is the total added units minus the total lost units.

Housing production since 2000

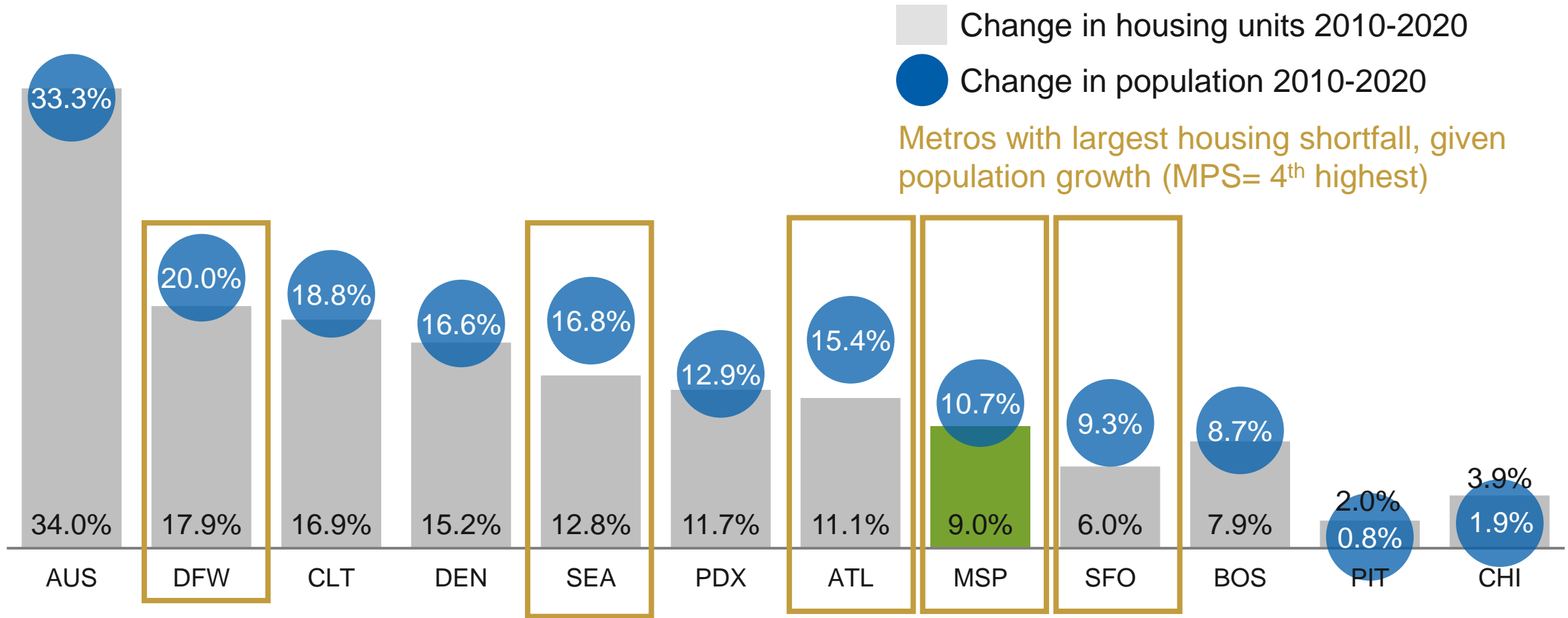
Net Change in Region's New Housing



Source: Metropolitan Council Building Permit Survey.
"Net change" is the total added units minus the total lost units.

