

We have more people (who need housing).

2017 Population Estimates

August 8, 2018

Metropolitan Council



Estimates are not forecasts!

Estimates look back to last year



Forecasts look ahead to 2040



Why we calculate estimates

- Official state government population estimates used to allocate:
 - Local government aid
 - Local street aid
 - Tax-base sharing under the Fiscal Disparities Act
 - Some forms of regional parks funding
- Some local governments have their own uses
- Help Council staff track growth and development

2017 population estimates: Steady growth

- 2017 population: 3,075,563
 - Increase of 225,996 people from 2010
 - 7.9% growth since 2010
- Components of growth
 - Two-thirds “natural growth” (births > deaths)
 - One-third migration

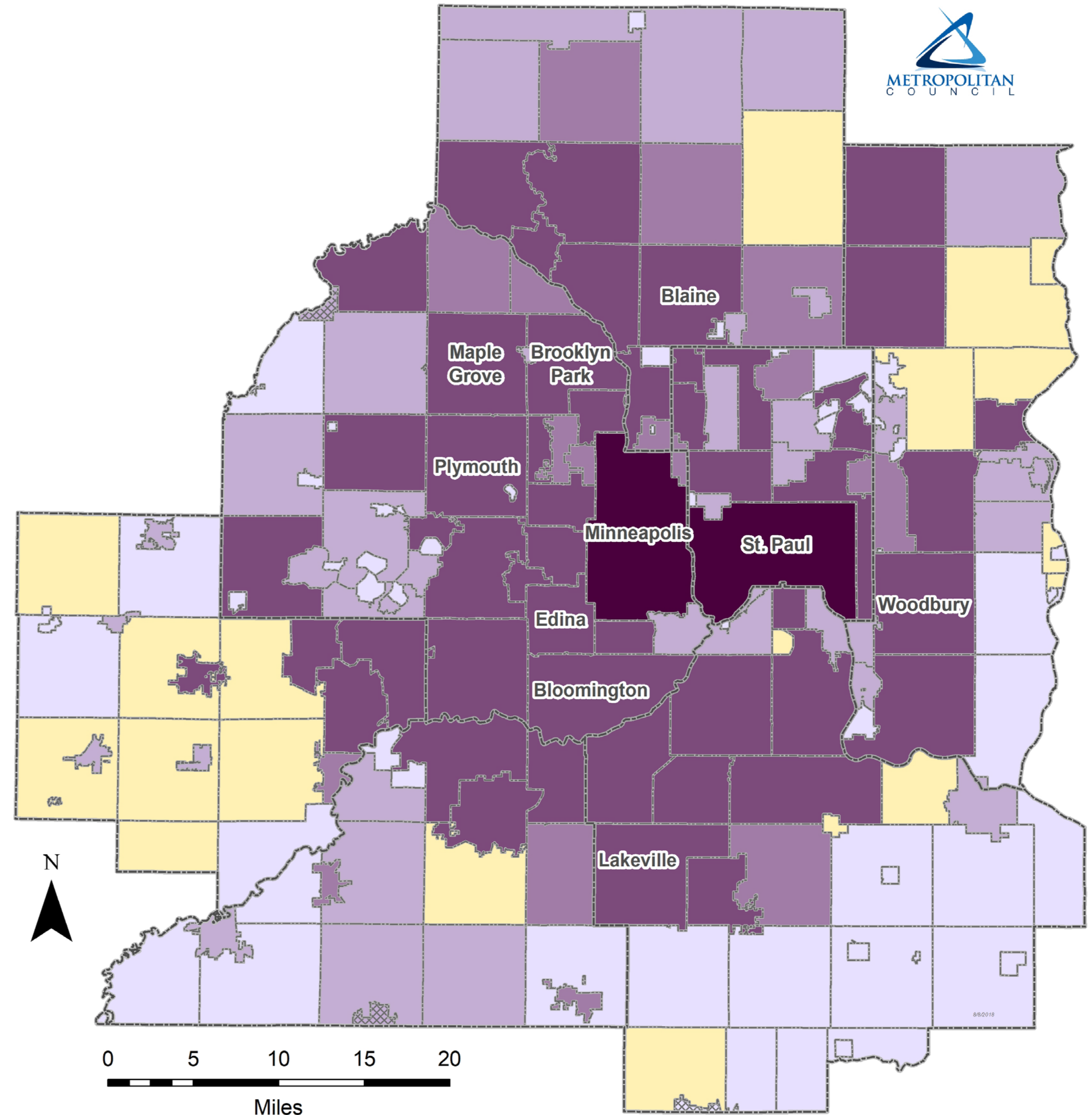
Balanced growth, 2010 to 2017



Increase of 41,412 (Minneapolis) / 24,112 (Saint Paul)
Increase, 1,000 to 8,183
Increase, 500 to 999
Increase, 100 to 499
Increase, 1 to 99
No change or decline

Source: U.S. Census Bureau, 2010 Census; Metropolitan Council, 2017 Population Estimates.

Note: The ten cities with the most growth since 2010 are labeled. Cities outside the Council's jurisdiction are shown with cross-hatches.



