City of North St. Paul
City Council
Workshop Meeting Agenda

October 4, 2022
5:00 PM

The City Council Meeting will be conducted on **October 4, 2022** at 5:00 p.m. The meeting location is the City Council Chambers of City Hall, located at 2400 Margaret St., North St. Paul.

The City Council will also be meeting by interactive TV under Minn. Stat. 13D.02. Members of the public are permitted to attend the meeting in person. However, it is encouraged to participate in the meeting remotely. Instructions can be found below.

The **October 4, 2022** Zoom meeting can be accessed via:
https://tinyurl.com/NSPCityCouncil
(from a PC, Mac, tablet, iPhone or Android device)
or by phone at 1-929-205-6099.
Participants accessing the meeting by phone please use the following meeting ID:
84409094358

You can also watch the meeting on our YouTube channel here **tinyurl.com/NSPYouTube**

I. Call to Order

II. Roll Call
Council Member Thorsen
Council Member Petersen
Council Member Wong
Council Member Cole
Mayor Furlong

III. Adopt Agenda

IV. Topic(s)
A. Housing Study Presented by Mary Bujold, Maxfield Research
B. Wold Architects & Engineers - Community Center Presentation/Discussion

V. Other Business

VI. Adjournment

The next regularly scheduled City Council Workshop meeting is October 18, 2022.

NORTH ST. PAUL
extraordinary.

Agenda Information Memorandum

To	Date
Honorable Mayor Furlong and City Council	October 4, 2022

Agenda Placement # IV.A

Topic(s)

Subject

Housing Study Presented by Mary Bujold, Maxfield Research

Background/Facts

The EDA contracted Maxfield Research to do a housing study. Mary Bujold will present and be available for questions and/or comments.

Recommended Action

Attachments

1. 3020-01_North St. Paul_Housing Analysis_Final Report

Respectfully submitted,
Lisa Ritchie, Administrative Assistant

Housing Needs Assessment for Downtown North St. Paul, Minnesota

Prepared For:

North St. Paul Economic Development Authority
North St. Paul, MN

August 2022

Maxfield Research & Consulting

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Maxfield Research & Consulting
Breaking Ground since 1983

August 5, 2022

Mr. Brian Frandle
Interim City Manager
North St. Paul EDA
1800 West Old Shakopee Road
North St. Paul, MN 55431

Mr. Frandle:

Attached is the *Housing Needs Analysis for Downtown North St. Paul, Minnesota* conducted by Maxfield Research and Consulting, LLC. The study estimates that the City of North St. Paul can accommodate 955 new units of all ages owned and rented housing and 369 units of age-restricted (senior) housing from 2022 to 2030 and provides recommendations on the amount, type and location of medium and high-density development to satisfy housing needs over the period. A focus on the Downtown area will likely preclude single-family development.

Although the population in North St. Paul is aging, it is anticipated that more turnover will occur in the next seven to ten years as a portion of older households relocate to alternate housing products, seeking increased convenience and freedom from the responsibilities of home maintenance. The affordability of many homes in North St. Paul is attractive to entry level buyers seeking homeownership. In addition, North St. Paul is one of the only communities in the immediate area, other than White Bear Lake, which has an established, cohesive Downtown that incorporates commercial and retail uses. However, younger households also seek housing in North St. Paul and have taken advantage of older properties that are more affordable. Demand for housing at entry-level and move-up is strong from non-senior buyers, but land scarcity and high development costs for traditional housing products remain barriers to creating new housing that will meet the needs of younger buyers. There continues to be strong demand for infill new single-family construction, however this will continue to be expensive due to redevelopment and high land costs.

Demand for affordable housing for non-seniors and seniors is also in high demand and we recommend the development of this housing in the short-term. Based on our findings, we found demand for most housing products with continued demand for rental housing and owned multifamily housing. Information regarding recommended housing concepts can be found in the *Recommendations* section at the end of the report. If you have any questions or need additional information, please contact us. We have enjoyed conducting this study for you.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING, LLC

Mary C. Bujold

Mary Bujold
President
Attachment

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TABLE OF CONTENTS

TABLE OF CONTENTS
(continued)

Page

LIST OF TABLES

Table Number and Title **Page**

LIST OF TABLES
(continued)

Purpose and Scope of Study

Maxfield Research and Consulting LLC ("Maxfield Research") was engaged by the City of North St. Paul to conduct a *Housing Needs Analysis* for the Downtown area of the city. The Housing Needs Analysis provides recommendations on the amount and types of housing that could be developed to meet the needs of current and future households who may choose to reside in North St. Paul and specifically, in the Downtown area.

The scope of this study includes: identification of the area identified as the "Downtown," an analysis of the demographic and economic characteristics of the City; a review of the characteristics of the existing housing stock, building permit trends and locations in the Downtown appropriate for redevelopment; an analysis of the market conditions for rental and for-sale housing products; and an assessment of the need for housing by product type in the City. Recommendations on the number and types of housing products that should be considered in the city are also supplied. Data for this report was compiled using a number of different sources including Metropolitan Council, Minnesota Department of Employment and Economic Development, US Census Bureau, ESRI Inc. and others. **Data presented is the most recent available, but not all data sources compile and present information for the same years at the same time. Therefore, information presented in each section that is sourced through secondary published sources may have slightly different timelines.**

Demographic Analysis

- As of 2022, North St. Paul is estimated to have 12,775 people and 4,955 households. North St. Paul is forecast to grow by 786 people and 547 households between 2020 and 2030. Recent growth estimates are exceeding previous projections made by the Metropolitan Council. Maxfield Research has adjusted for the accelerated growth in making our projections.

- From 2022 to 2027, the number of people under age 35 and between 45 and 64 is expected to decrease while the number of people ages 35 to 44 and age 65 years or older is expected to increase. After 2020, the cohorts ages 65 years or older are expected to experience strong growth.

- North St. Paul had an estimated median household income of $78,593 in 2022 and the Primary Market Area (PMA) had a median household income of $79,022. Non-senior household median incomes peak in the 35 to 44 age group at $100,720 for North St. Paul and $102,616 for the PMA for the 45 to 54 age group.

- Between 2010 and 2022, homeownership rates decreased from 71.8% to 64.9% in North St. Paul. The decline is largely a result of an increase in renter households due to the housing market slowdown during the recession and an increase in the number of lender-mediated properties which shifted more households toward rental housing.