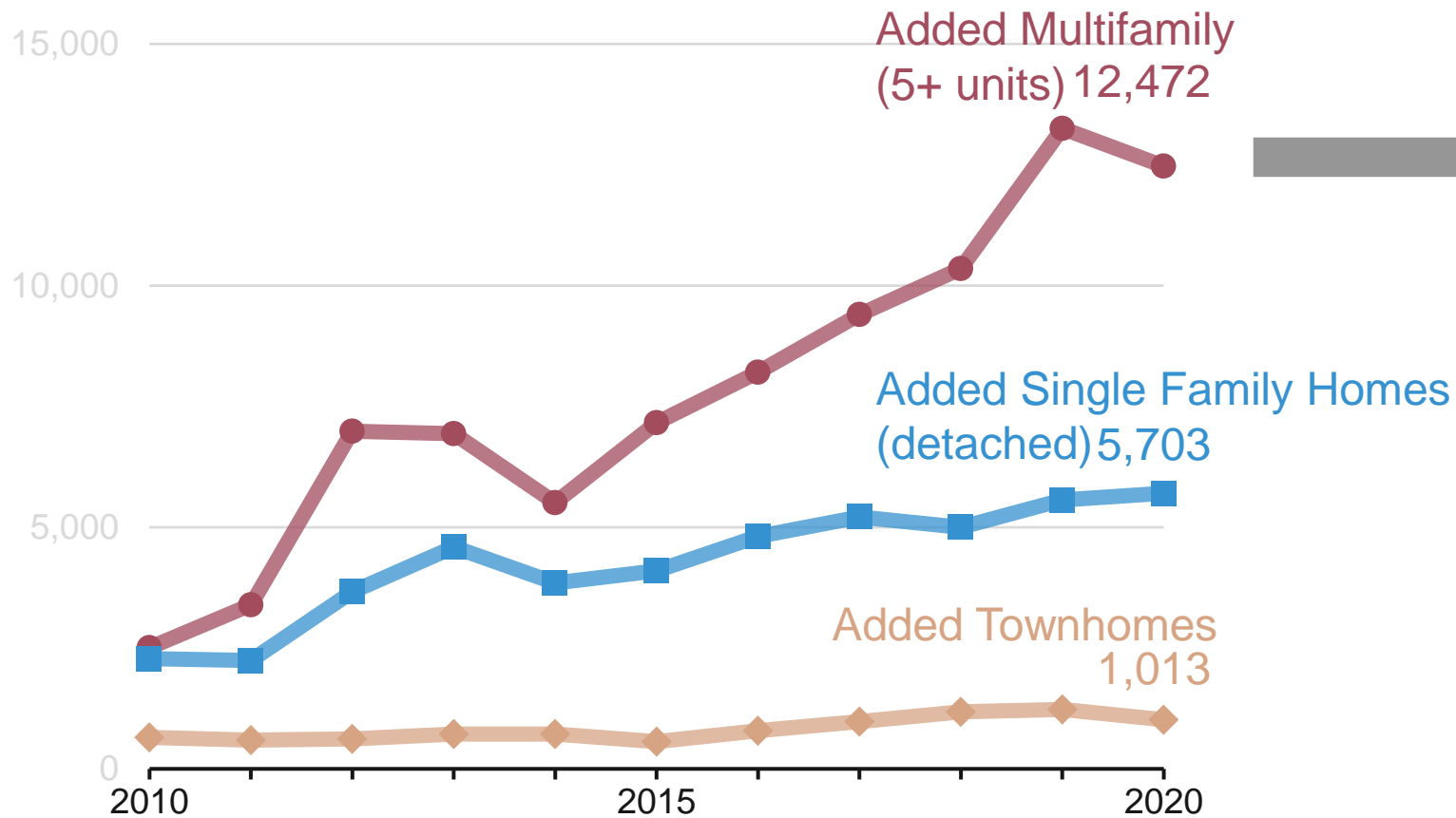
Years with over 20,000 units

Housing Production in context

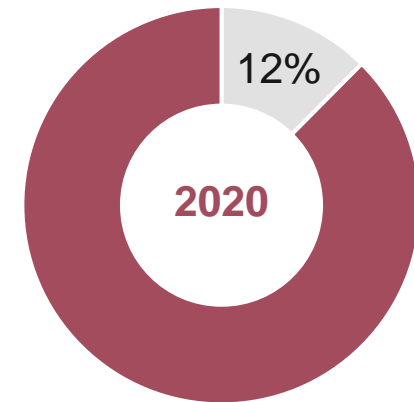


Source: U.S. Census Bureau Population Estimates Program. Population growth rate includes only people in households.