Growth rates higher in edge communities

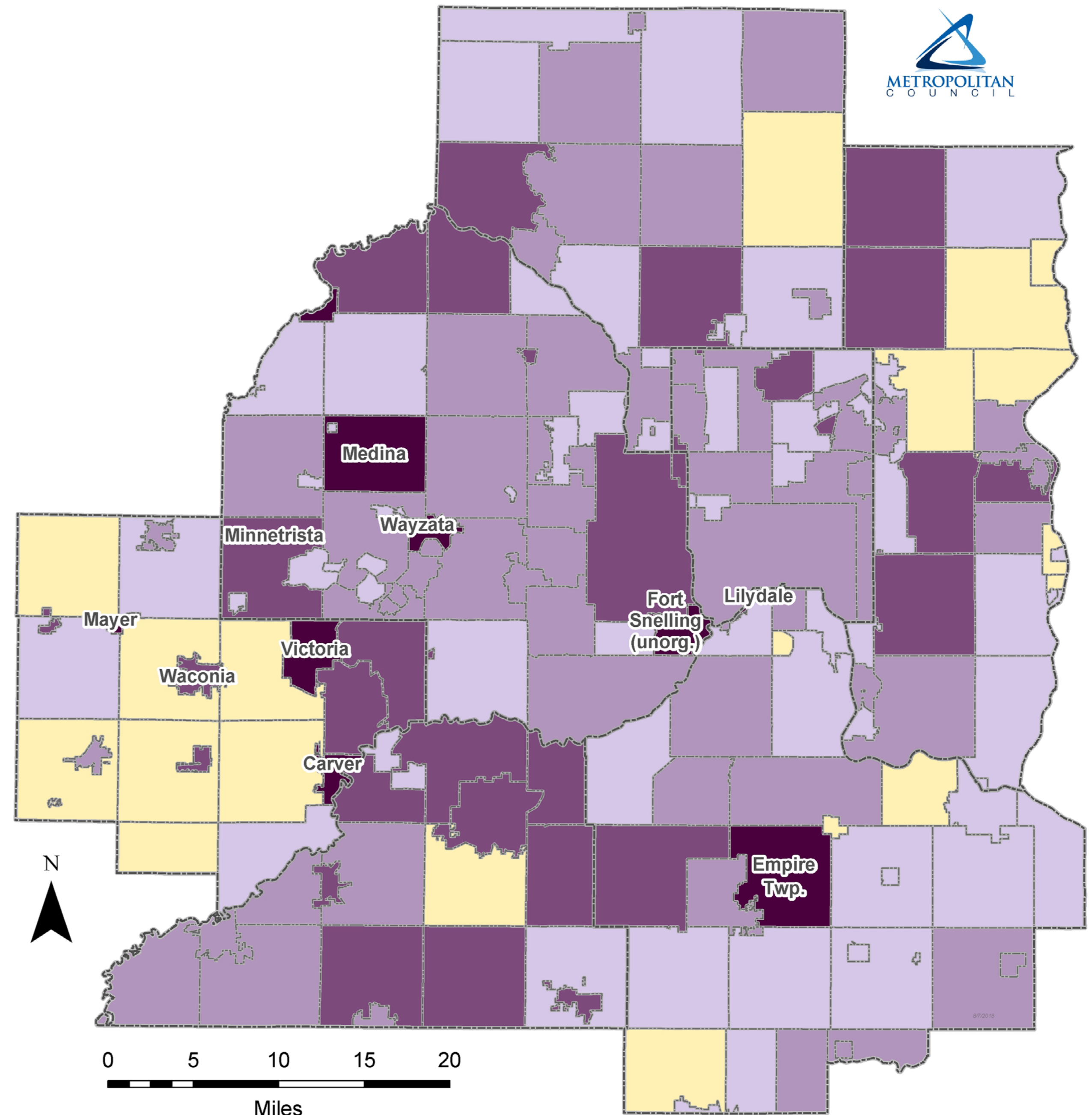
Increase, 20.0% to 81.9%

Increase, 10.0% to 19.9%

Increase, 5.0% to 9.9%

Increase, 0.1% to 4.9%

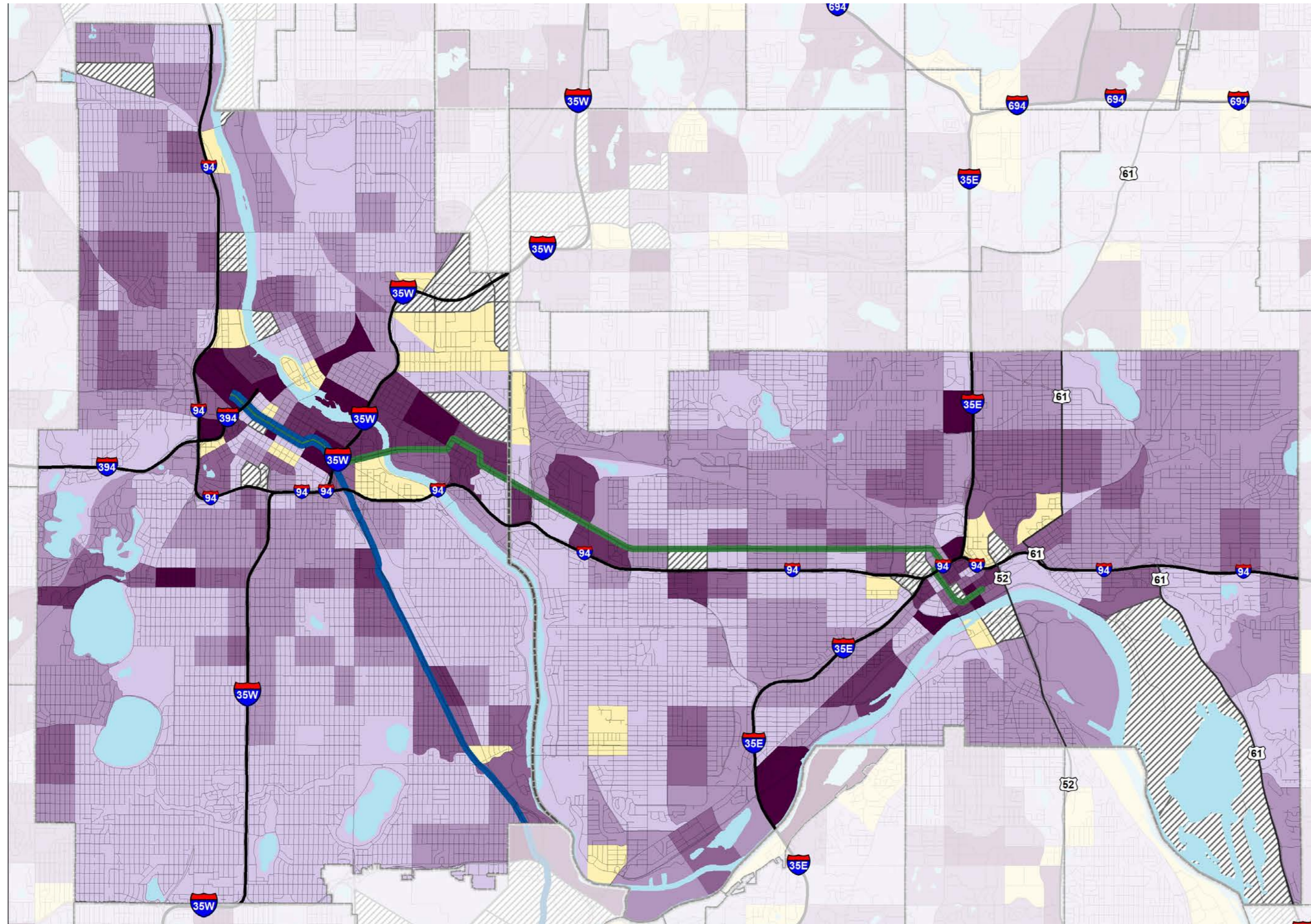
No change or decline



Source: U.S. Census Bureau, 2010 Census; Metropolitan Council, 2017 Population Estimates.

Note: The ten communities with the fastest growth since 2010 are labeled. Cities outside the Council's jurisdiction are shown with cross-hatches.