- Households living alone accounted for the highest household type percentage as of 2022 at 29.9%, followed by other family households at 24.5%. Married couple households without children dropped to 22.9% as of 2022, from 30.6% as of 2010.

Employment Analysis

- Ramsey County had an unemployment rate of 2.4% in June 2022, which was slightly higher than the Metro Area average of 2.2%.

- Of the workers who work in North St. Paul, an estimated 13% live in St. Paul. Other residence locations include Minneapolis (9%), Maplewood (4.2%), North St. Paul (4.0%) and Oakdale (4.0%). More people commute out of the city for work than commute in.

Rental Housing Market Analysis

- In total, Maxfield Research inventoried market rate general occupancy rental units in North St. Paul and the Primary Market Area. Market rate units had an overall vacancy rate of 7.2% while stabilized properties had a vacancy rate of 2.4%. Typically, a healthy rental market maintains a vacancy rate of 5.0%, which promotes competitive rates, ensures adequate consumer choice and allows for unit turnover.

- Affordable and subsidized rental properties were all fully occupied.

Senior Housing Market Analysis

- There are 340 units of age-restricted housing (market rate and subsidized) in North St. Paul. Vacancies are highest in assisted living and memory care due to the pandemic. There were 18 vacant units identified posting an overall vacancy rate of 0.8%. Generally, healthy senior housing vacancy rates range from 5% to 7% depending on service level. The low vacancy rates for active adult and independent senior products indicates there is additional demand for these service levels in the community.

For-Sale Housing Market Analysis

- Home resale prices in North St. Paul for single family and multifamily have escalated substantially over the past two years as demand has exceeded supply. As of July 2022, the median single-family resale value is $280,900 and the median owned multifamily value is $359,995.

- Market activity has been strong and is currently constrained primarily by the limited amount of product available. The number of current listings in North St. Paul is very low.

- As a fully developed, first-ring community, there are few available lots for new construction. Nearly all new development in North St. Paul has occurred through redevelopment and/or infill.

Housing Demand Analysis

- Based on our calculations, demand exists in North St. Paul for the following general occupancy product types between 2022 and 2030:

    - Market rate rental 455 units
    - Affordable rental 164 units
    - Subsidized rental 36 units
    - For-sale single-family 57 units
    - For-sale multifamily 243 units

- In addition, we find very demand for multiple senior housing product types. By 2027, demand in North St. Paul for senior housing is forecast for the following:

    - Active adult ownership 62 units
    - Active adult rental 105 units
    - Active adult affordable 78 units
    - Independent Living 64 units
    - Assisted Living 36 units
    - Memory care 24 units

Recommendations and Conclusions

- Based on the finding of our analysis and demand calculations, the following chart provides a summary of the recommended development concepts by product type for North St. Paul to 2030, although demand for most product types is evident at present and can be supported in the short-term. Detailed findings are described in the *Recommendations* section of the report.

RECOMMENDED HOUSING DEVELOPMENT NORTH ST. PAUL 2022 to 2030			
	Purchase Price/ Monthly Rent Range[1]	**No. of Units**	**Development Timing**
Owner-Occupied Homes			
Single Family[2]			
Entry-level	$300,000 - $325,000		As lots are available
Move-up	$400,000 - $500,000	25 - 30	As lots are available
Executive	$600,000+	15 - 20	As lots are available
Total		**40 - 50**	
Townhomes/Twinhomes/Detached Townhomes[2]			
Entry-level	$300,000 - $350,000	50 - 60	2022+
Move-up	$400,000 - $460,000	35 - 50	2022+
Executive	$450,000+	20 - 25	2022+
Total		**105 - 135**	
Total Owner-Occupied		**145 - 185**	
General Occupancy Rental Housing			
Affordable Rental Housing			
Apartment-style	Moderate Income[3]	120 - 150	2022+
Townhomes	Moderate Income[3]	20 - 25	2022+
Subsidized	30% of Income[4]	20 - 25	2022+
Total		**160 - 200**	
Market Rate Rental Housing			
Apartment-style	$1,200 to $2,600	130 - 150	2022+
Townhomes	$1,900 to $2,400	25 - 30	2022+
Total		**155 - 180**	
Total Renter-Occupied		**315 - 380**	
Senior Housing (i.e. Age Restricted)			
Senior Cooperative	$95,000+	50 - 60	2022+
Active Adult Market Rate Rental[5]	$1,400/1BR - $1,700/2BR	80 - 100	2022+
Active Adult Affordable Rental[5]	Moderate Income[3]	60 - 65	2022+
Independent Living	$2,000/1BR - $2,800/2BR	70 - 80	2022+
Total		**260 - 305**	
Total - All Units		**720 - 870**	

[1] Pricing in 2022 dollars. Pricing can be adjusted to account for inflation.

[2] Replacement need, infill, and redevelopment. Development of single-family homes and townhomes/twinhomes will hinge on land availability. Due to Bloomington's location and desirability, there is pent-up demand that exceeds replacement need.

[3] Affordablity subject to income guidelines per Minnesota Housing Finance Agency (MHFA).

[4] Subsized housing is difficult to develop; mixed income properties may have a small proportion of these units incorporated in a larger property.

Note - Recommended development does not coincide with total demand. North St. Paul unlikely to be able to accommodate all recommended housing types based on land availability and development constraints.