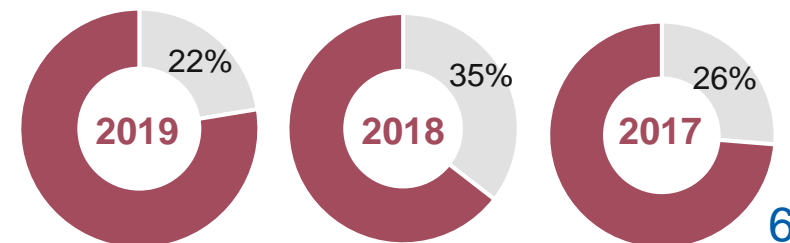
Types of added housing



12% of multifamily units were age-restricted



This is a notable decline from recent years, where age-restricted units (mostly senior housing) was a large share of new multifamily housing.



Source: Metropolitan Council Building Permit Survey.

Top producing jurisdictions

Added housing 2010-2020

Added 29,236 units

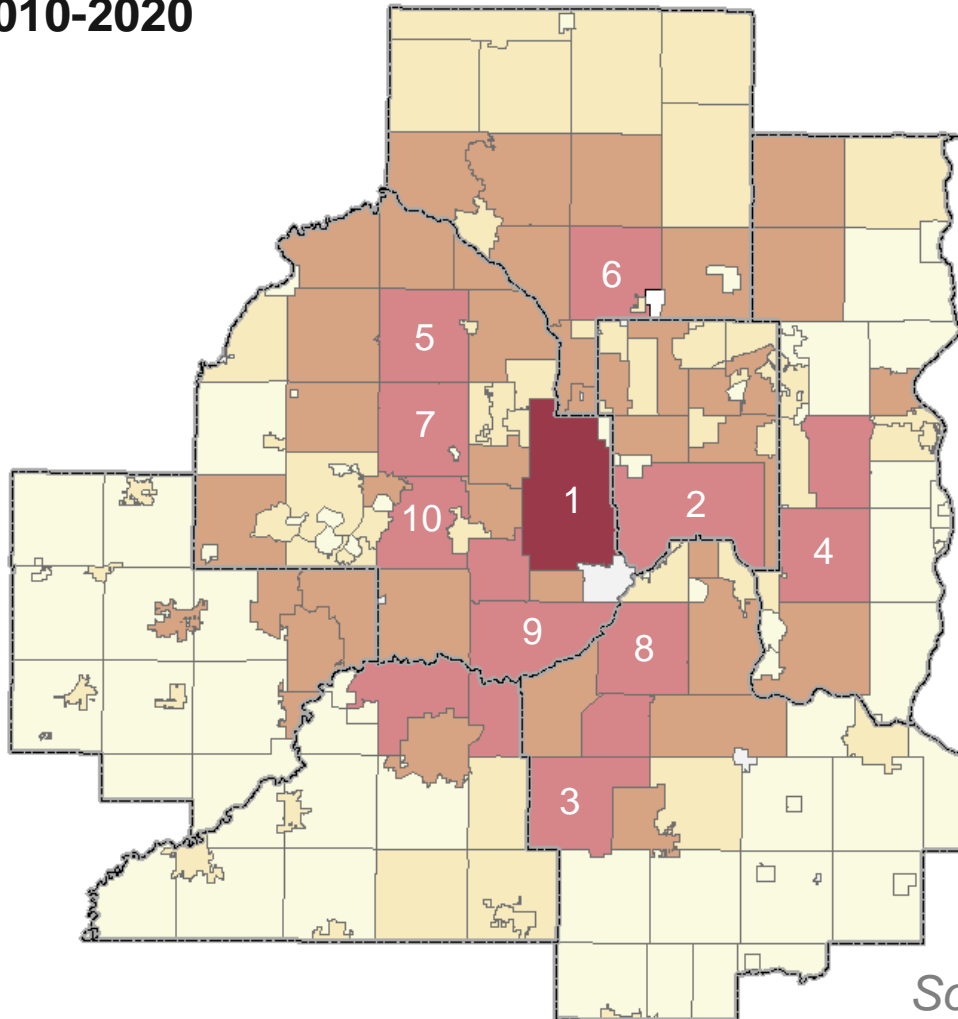
+2,000 to +9,000

+500 to +1,999

+100 to +499

Fewer than 100

No new units or loss



Jurisdictions with largest number of added units, 2010-2020

1	Minneapolis	29,236
2	St. Paul	8,625
3	Lakeville	6,012
4	Woodbury	5,696
5	Maple Grove	4,856
6	Blaine	4,387
7	Plymouth	3,877
8	Eagan	3,002
9	Bloomington	3,001
10	Minnetonka	2,956

Source: Metropolitan Council Building Permit Survey.