MPLS & STP: Most areas grew



Increase, 100% or more

Increase, 25.0% to 99.9%

Increase, 10.0% to 24.9%

Increase, 5.0% to 9.9%

Increase, less than 5%

No change or decline

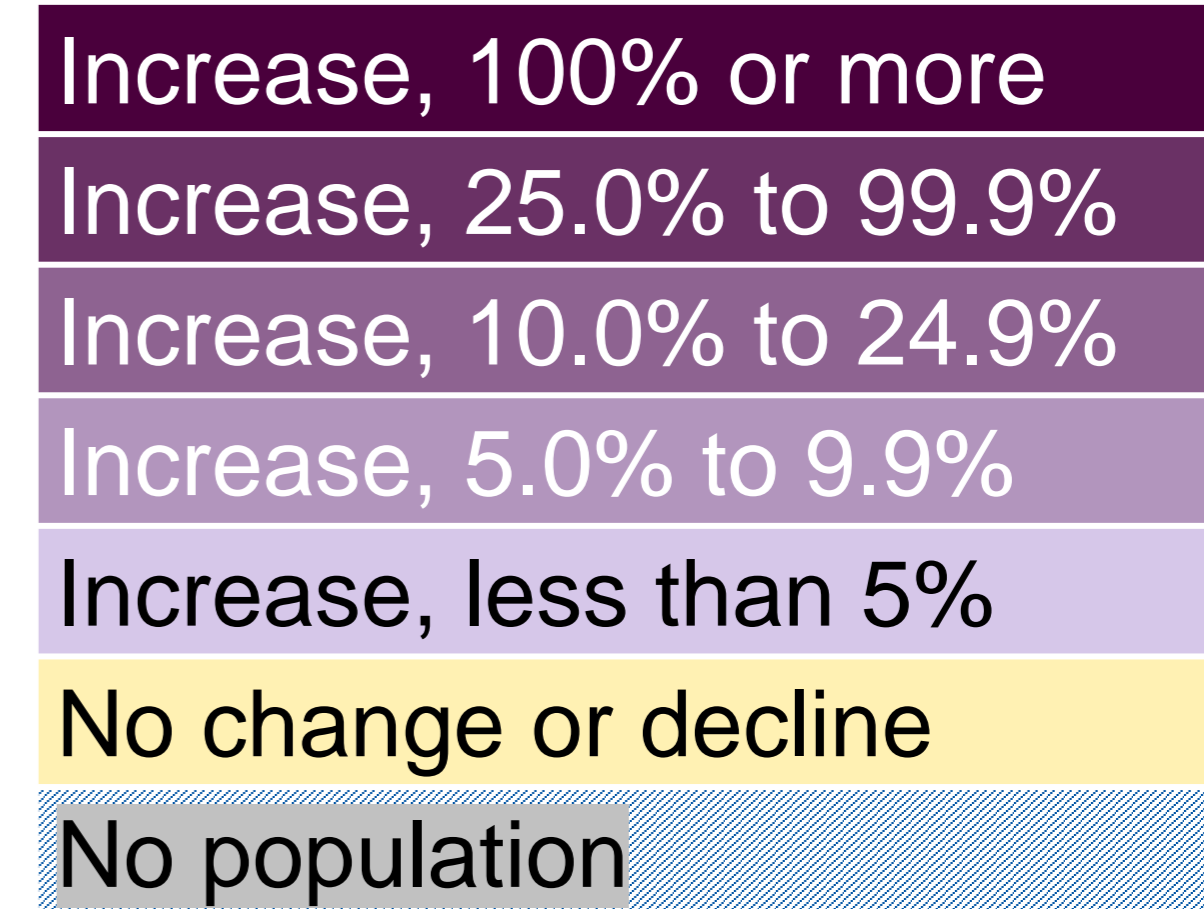
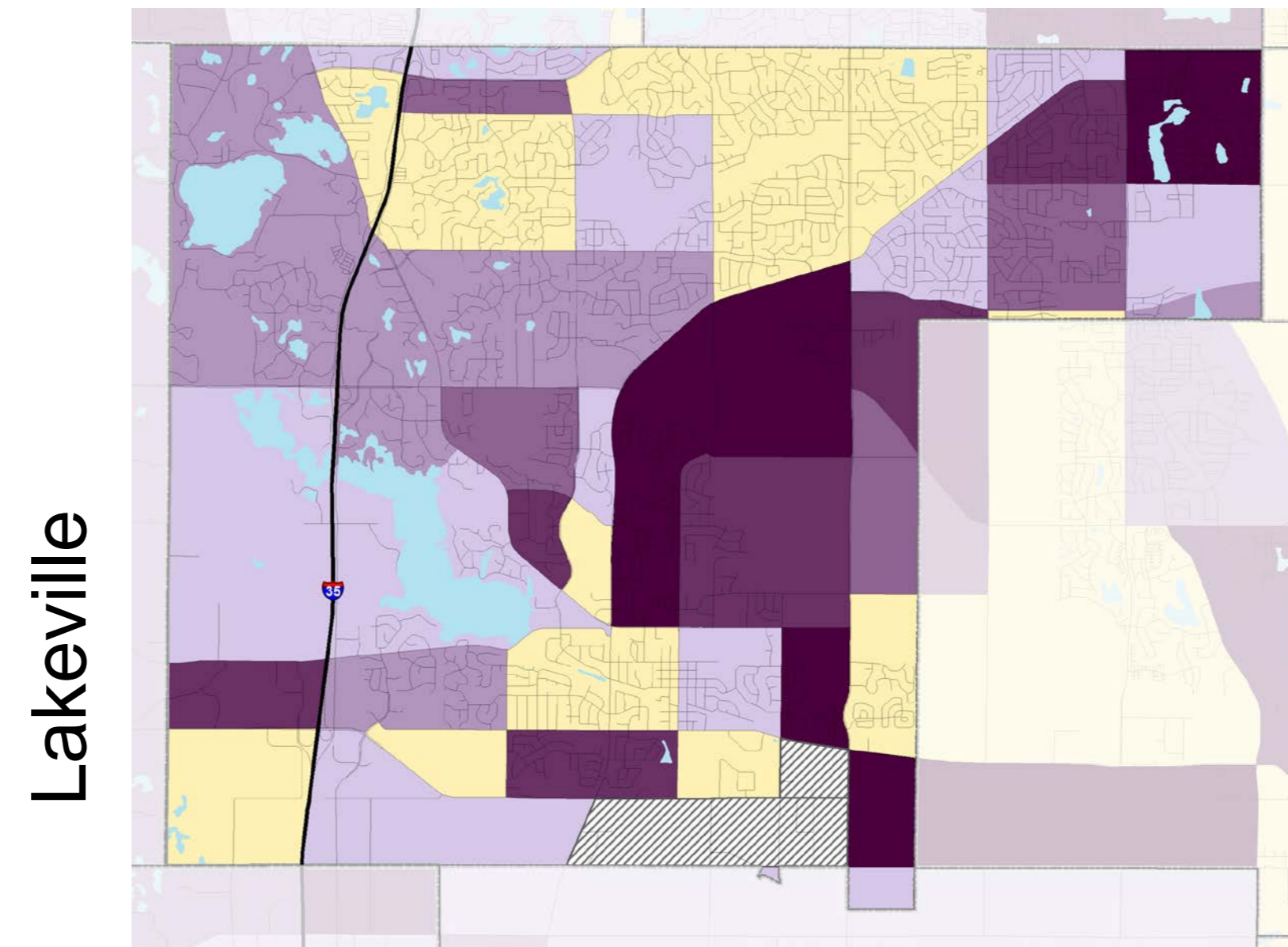
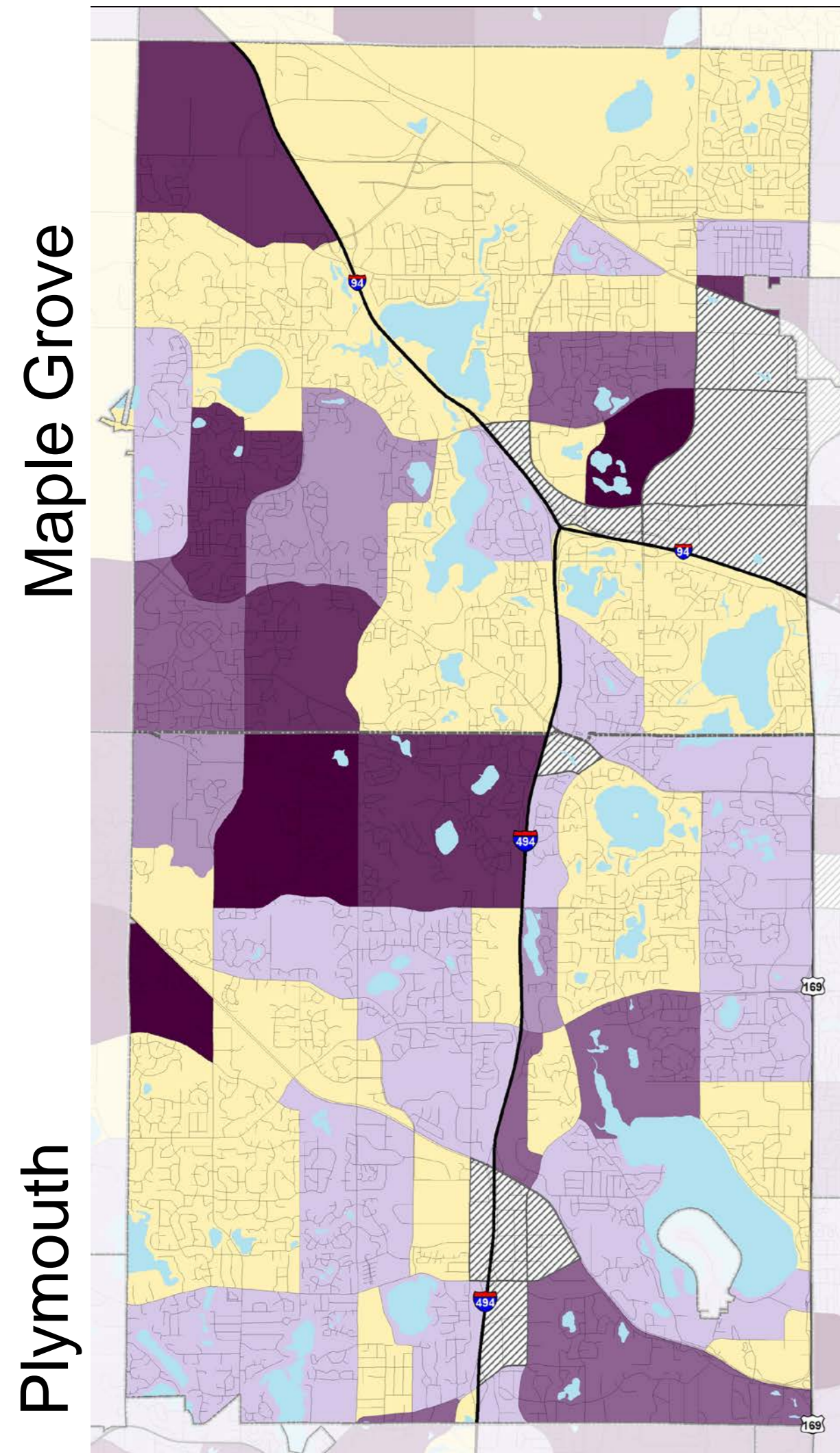
No population

Source: U.S. Census Bureau, 2010 Census; Metropolitan Council, 2017 estimates for Transportation Analysis Zones.