Source: Maxfield Research & Consulting, LLC

Introduction

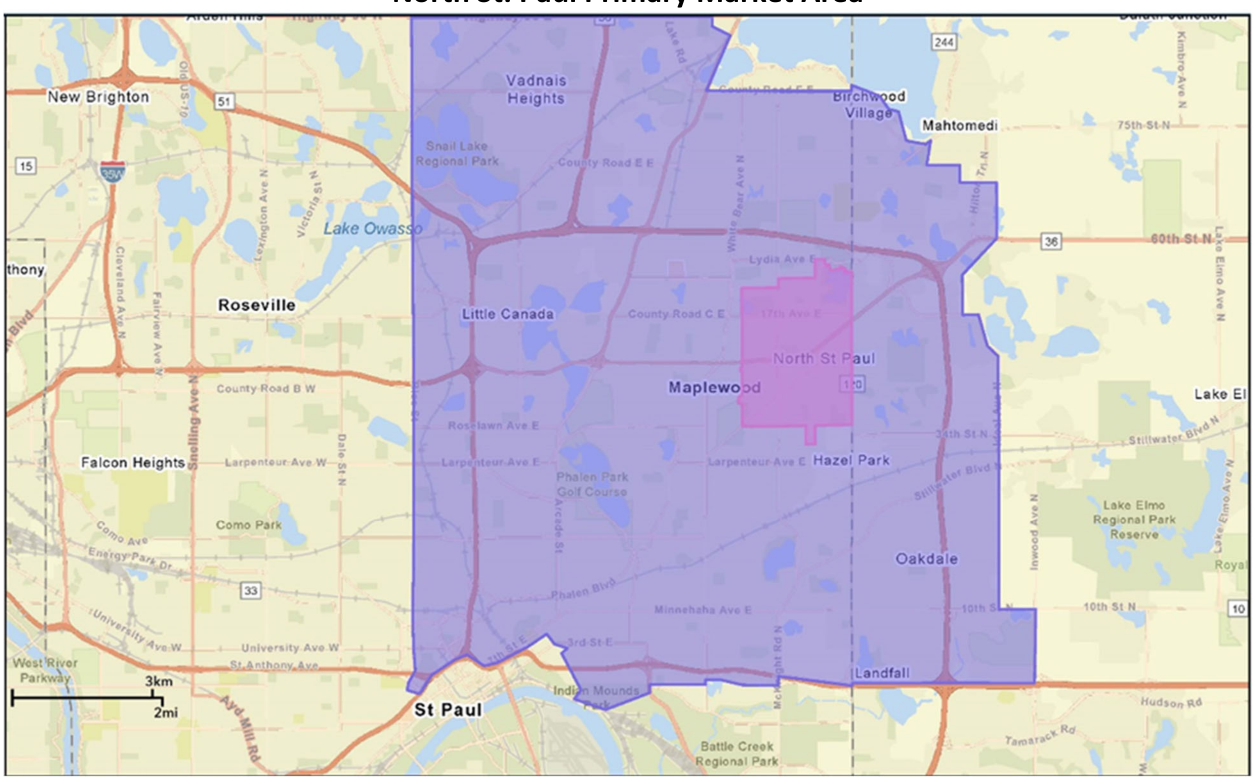
This section of the report examines factors related to the current and future demand for owner- and renter-occupied housing units in North St. Paul, Minnesota. It includes an analysis of population and household growth trends and projections, age distribution, household income, net worth, household type, household tenure, diversity and mobility trends. A review of these characteristics provides insight into the demand for various types of housing products in North St. Paul.

Definition of Primary Market Area

The analysis focuses on housing needs for the City of North St. Paul. Demand however, for housing products in the city is also affected by its connections to adjacent communities and the Twin Cities Metro Area and households' mobility in an area we have defined as the Primary Market Area (PMA) for housing for North St. Paul. The PMA includes an aggregation of Census Traces in Ramsey County including North St. Paul, Maplewood, Oakdale, Little Canada and the City of St. Paul.

In defining the PMA, we considered factors such as commuting/travel patterns, employment and general household movement patterns over time in the Metro Area. Additional demand will also come from outside of the PMA as households in the Metro Area are highly mobile.

North St. Paul Primary Market Area



Population and Household Growth Trends and Projections from 2000 to 2030

Table D-1 presents population and household growth trends and projections from 2000 to 2030. The 2000, 2010, 2020 data is from the U.S. Census. Estimates and projections were calculated from the Metropolitan Council; ESRI Inc. (a national demographics service provider); with adjustments calculated by Maxfield Research and Consulting LLC to provide current estimates. The adjustments are intended to reflect growth that will likely be realized after considering the impact of the current housing market, employment, and review of building permit trends along with the potential for increased density related to new housing development.

Population

- Between 2000 and 2010, North St. Paul lost 469 people (-3.9%) and 88 households (-1.8%) as the overall population aged and there was limited redevelopment in the community at higher densities.

- From 2010 to 2020, North St. Paul experienced an increase of 904 people (7.9%) and 188 households (4.1%) as new housing was developed and housing turnover occurred, bringing more family households into the community. The Primary Market Area experienced strong growth during the same period, increasing population by 6.9% (14,449 people) and households by 3.5% (2,708 households). Similar to North St. Paul, the significant increase in population as compared to households demonstrates housing turnover and larger size households moving into the area over the past decade. The rate of growth in the PMA and in North St. Paul over the past decade remained somewhat below that of Ramsey County and the Twin Cities Metro Area.

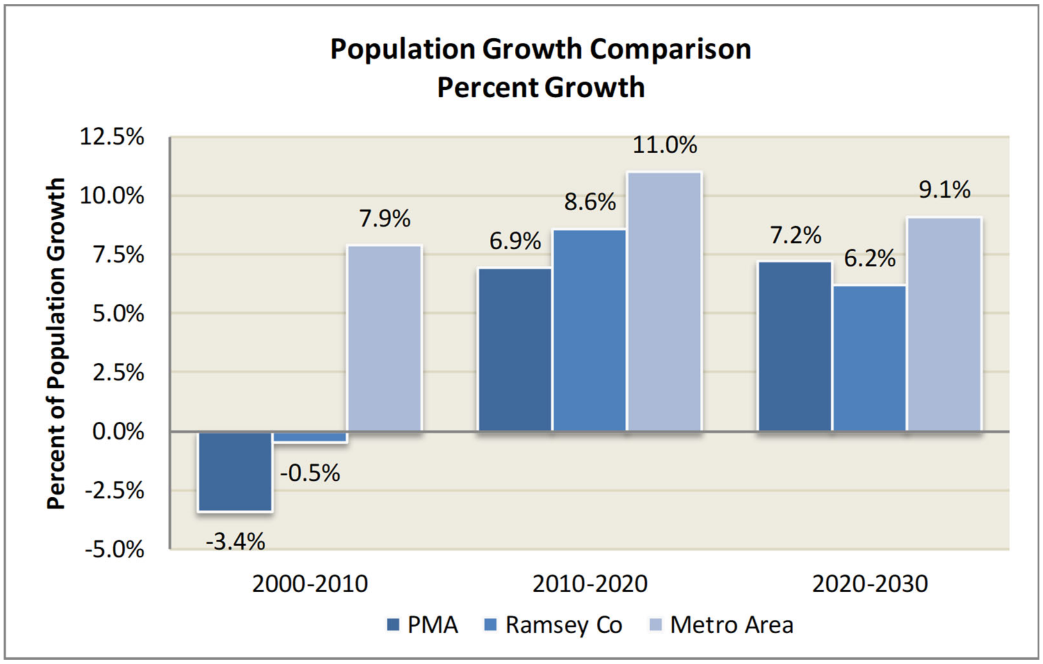
- Population is anticipated to increase from 2020 to 2030 in all areas, although the rate of growth is anticipated to be slightly less than during the previous decade except for the Primary Market Area, which is projected to have a slightly higher rate of growth in population (7.2%) between 2020 and 2030 as compared to between 2010 and 2020. All other geographies are expected to have slightly lower rates of population growth.

