

Community Development Committee

Meeting date: August 4, 2014

Subject: Recent trends in Housing Cost Burden

District(s), Member(s): ALL

Policy/Legal Reference: N/A

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Division/Department: Community Development / Regional Policy and Research

Proposed Action

None. Information only.

Background

Census data show an increase in housing cost burden—that is, households who spend over 30% of their monthly income on housing costs—in the Twin Cities region over the last 30 years. Both renters and homeowners experience housing cost burden, which disproportionately affects low-income households and households of color. Key findings from the analysis show:

1. Since 1980, housing costs have increased faster than incomes for both homeowners and renters. As a result, rates of housing cost burden have increased, particularly between 2000 and the 2008-2012 period.
2. Housing cost burden has been increasing in communities across the Twin Cities region.
3. While cost-burden rates in the 16-county Minneapolis-St. Paul-Bloomington metropolitan statistical area remain low relative to peer regions, housing cost burden has increased more in the Twin Cities than it has in peer regions.

Moreover, results from the Council's annual Affordable Housing Production survey show affordable housing production in the region hit a record low in 2012—only 1,118 affordable units (mostly rental) were added across the region. (Data for 2013 are being collected and will be available in the fall.)

The Council will soon be releasing the analysis included in this presentation as a *MetroStats* report.

Rationale

N/A

Funding

N/A

Known Support / Opposition

N/A