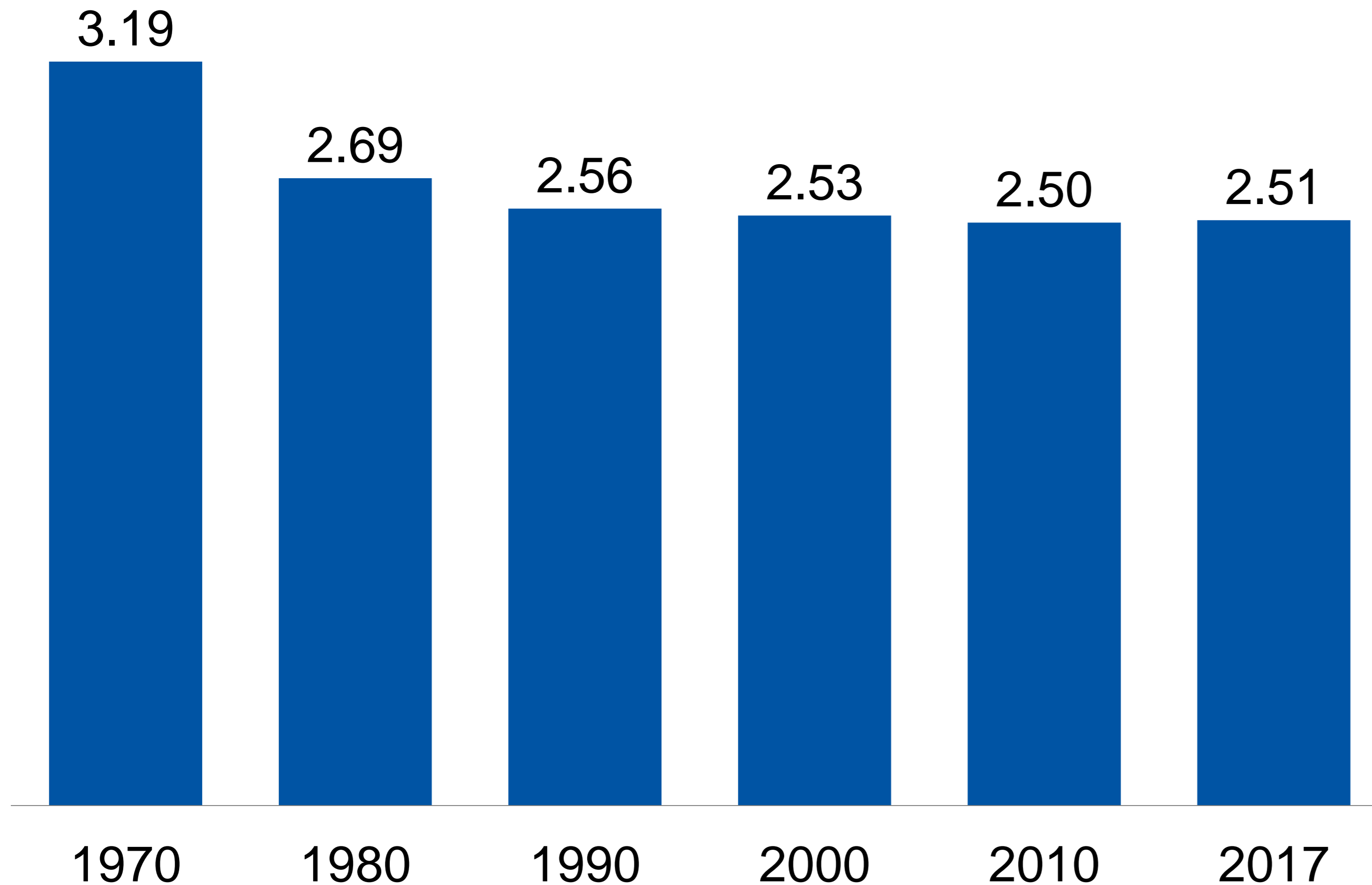
METROPOLITAN
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Suburban Edge: Concentrated growth



Source: U.S. Census Bureau, 2010 Census; Metropolitan Council, 2017 estimates for Transportation Analysis Zones.

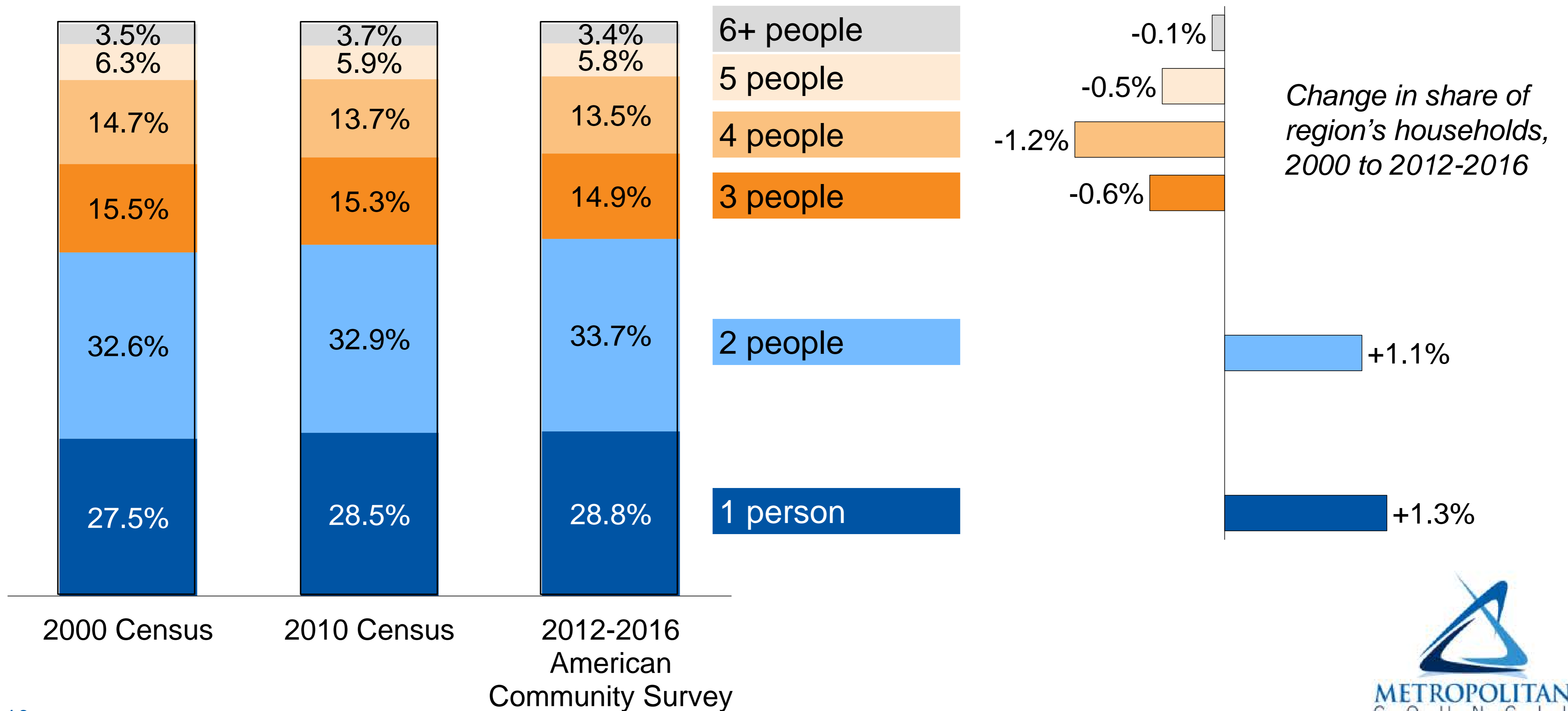
Average household size: minimal change after 2010