TABLE 1
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS
NORTH ST. PAUL PRIMARY MARKET AREA
2000 - 2030

	Census			Estimate	Forecast		Change			
							2010-2020		2020-2030	
	2000	2010	2020	2022	2027	2030	No.	Pct.	No.	Pct.
Population										
Primary Market Area	**188,302**	**208,069**	**222,518**	**230,418**	**234,751**	**238,521**	**14,449**	**6.9%**	**16,003**	**7.2%**
City of North St. Paul	*11,929*	*11,460*	*12,364*	*12,775*	*12,864*	*13,150*	*904*	*7.9%*	*786*	*6.4%*
Remainder of PMA	*176,373*	*196,609*	*210,154*	*217,643*	*221,887*	*225,371*	*13,545*	*6.9%*	*15,217*	*7.2%*
Ramsey County	*511,035*	*508,640*	*552,352*	*559,939*	*571,320*	*586,550*	*43,712*	*8.6%*	*34,198*	*6.2%*
*Twin Cities Metro Area**	*2,642,062*	*2,849,567*	*3,163,104*	*3,227,620*	*3,286,438*	*3,451,000*	*313,537*	*11.0%*	*287,896*	*9.1%*
Households										
Primary Market Area	**70,469**	**77,590**	**80,298**	**83,285**	**86,622**	**89,593**	**2,708**	**3.5%**	**9,295**	**11.6%**
City of North St. Paul	*4,703*	*4,615*	*4,803*	*4,955*	*4,976*	*5,350*	*188*	*4.1%*	*547*	*11.4%*
Remainder of PMA	*65,766*	*72,975*	*75,495*	*78,330*	*81,646*	*84,243*	*2,520*	*3.5%*	*8,748*	*11.6%*
Ramsey County	*201,236*	*202,691*	*218,077*	*220,905*	*227,975*	*237,770*	*15,386*	*7.6%*	*19,693*	*9.0%*
*Twin Cities Metro Area**	*1,021,456*	*1,117,749*	*1,239,526*	*1,264,908*	*1,287,328*	*1,351,000*	*121,777*	*10.9%*	*111,474*	*9.0%*

*Includes the 7-County Area (Anoka, Carver, Dakota, Hennepin, Ramsey, Scott, and Washington Counties)

Sources: US Census Bureau; Metropolitan Council; ESRI, Inc.; Maxfield Research & Consulting, LLC



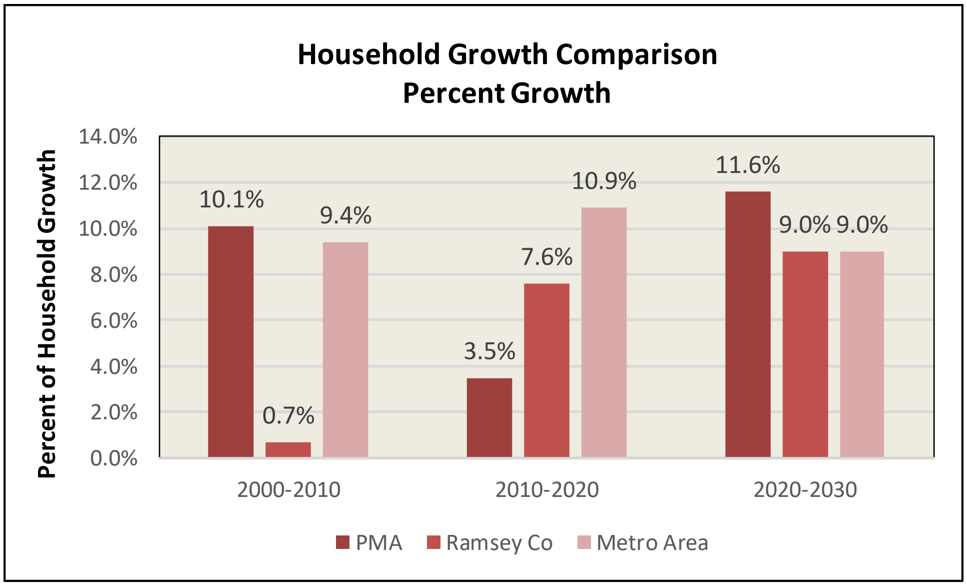
Households

- Household growth trends are typically a more accurate indicator of housing needs than population growth since, by definition, a household is an occupied housing unit. Additional demand however, can come from changing demographics of the population base, which results in shifts in demand for different housing products.

- The number of households in North St. Paul declined by -1.9% (88 households) between 2000 and 2010. Between 2010 and 2020 however, there was an increase of 188 households or 4.1%, primarily a result of redevelopment and increases in housing density.

- The number of households in the Primary Market Area increased by 10.1% (7,121) between 2010 and 2020, further demonstrating increased development and higher-density development.

- Among all geographies, household growth is expected to outpace population growth as the trend of smaller household sizes and more people living alone continues. Growth in higher-density housing products is likely to attract households that are smaller in size with more people living alone.



Age Distribution Trends

Age distribution affects demand for different types of housing since needs and desires change at different stages of the life cycle. Table D-2 shows the distribution of persons in nine age cohorts for North St. Paul, the Remainder of the Primary Market Area and the Metro Area in 2000 and 2010 with estimates for 2022 and projections for 2027. The 2010 age distribution is from the U.S. Census Bureau. The 2022 estimate and 2027 projection are based on compilations provided by ESRI, Inc., a national demographics forecasting company. The following are key points from the table.

