Home is the foundation in

2014

St. Louis County

As Minnesota's economy grows stronger, access to safe and affordable homes builds the foundation for living, working, and learning in all communities. Yet even working Minnesotans often lack good housing options, and aging homes create health and energy concerns.

In St. Louis County, there are about 60,414 owner and 24,369 renter households.[1] More than 53% of homes are at least 50 years old.[2]

For 24% of owners and 56% of renters in St. Louis County, housing consumes 30% or more of their household income.[3] This can mean inadequate spending on other basic needs like food and medicine. **Saving for education or emergencies often becomes impossible, especially for lowest-income households.**
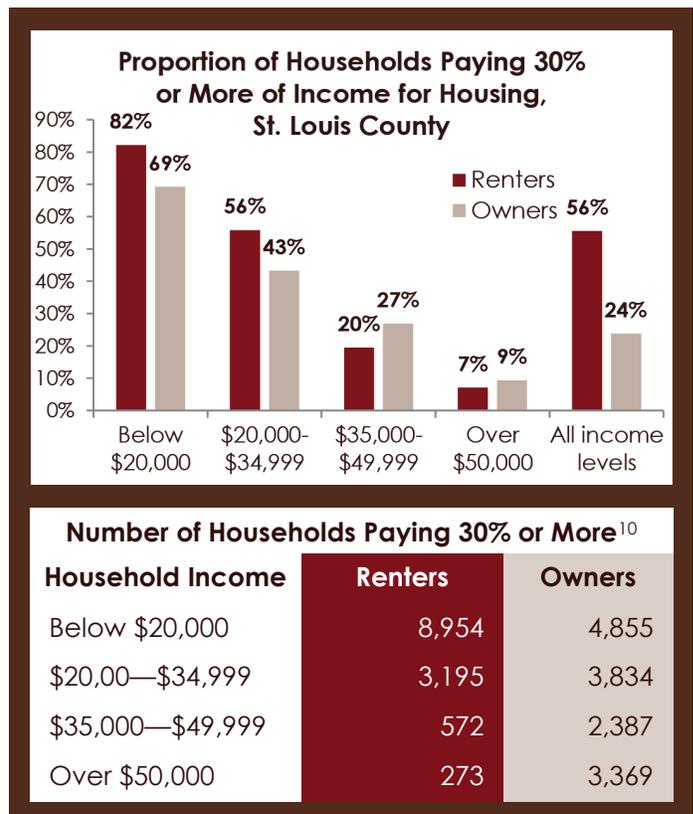
RENTER INCOMES LAG BEHIND RENTS

In St. Louis County, 29% of households are renters.[4] In most Minnesota counties, **renter incomes have fallen as rents have risen.** According to recent data for St. Louis County, real renter incomes have fallen by 10%, while rents have risen by 16% since 2000.[5]

There are now **33 units affordable and available for every 100 extremely low-income renters** in St. Louis County.[6] The county ranks 79 out of the state's 87 counties for the most units affordable and available to this income group.

RENTAL CHOICE KEY, BUT OPTIONS LIMITED

For many, renting makes sense. Young people starting out are often saddled with student debt. Seniors may not be able to afford or manage owning a home. Many do not have the savings or credit to qualify for mortgages. Workers relocating for jobs also need rental housing.

A safe, modest two-bedroom apartment costs $692 per month in St. Louis County.[7] At the median renter household income of $27,680, a family could affordably spend $546 per month on rent.[8] By definition, half of the county's renters earn less than this median, and would need less expensive housing.

Proportion of Households Paying 30% or More of Income for Housing, St. Louis County

Income level	Renters	Owners
Below $20,000	82%	69%
$20,000–$34,999	56%	43%
$35,000–$49,999	20%	27%
Over $50,000	7%	9%
All income levels	56%	24%

Number of Households Paying 30% or More[10]

Household Income	Renters	Owners
Below $20,000	8,954	4,855
$20,00—$34,999	3,195	3,834
$35,000—$49,999	572	2,387
Over $50,000	273	3,369