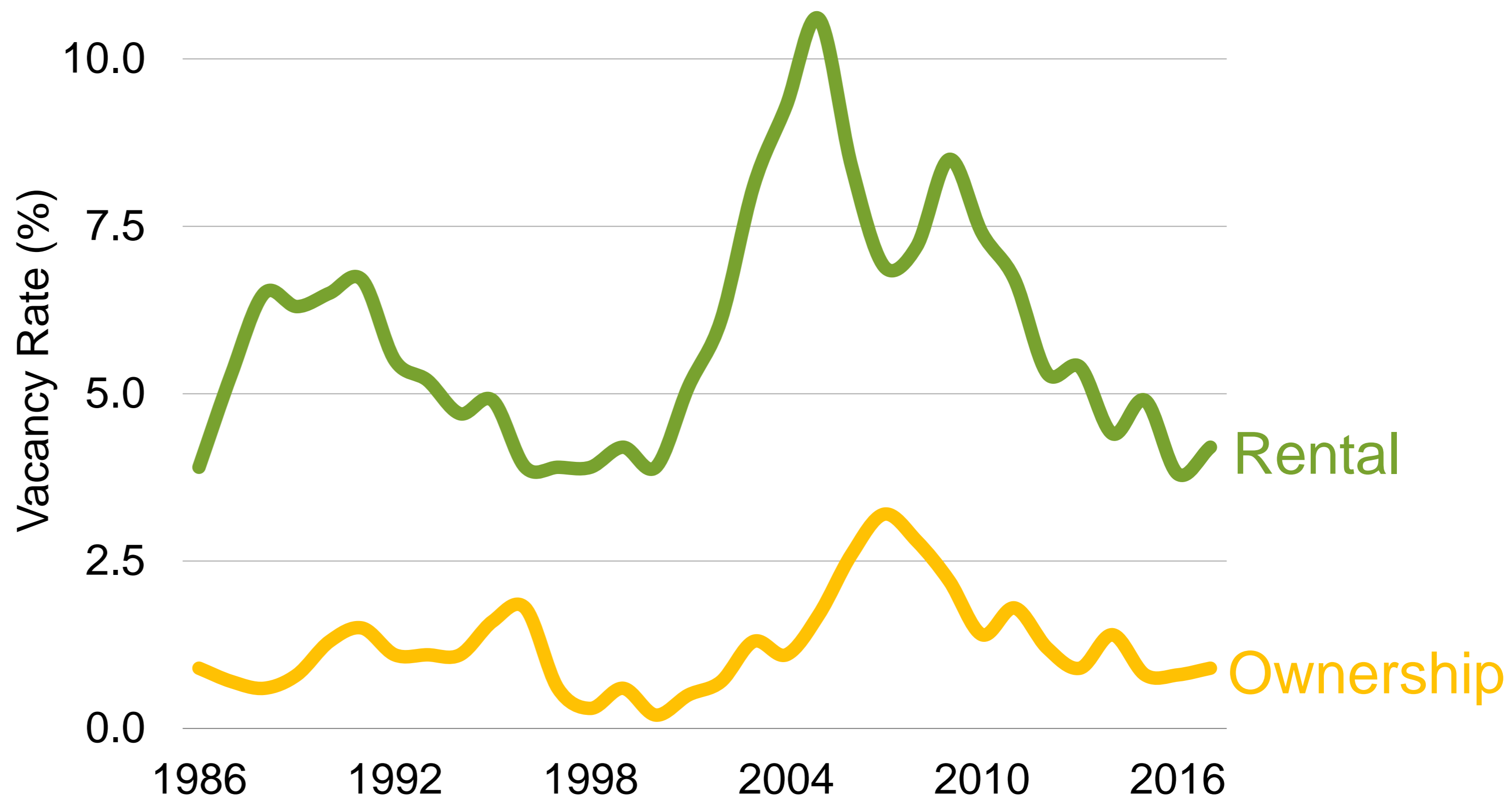
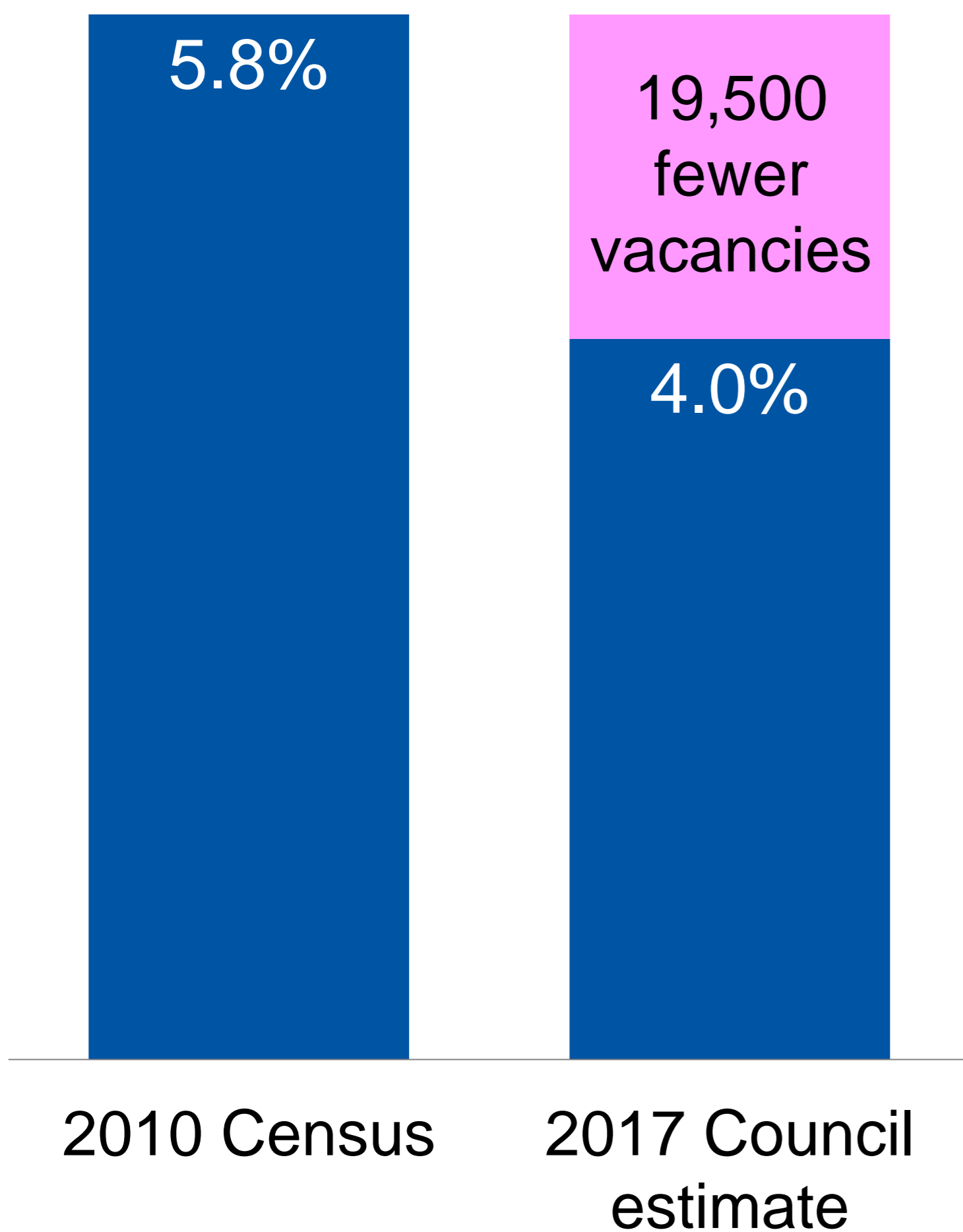
Source: U.S. Census Bureau, Decennial Census (1970-2010); Metropolitan Council, population estimates (2017)