- Between 2010 and 2022, population growth was greatest among the 25 to 34 and 35 and 44 age cohorts and among the cohorts age 55 and over.

- Between 2022 and 2027, strong increases are projected in the PMA for the 35 to 44 and age 65 and over age cohorts. These cohorts are projected to increase by 10.3% for the 35 to 44 cohort, 11.9% for the 65 to 74 age cohort and 16.0% for the age 75 cohort.

- The population over age 65 is forecast to increase by 11% in North St. Paul between 2020 and 2030.

- The growth of population in the 35 to 44 and over 65 age groups in North St. Paul mirrors the overall trend in the greater Twin Cities Metro Area.

- Declines in the age cohorts 25 to 34 and 55 to 64 are projected to occur in the Primary Market Area, North St. Paul as well as the Twin Cities Metro Area.

- From 2022 to 2027, all age cohorts 65 years or older are anticipated to experience increases in population due primarily to the aging of the Baby Boom generation. As of 2022, Baby Boomers range in age from 58 to 76 years.

- From 2022 to 2027, population cohorts under age 45 are expected to remain stable or decrease modestly. Modest growth is expected to occur however, among people under 18.

TABLE D-2
POPULATION AGE DISTRIBUTION
NORTH ST. PAUL PRIMARY MARKET AREA
2000-2027

	U.S. Census		ESRI		Change 2010-2022		Change 2022-2027	
	2000	2010	2022	2027	No.	Pct.	No.	Pct.
Primary Market Area								
Under 18	57,309	56,672	56,979	57,986	307	0.5%	1,007	1.8%
18 to 24	17,308	21,488	20,887	20,346	-601	-2.8%	-541	-2.6%
25 to 34	27,324	30,472	35,956	34,346	5,484	18.0%	-1,610	-4.5%
35 to 44	30,856	24,983	29,676	32,726	4,693	18.8%	3,050	10.3%
45 to 54	23,160	29,258	24,741	25,099	-4,517	-15.4%	358	1.4%
55 to 64	12,889	22,104	27,339	24,649	5,235	23.7%	-2,690	-9.8%
65 to 74	10,136	11,570	20,082	22,475	8,512	73.6%	2,393	11.9%
75 plus	9,320	11,523	14,758	17,125	3,235	28.1%	2,367	16.0%
Total	**188,302**	**208,070**	**230,418**	**234,751**	**22,348**	**10.7%**	**4,333**	**1.9%**
North St. Paul								
Under 18	3,150	2,607	2,605	2,644	-2	-0.1%	39	1.5%
18 to 24	1,004	1,127	943	895	-184	-16.3%	-48	-5.1%
25 to 34	1,568	1,594	1,904	1,735	310	19.4%	-169	-8.9%
35 to 44	2,036	1,305	1,702	1,940	397	30.4%	238	14.0%
45 to 54	1,786	1,825	1,430	1,410	-395	-21.6%	-20	-1.4%
55 to 64	1,021	1,499	1,774	1,551	275	18.3%	-223	-12.6%
65 to 74	756	790	1,432	1,549	642	81.3%	117	8.2%
75 plus	613	713	985	1,140	272	38.1%	155	15.7%
Total	**11,934**	**11,460**	**12,775**	**12,864**	**1,315**	**11.5%**	**89**	**0.7%**
Seven County Metro Area								
Under 18	697,534	700,960	720,856	716,904	3,426	0.5%	-3,952	-0.5%
18 to 24	244,226	263,462	286,935	285,477	19,236	7.9%	-1,458	-0.5%
25 to 34	411,155	420,311	460,248	457,217	9,156	2.2%	-3,031	-0.7%
35 to 44	469,324	391,324	445,614	466,984	-78,000	-16.6%	21,370	4.8%
45 to 54	363,592	440,753	393,817	390,343	77,161	21.2%	-3,474	-0.9%
55 to 64	200,980	326,007	416,684	383,852	125,027	62.2%	-32,832	-7.9%
65 to 74	130,615	163,425	299,081	334,145	32,810	25.1%	35,064	11.7%
75 plus	124,630	143,325	204,385	251,516	18,695	15.0%	47,131	23.1%
Total	**2,642,056**	**2,849,567**	**3,227,620**	**3,286,438**	**207,511**	**7.9%**	**58,818**	**1.8%**

Sources: U.S. Census; ESRI; Maxfield Research & Consulting, LLC

Household Income by Age of Householder

The estimated distribution of household incomes in North St. Paul and the PMA 2022 and 2027 are shown in Tables D-3 and D-4. Tables D-5 and D-6 show this same information for Ramsey County and the Twin Cities Metro Area. The data was estimated by Maxfield Research based on income trends provided by ESRI, Inc. The data helps ascertain the demand for different housing products based on the size of the market at specific cost levels.

The Department of Housing and Urban Development defines housing as affordable if a household spends no more than 30% of its gross income for housing costs. For example, a household in North St. Paul with the median annual income of $78,593 would be able to afford a monthly housing cost of $1,965. Maxfield Research uses a figure of 25% to 30% for younger households and 40% or more for seniors, since seniors generally have lower living expenses and can often sell their homes and use the proceeds toward rent payments. Senior households that require support services will often spend higher proportions, up to as much as 90% of their income to obtain housing and support services.

A generally accepted standard for affordable owner-occupied housing is that a typical household can afford to pay 3.0 to 3.5 times their annual income on a single-family home, although as mortgage interest rates rise, the proportion would be nearer to 3.0 times. Therefore, an income of $78,593 would translate to an estimated single-family home price of $191,706 to $223,657. The higher end of this range assumes that the person has adequate funds for down payment and closing costs but does not include savings or equity in an existing home which may allow them to purchase a higher priced home.

- North St. Paul has an estimated median household income of $78,593 in 2022, which is expected to increase to $90,626 by 2027 (15.3% or an annual average of 2.9%). The annual average increase is above the average annual rate of inflation over the past ten years of 2.0% but is lower than the current annual rate of inflation, which as of June 2022 was 9%.