2020 Civil Unrest

- Damage not captured in building permit survey unless demolition & newly permitted
- Most property damage was commercial or mixed use
- According to local media report, over 50 residences were affected in St. Paul and Minneapolis



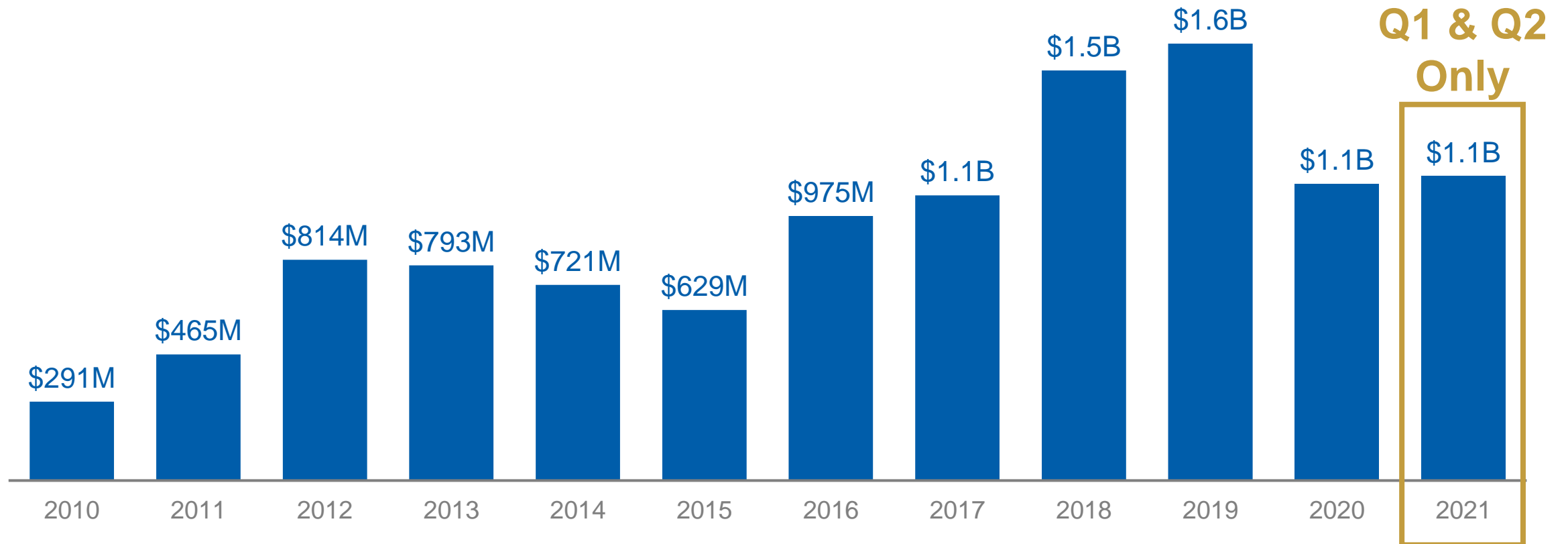
Midtown Corner, a housing project on Lake Street, was damaged in 2020 civil unrest. The 189-unit project has since been rebuilt and renamed Everlake.

COVID-19 impacts on construction

- Building standstill early in 2020; activity increased later in the year
- Sky-rocketing prices for lumber and other construction materials
- Shortage of materials; supply lines were disrupted
- Labor shortages