Greater share of smaller households



Vacancy rates are dropping



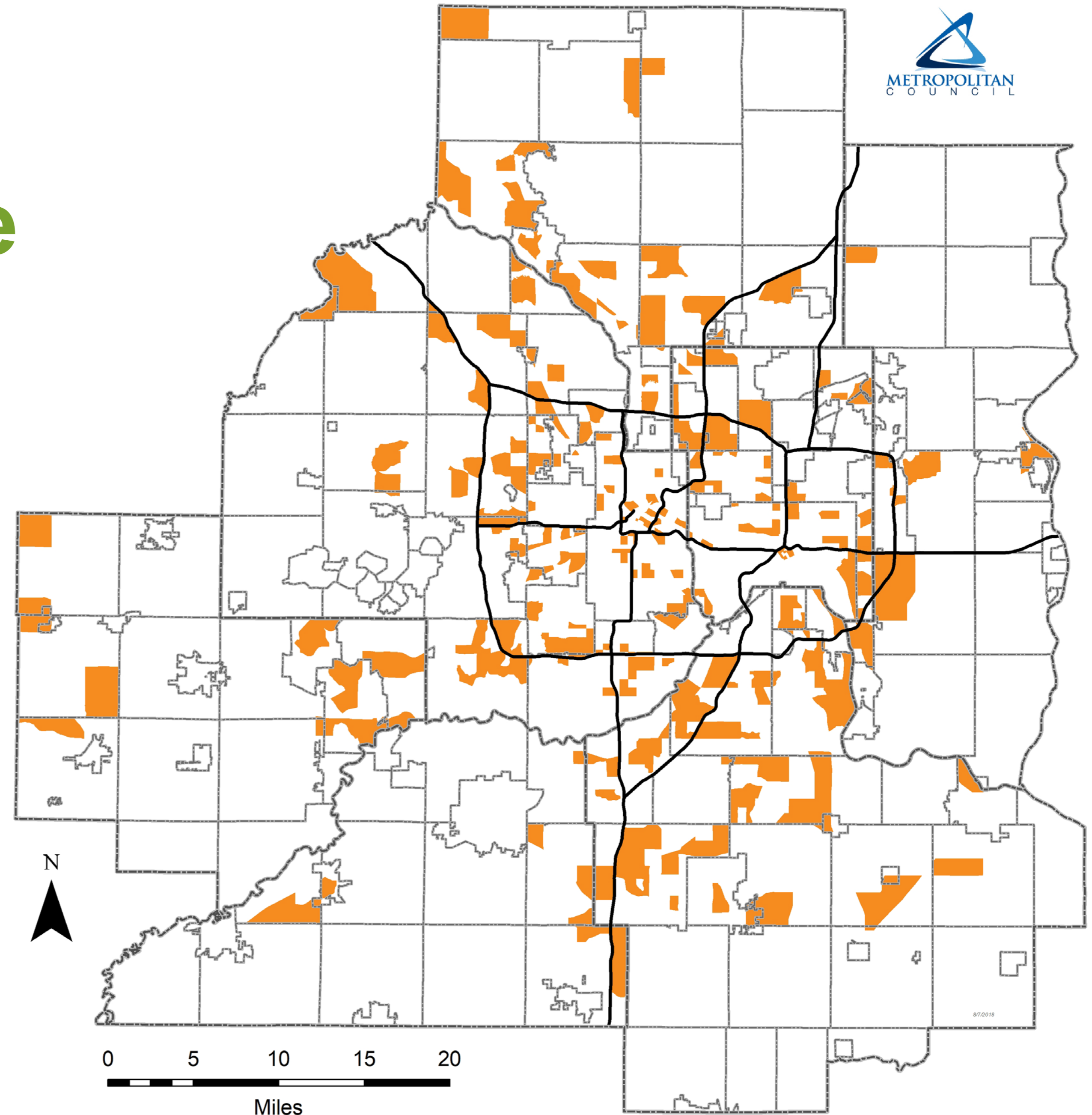
Source: U.S. Census Bureau, Current Population Survey / Housing Vacancy Survey data for full MSP metropolitan area.



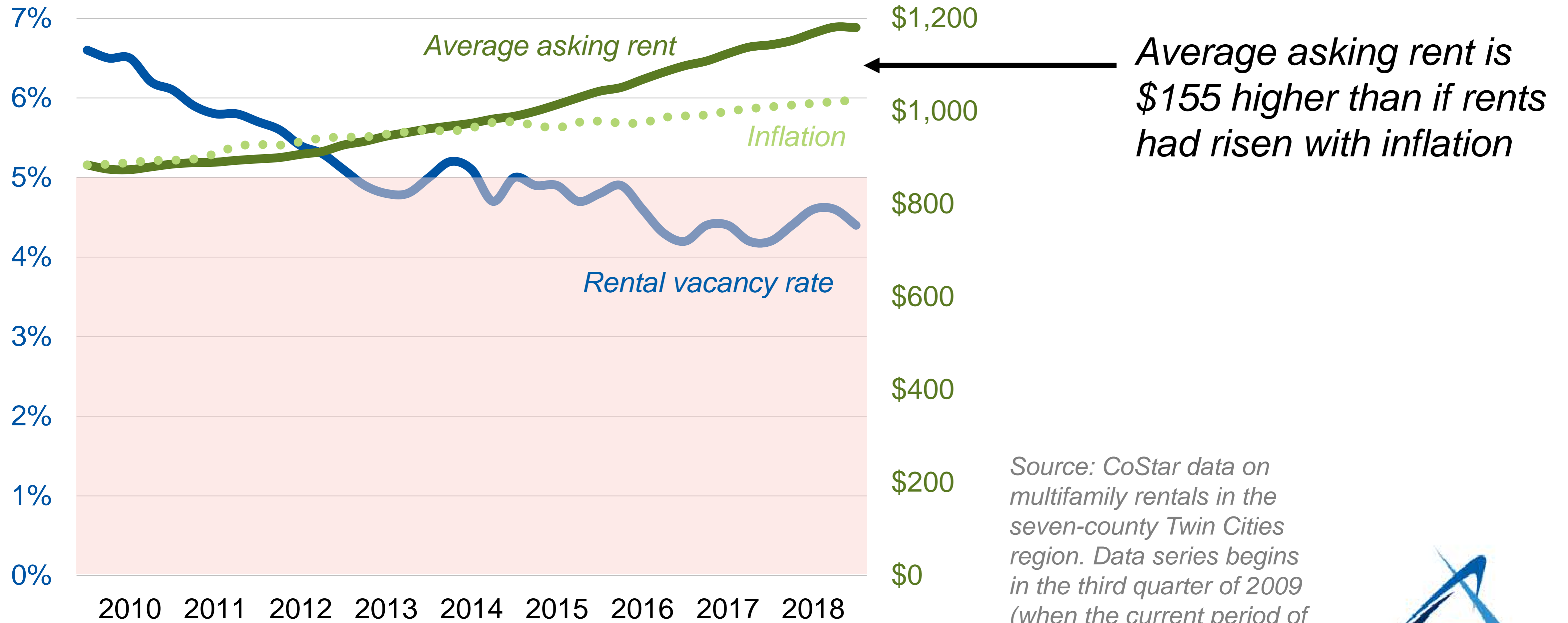
Vacancy rates are dropping region-wide

Transportation Analysis Zones where the vacancy rate dropped by at least half between 2010 and 2017

Source: U.S. Census Bureau, 2010 Census; Metropolitan Council, 2017 estimates for Transportation Analysis Zones.