- The PMA has an estimated median household income of $68,625 in 2022, which is expected to increase to $82,233 by 2027 (19.8% or an annual average of 3.7%). The annual average increase is above the average annual rate of inflation over the past ten years of 2.0% but is lower than the current annual rate of inflation, which as of June 2022 was 9%.

- The median household income for North St. Paul is higher than for the PMA but below that of Ramsey County ($67,047) and the Twin Cities Metro ($70,404) in 2022.

- Between 2022 and 2027, North St. Paul's proportional increase in median household income is slower than that of the PMA (19.8%), but higher than Ramsey County and the Twin Cities Metro (14%).

Non-Senior Households

- In 2022, 5.5% of non-senior (under age 65) households in North St. Paul had incomes under $25,000 (271 households). All these households would be eligible for deep-subsidy rental housing. Another 5.4% of North St. Paul's non-senior households had incomes between $25,000 and $35,000 (166 households). Many of these households would qualify for deep-subsidy housing, but a portion may be able to afford shallow-subsidy rental housing. The very tight rental housing market in many communities in the Twin Cities has resulted in rising rents. At an estimated average monthly rent of $875 for a studio or one-bedroom unit at an older rental property, a household would need an income of at least $35,000 annually to afford to pay this amount of rent per month. If housing costs absorb 30% of income, households with incomes of $15,000 to $25,000 could afford to pay $375 to $625 per month. There are almost no rental properties in North St. Paul or the surrounding area that have rents at this level, unless they are rent-assisted.

- The proportion of residents eligible for deep subsidy rental housing in North St. Paul is lower than Ramsey County (7.8%) and the Twin Cities Metro (9.7%), and comparable to the Primary Market Area (5.4%).

- The proportion of households earning between $25,000 and $35,000 was similar in all geographies, ranging from 4.2% in the Primary Market Area to 6.2% in Ramsey County.

- In most geographic areas, household median incomes peak in the 45 to 54 age group, this group is usually considered to be in their peak earning years. In 2022, the median household income in North St. Paul was highest in the 35 to 44 age group at $100,720, followed by the age 45 to 54 group at $100,596. By 2027, the median incomes for 35 to 44 and 45 to 54 age groups are projected to increase to $106,925 and $106,844, respectively, an increase slightly higher than 6%.

- The 45 to 54 age cohort had the highest median incomes in the PMA ($84,920), Ramsey County ($98,184) and the Twin Cities Metro ($115,944).

- By 2027, the median household income will remain at its highest for those ages 45 to 54 in all geographies. Within the 45 to 54 age group, North St. Paul will experience the greatest rate of increase (11.4%) compared to the increase in the 45 to 54 age group in the Remainder of the PMA (7.3%), Ramsey County (11.1%) and the Twin Cities Metro (10.6%).

- The median estimated home value in North St. Paul as of 2022 is $335,000. The income required to afford a home at this price would range from an estimated $95,714 to $111,667 based on the standard of 3.0 to 3.5 times the median income (and assuming these households do not have a high level of debt). Using the data compiled for income by age of householder, an estimated 36% of non-senior households in the city and 32% in the PMA have incomes of $95,700 or greater in 2022.

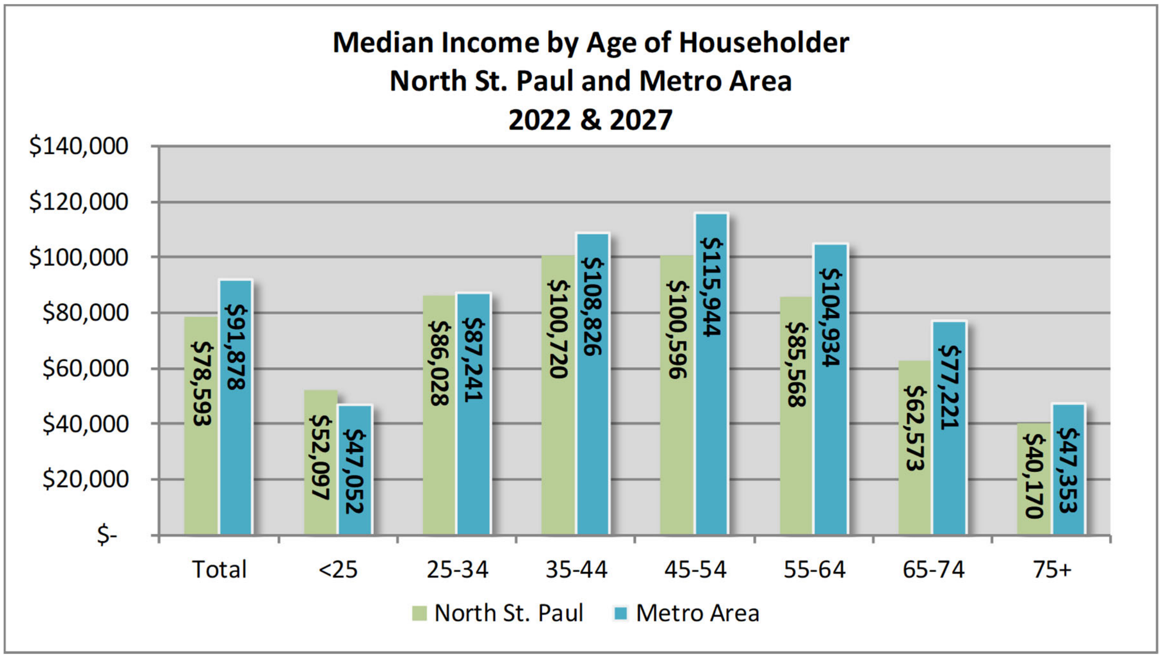

Median Income by Age of Householder
North St. Paul and Metro Area
2022 & 2027
$140,000
$120,000
$100,000
$80,000
$60,000
$40,000
$20,000
$-
$78,593
$91,878
$52,097
$47,052
$86,028
$87,241
$100,720
$108,826
$100,596
$115,944
$85,568
$104,934
$62,573
$77,221
$40,170
$47,353
Total
<25
25-34
35-44
45-54
55-64
65-74
75+
North St. Paul
Metro Area

TABLE D-3
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
CITY OF NORTH ST. PAUL
2022 & 2027