2021 data signal a full rebound

Multifamily Construction in the Twin Cities Region



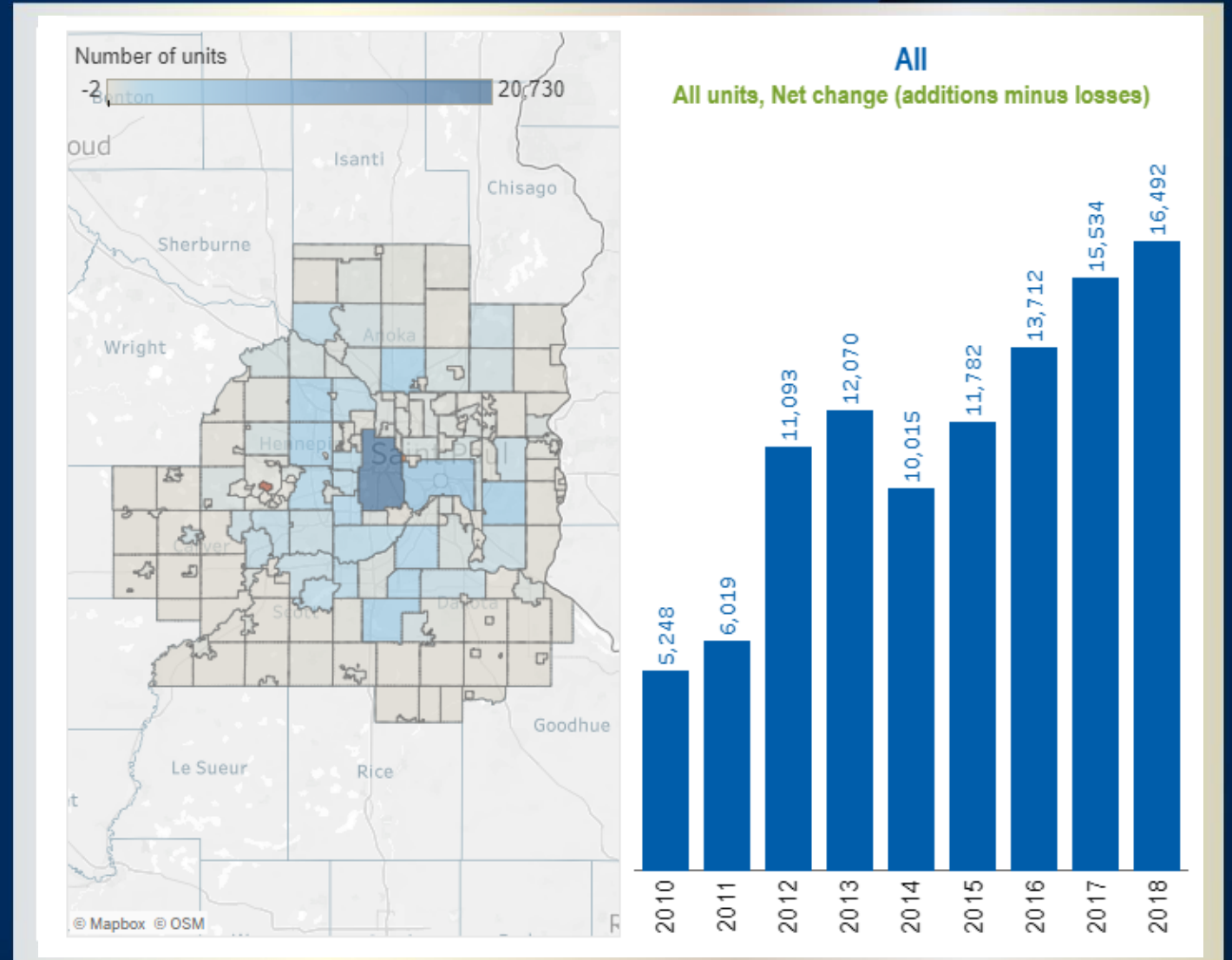
Source: Dodge Reports; 2nd Quarter 2021

Takeaways

- Demand for housing remains strong, fueled by years of production shortfall and steady population growth in the Twin Cities.
- Multifamily remains the predominate housing type, but fewer age-restricted units were added in 2020. New single family homes trending upward, other housing types low and stagnant.
- New housing added across region's jurisdictions since 2010, but volume in Minneapolis sets it apart from other places.
- Despite the COVID-19 pandemic pausing housing construction briefly, number of units added to region's housing stock in 2020 was on par with recent years. Early 2021 data signals strong construction activity is expected.

Where to find this data

- [Metrocouncil.org/research](https://metro council.org/research)
 - Community Profiles
 - Download Data
 - Interactive
- MN Geospatial Commons



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Thank you!