At $8.00 per hour, the state minimum wage for 2014, an earner must work **67 hours per week**[9] to afford the $692 rent for a modest two-bedroom apartment in this county.
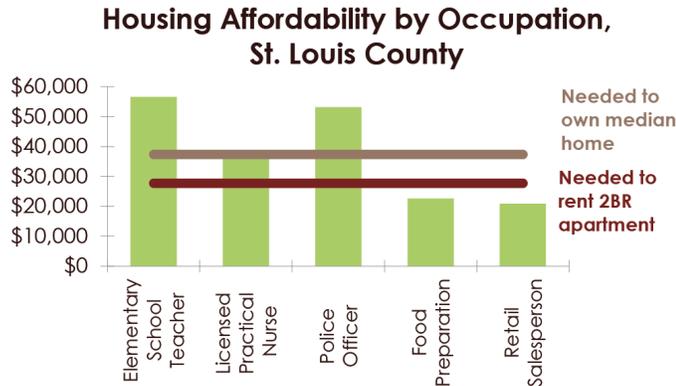
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Workers fill essential roles, but a job does not guarantee an affordable place to live.

The median earnings for many jobs do not cover actual housing costs, the chart below shows.[11]

Housing Affordability by Occupation, St. Louis County

For vacant positions in St. Louis County and counties nearby, the median hourly wage is $12.84 for full time jobs, which corresponds to $26,707 annually at 40 hours per week. Vacant part time jobs only earn $8.26 per hour.[12]

Owning a home.

71% of households in St. Louis County own a home. For white, non-Hispanic households, the county's ownership rate is 73%, compared to 40% for households of color. **As a state, Minnesota has the nation's largest racial homeownership gap.**[13]

- The median sales price for non-foreclosed homes is $139,195 in St. Louis County, which is a real decrease of 4% since 2006.[14]
- From 2005-2013, there were 3,781 foreclosures in the county.[15]
- Statewide, 3.1% of primary mortgages were delinquent by 60+ days in early 2014, compared to an average of 1.7% from 1979 to 2004, before the foreclosure crisis.[16]

In St. Louis County 8% of owner and 29% of renter households pay half or more of their income for housing, a situation known as "severe cost burden."[17]

Unaffordable housing and homelessness affect people of all ages in Minnesota.

An estimated 14,000 Minnesotans were homeless on a given night in 2012. Homelessness increased 32% statewide from 2006 to 2012.[18]

On that 2012 night, 752 people were known to be homeless in the St. Louis County Region including:
- 202 children with their parents.
- 121 youth through age 21 living on their own.
- 57 seniors aged 55+.[19]

Without stable housing, children face higher barriers to success in schools.

About half of the people experiencing homelessness in Minnesota are 21 or under.[20] Homelessness can cause delays in growth and development, as well as problems in school. Housing subsidies have been linked with better nutrition and school success for poor children.

In 2012, 18% of children in St. Louis County were living in poverty, up from 12% in 2002.[21]

Housing needs among seniors are growing.

The number of households headed by seniors aged 65+ in St. Louis County grew from 1,214 in 2000 to 1,571 in 2008-12.[22] Currently, 4,470 are renter households. Statewide, 3 in 5 senior renters pay more than 30% of their income for housing.[23] Seniors were also one of the fastest growing segments of the state's homeless population between 2009 and 2012.[24]

Targeted investment can end homelessness.

Ending homelessness is possible with strategic public investment. For example, targeting housing and services to homeless veterans led to a 13% decline in homelessness for this group from 2009 to 2012 even as homelessness rose overall.[25]

SOURCES: 1 US Census 2010. 2 American Community Survey (ACS) 2008-12. 3 ACS 2008-12. 4 2010 Census. 5 US Census 2000 & ACS 2008-12. 6 CHAS 2007-11 data, using NLIHC methodology. 7 HUD Fair Market Rent (FMR), 2014. 8 ACS 2008-12. 9 HUD FMRs, 2014 & MN Dept of Labor and Industry. 10 ACS 2008-12. 11 OES Wage Data by economic development region, MN DEED, Q1 2014; HUD FMR, 2014; MN Dept of Revenue Sales Ratio Study, Jan-Sept 2013. 12 MN DEED Job Vacancy Survey, Q4 2013. 13 2010 Census, US Census Bureau. 14 MN Dept of Revenue Sales Ratio Study, 2006 & Jan-Sept 2013. 15 HousingLink. 16 National Delinquency Survey, Mortgage Bankers Association, Q1 2014. 17 ACS 2008-12. 18-20 Wilder Research, 2007 & 2013. 21 Small Area Income & Poverty Estimates, 2002 & 2012. 22-23 Census 2000 & ACS 2008-12. 24 Wilder Research, 2013. 25 Homeless Veterans in MN 2012, Wilder Research.