		Age of Householder						
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2022								
Less than $15,000	294	21	30	25	18	54	65	81
$15,000 to $24,999	260	11	29	16	22	45	47	90
$25,000 to $34,999	293	14	44	30	25	53	53	74
$35,000 to $49,999	610	36	79	61	60	84	131	159
$50,000 to $74,999	887	39	142	131	121	167	197	90
$75,000 to $99,999	720	27	132	147	121	145	111	37
$100,000 or more	1,891	26	329	426	378	402	228	102
Total	**4,955**	**174**	**785**	**836**	**745**	**950**	**832**	**633**
Median Income	**$78,593**	**$52,097**	**$86,028**	**$100,720**	**$100,596**	**$85,568**	**$62,573**	**$40,170**
7-Co. Metro	***$91,878***	***$47,052***	***$87,241***	***$108,826***	***$115,944***	***$104,934***	***$77,221***	***$47,353***
2027								
Less than $15,000	213	16	16	16	11	25	50	79
$15,000 to $24,999	180	9	16	9	12	25	34	75
$25,000 to $34,999	198	8	26	19	13	26	42	64
$35,000 to $49,999	485	28	54	48	46	54	102	153
$50,000 to $74,999	871	38	131	131	100	136	213	122
$75,000 to $99,999	783	31	128	167	122	136	142	57
$100,000 or more	2,246	34	347	554	422	416	306	167
Total	**4,976**	**164**	**718**	**944**	**726**	**818**	**889**	**717**
Median Income	**$90,626**	**$61,121**	**$96,933**	**$106,925**	**$106,855**	**$100,699**	**$75,445**	**$48,301**
7-Co. Metro	***$106,177***	***$54,087***	***$102,704***	***$120,711***	***$127,742***	***$119,583***	***$94,139***	***$62,188***
Change 2022 - 2027								
Less than $15,000	-81	-5	-14	-9	-7	-29	-15	-2
$15,000 to $24,999	-80	-2	-13	-7	-10	-20	-13	-15
$25,000 to $34,999	-95	-6	-18	-11	-12	-27	-11	-10
$35,000 to $49,999	-125	-8	-25	-13	-14	-30	-29	-6
$50,000 to $74,999	-16	-1	-11	0	-21	-31	16	32
$75,000 to $99,999	63	4	-4	20	1	-9	31	20
$100,000 or more	355	8	18	128	44	14	78	65
Total	**21**	**-10**	**-67**	**108**	**-19**	**-132**	**57**	**84**
Median Income	**$12,033**	**$9,024**	**$10,905**	**$6,205**	**$6,259**	**$15,131**	**$12,872**	**$8,131**
7-Co. Metro	***$14,299***	***$7,035***	***$15,463***	***$11,885***	***$11,798***	***$14,649***	***$16,918***	***$14,835***

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting, LLC

TABLE D-4
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
NORTH ST. PAUL PRIMARY MARKET AREA
2022 & 2027

		Age of Householder						
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2022								
Less than $15,000	6,853	646	1,204	928	809	1,154	981	1,131
$15,000 to $24,999	5,316	375	876	570	516	800	869	1,310
$25,000 to $34,999	6,271	410	1,187	848	624	870	961	1,371
$35,000 to $49,999	10,730	673	1,937	1,533	1,282	1,526	1,799	1,979
$50,000 to $74,999	15,422	710	3,047	2,707	2,436	2,841	2,465	1,215
$75,000 to $99,999	10,996	388	2,175	2,285	1,853	2,143	1,532	619
$100,000 or more	27,696	438	4,950	6,305	5,546	5,940	3,170	1,345
Total	**83,285**	**3,640**	**15,377**	**15,177**	**13,067**	**15,275**	**11,778**	**8,971**
Median Income	**$68,625**	**$42,330**	**$68,778**	**$84,172**	**$84,920**	**$79,083**	**$60,403**	**$38,799**
7-Co. Metro	***$91,878***	***$47,052***	***$87,241***	***$108,826***	***$115,944***	***$104,934***	***$77,221***	***$47,353***
2027								
Less than $15,000	5,473	573	840	748	619	774	796	1,122
$15,000 to $24,999	4,324	323	686	458	404	558	716	1,179
$25,000 to $34,999	5,266	366	953	732	486	625	850	1,253
$35,000 to $49,999	10,094	641	1,749	1,496	1,167	1,236	1,738	2,067
$50,000 to $74,999	14,141	693	2,616	2,446	2,046	2,242	2,567	1,531
$75,000 to $99,999	11,448	438	2,115	2,448	1,833	1,919	1,838	856
$100,000 or more	35,877	618	5,967	8,580	6,868	6,596	4,784	2,463
Total	**86,622**	**3,653**	**14,926**	**16,909**	**13,424**	**13,949**	**13,289**	**10,471**
Median Income	**$82,233**	**$47,587**	**$80,883**	**$100,647**	**$101,101**	**$93,911**	**$74,693**	**$46,297**
7-Co. Metro	***$106,177***	***$54,087***	***$102,704***	***$120,711***	***$127,742***	***$119,583***	***$94,139***	***$62,188***
Change 2022 - 2027								
Less than $15,000	-1,381	-73	-364	-180	-190	-380	-185	-10
$15,000 to $24,999	-992	-52	-190	-112	-112	-242	-153	-131
$25,000 to $34,999	-1,006	-44	-234	-116	-138	-245	-112	-118
$35,000 to $49,999	-636	-32	-188	-37	-116	-291	-61	88
$50,000 to $74,999	-1,281	-17	-432	-261	-390	-599	102	316
$75,000 to $99,999	452	50	-60	163	-20	-224	306	237
$100,000 or more	8,181	180	1,016	2,275	1,322	656	1,614	1,118
Total	**3,337**	**13**	**-451**	**1,732**	**357**	**-1,326**	**1,511**	**1,500**
Median Income	**$13,608**	**$5,257**	**$12,105**	**$16,475**	**$16,181**	**$14,828**	**$14,290**	**$7,498**
7-Co. Metro	***$14,299***	***$7,035***	***$15,463***	***$11,885***	***$11,798***	***$14,649***	***$16,918***	***$14,835***

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting, LLC

Senior Households

- Typically, younger seniors have higher incomes due to the fact they are still able to work or are married couples with two incomes or higher social security benefits. The 2022 median incomes for North St. Paul householders ages 65 to 74 and 75+ are $62,573 and $40,170, respectively.