The importance of “healthy” vacancy rates

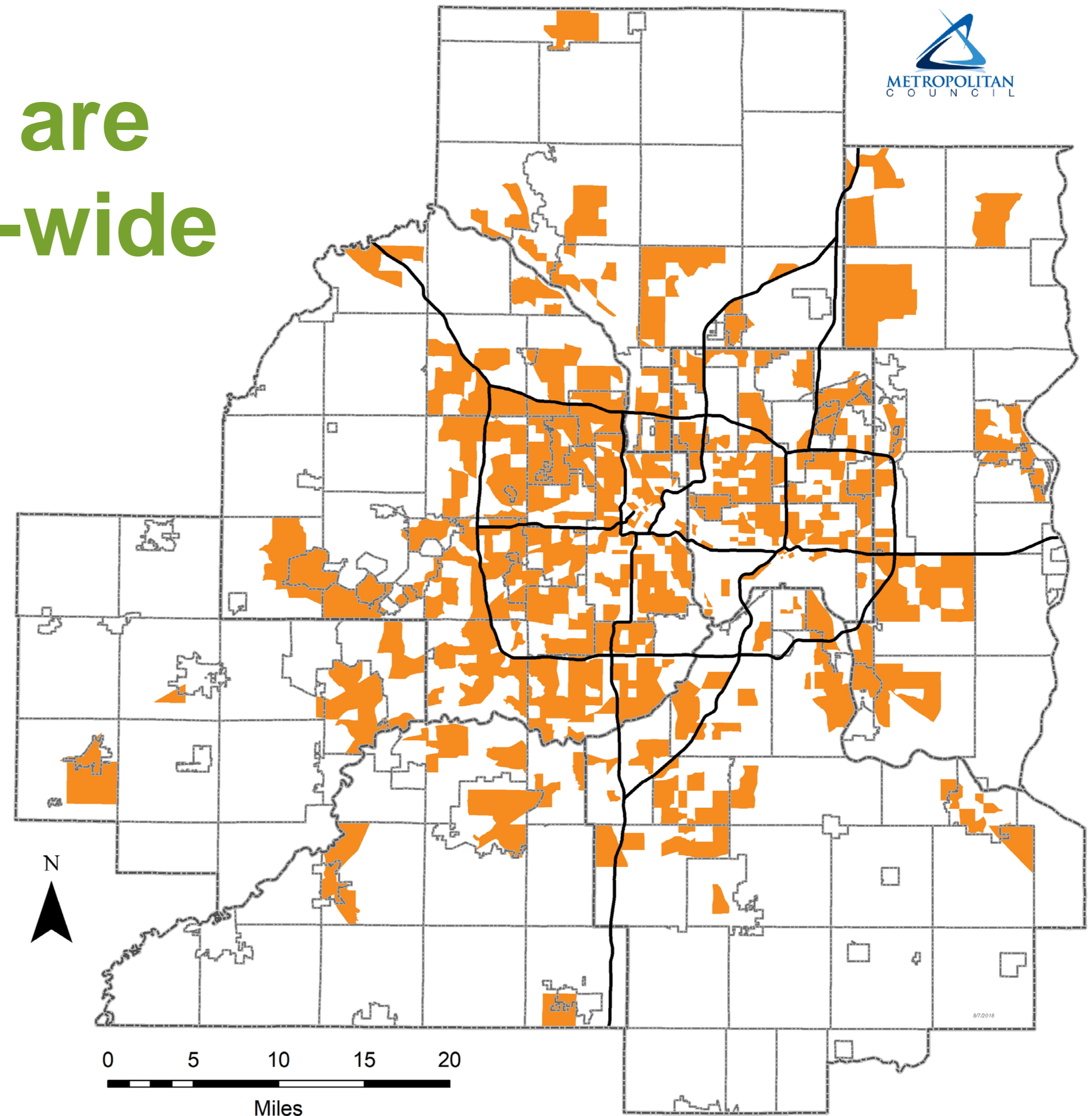


Source: CoStar data on multifamily rentals in the seven-county Twin Cities region. Data series begins in the third quarter of 2009 (when the current period of national economic expansion began).



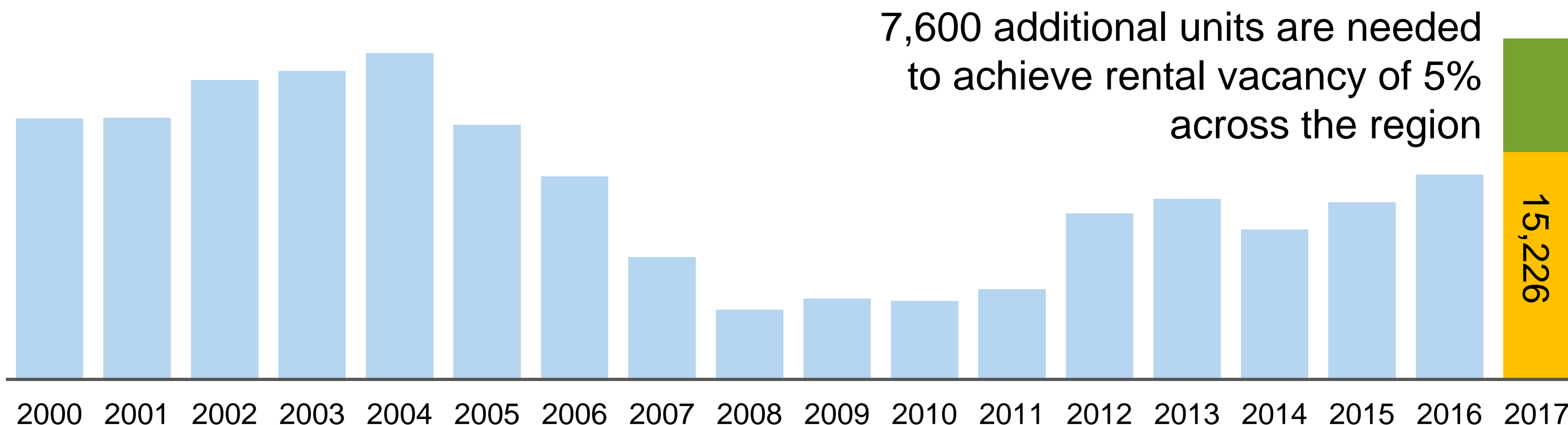
Rental vacancy rates are also dropping region-wide

Transportation Analysis Zones where the rental vacancy rate dropped by at least half between 2010 and 2016



Source: U.S. Census Bureau, 2010 Census; Metropolitan Council, 2016 housing affordability estimates for Transportation Analysis Zones

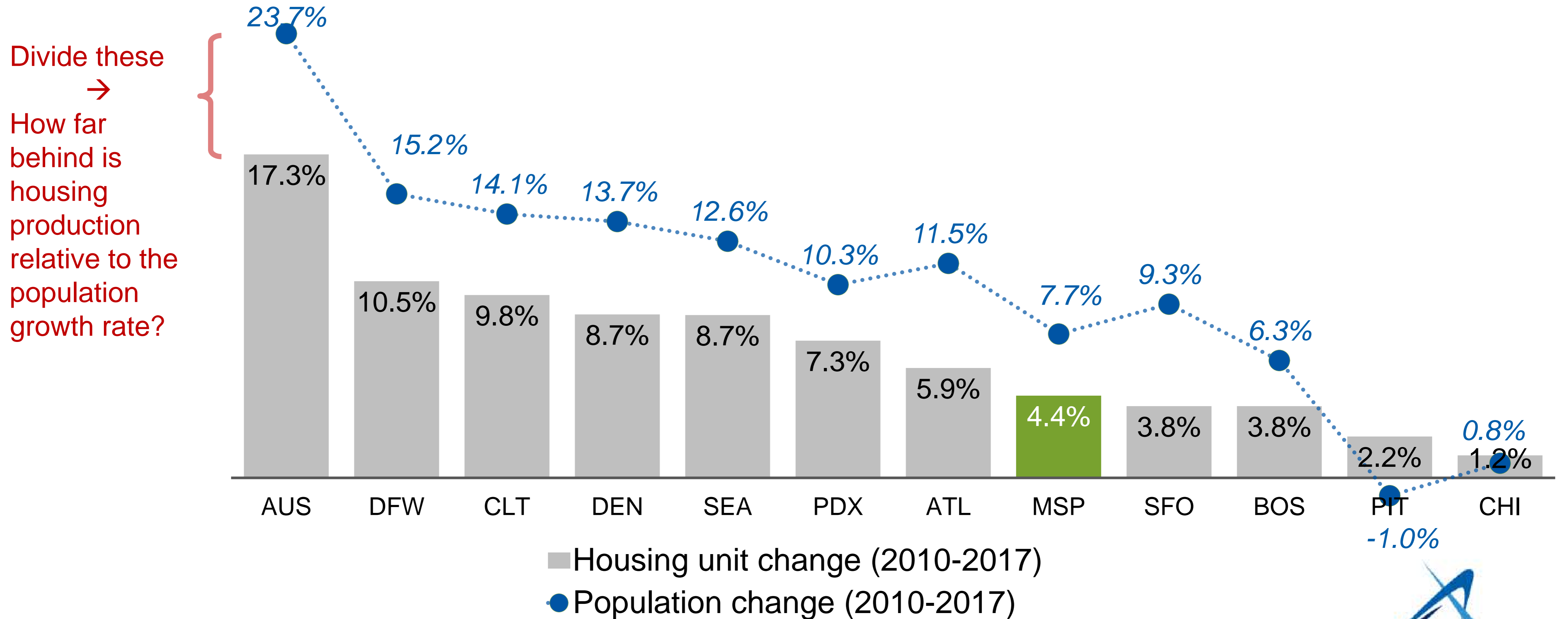
Filling the gap would take a large increase in housing production



Source: Metropolitan Council Building Permit Survey.

Data reflect net change resulting from all types of permits (including demolitions).

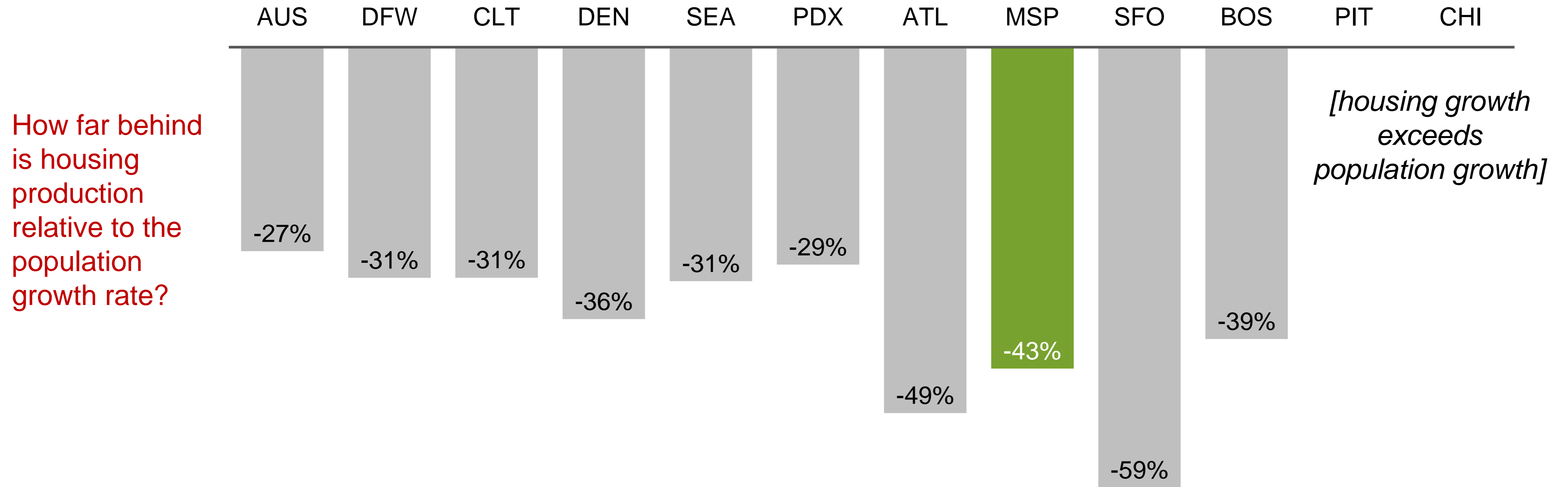
Housing unit growth lags population growth



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

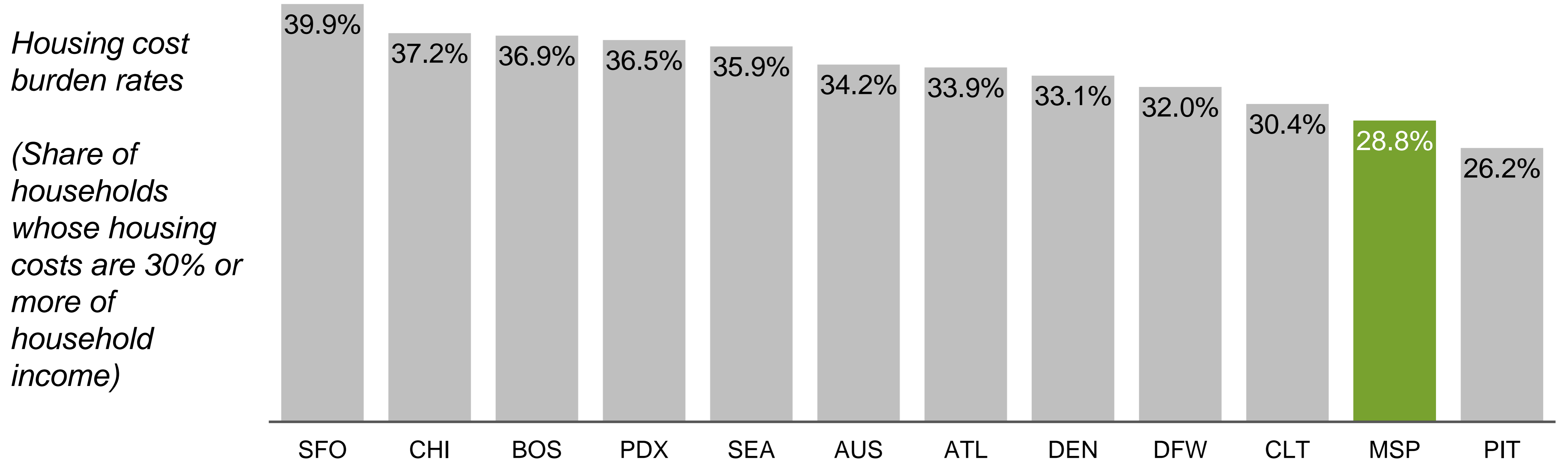


MSP has third-largest shortfall in housing growth



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

What happens to MSP's low housing costs?



Source: U.S. Census Bureau , 2012-2016 American Community Survey five-year estimates.

Summing up

- The region is adding people at a steady pace
- Smaller households are more common than they used to be
- We are not adding enough housing to keep up with population growth
 - Lagging behind peers
 - Long-term affordability challenges

For more information:

metro council.org/populationestimates

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