- Senior median household incomes in the Primary Market Area are slightly lower for those 65 to 74 years old ($60,403) and 75 years or older ($38,799). Median incomes for the 65 to 74 age cohort in Ramsey County ($59,431) and the Twin Cities Metro ($77,221) are higher than those for North St. Paul and the Primary Market Area. The same is true for the 75 and over age cohort, with the median income in the Twin Cities Metro Area at $47,353 for this age cohort.

- Older senior householders have lower incomes compared to younger senior householders. In the PMA, 12% of households ages 65 to 74 had incomes below $20,000, compared to 20% of households age 75 and over. Many of these low-income older senior households rely solely on social security benefits. In North St. Paul, 11% of households age 65 to 74 had incomes below $20,000, compared to 20% of households age 75 and over.

- Generally, senior households with incomes greater than $35,000 will be able to afford market rate senior housing. Based on a 40% allocation of income for housing, this translates to monthly rents of at least $1,167. As of 2022, 72% (1,055) of senior households in North St. Paul and 68% (14,125) in the Primary Market Area have incomes of $35,000 or more. Many new construction properties however, have rental rates that require an income of $40,000 or higher.

TABLE D-5
HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER
RAMSEY COUNTY
2022 & 2027

		Age of Householder						
	Total	**<25**	**25-34**	**35-44**	**45-54**	**55-64**	**65 -74**	**75+**
2022								
Less than $15,000	17,347	1,797	3,045	2,141	1,961	2,967	2,490	2,944
$15,000 to $24,999	12,980	1,024	2,211	1,293	1,183	1,884	2,119	3,264
$25,000 to $34,999	14,335	1,115	2,783	1,827	1,377	2,007	2,120	3,104
$35,000 to $49,999	25,884	1,869	5,182	3,501	2,770	3,474	4,144	4,944
$50,000 to $74,999	37,937	2,154	7,545	6,032	5,224	6,455	6,534	3,994
$75,000 to $99,999	29,617	1,295	5,943	5,715	4,386	5,333	4,788	2,158
$100,000 or more	82,805	1,524	13,954	18,297	16,402	17,657	10,272	4,699
Total	**220,905**	**10,779**	**40,663**	**38,807**	**33,303**	**39,778**	**32,467**	**25,107**
Median Income	**$76,258**	**$45,705**	**$72,982**	**$93,976**	**$98,184**	**$87,832**	**$68,927**	**$43,532**
7-Co. Metro	***$91,878***	***$47,052***	***$87,241***	***$108,826***	***$115,944***	***$104,934***	***$77,221***	***$47,353***
2027								
Less than $15,000	13,529	1,601	2,072	1,668	1,496	1,898	1,948	2,845
$15,000 to $24,999	9,755	827	1,586	945	847	1,174	1,562	2,814
$25,000 to $34,999	11,548	968	2,104	1,526	1,028	1,365	1,743	2,813
$35,000 to $49,999	23,235	1,761	4,486	3,226	2,432	2,639	3,672	5,019
$50,000 to $74,999	35,248	2,256	6,566	5,377	4,391	5,079	6,576	5,003
$75,000 to $99,999	30,952	1,516	5,739	6,011	4,330	4,782	5,454	3,120
$100,000 or more	103,709	2,189	16,636	23,539	19,553	19,027	14,363	8,400
Total	**227,975**	**11,118**	**39,190**	**42,292**	**34,078**	**35,964**	**35,317**	**30,015**
Median Income	**$90,114**	**$53,070**	**$85,308**	**$106,194**	**$108,706**	**$103,533**	**$83,140**	**$55,710**
7-Co. Metro	***$106,177***	***$54,087***	***$102,704***	***$120,711***	***$127,742***	***$119,583***	***$94,139***	***$62,188***
Change 2022 - 2027								
Less than $15,000	-3,818	-196	-973	-474	-465	-1,069	-542	-99
$15,000 to $24,999	-3,225	-198	-625	-348	-336	-710	-558	-450
$25,000 to $34,999	-2,787	-147	-679	-301	-349	-642	-377	-291
$35,000 to $49,999	-2,650	-108	-696	-275	-339	-836	-472	76
$50,000 to $74,999	-2,689	102	-979	-655	-832	-1,376	42	1,009
$75,000 to $99,999	1,335	221	-204	296	-55	-550	666	962
$100,000 or more	20,903	665	2,682	5,242	3,151	1,370	4,090	3,702
Total	**7,070**	**338**	**-1,473**	**3,485**	**775**	**-3,814**	**2,850**	**4,908**
Median Income	**$13,856**	**$7,365**	**$12,326**	**$12,218**	**$10,522**	**$15,701**	**$14,213**	**$12,178**
7-Co. Metro	***$14,299***	***$7,035***	***$15,463***	***$11,885***	***$11,798***	***$14,649***	***$16,918***	***$14,835***

Sources: ESRI; US Census Bureau; Maxfield Research & Consulting, LLC

TABLE D-6 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER TWIN CITIES METRO 2017 & 2022								
		Age of Householder						
	Total	<25	25-34	35-44	45-54	55-64	65 -74	75+
2017								
Less than $15,000	103,342	10,895	19,393	13,296	12,714	18,189	11,571	17,284
$15,000 to $24,999	83,494	7,046	13,906	10,009	8,839	11,530	13,463	18,701
$25,000 to $34,999	95,237	7,082	18,624	14,233	12,230	13,037	13,555	16,478
$35,000 to $49,999	139,236	7,549	27,351	23,353	18,931	21,062	20,953	20,038
$50,000 to $74,999	215,431	8,224	42,637	36,740	38,944	40,733	29,711	18,441
$75,000 to $99,999	170,360	3,733	31,253	33,549	38,745	37,305	18,578	7,198
$100,000-$149,999	216,192	3,545	35,647	49,182	55,041	45,242	19,937	7,598
$150,000-$199,999	94,837	902	13,168	21,458	27,458	21,466	8,157	2,227
$200,000+	96,801	714	7,717	20,220	30,363	25,624	9,786	2,376
Total	**1,214,931**	**49,689**	**209,697**	**222,040**	**243,265**	**234,188**	**145,711**	**110,341**
Median Income	**$70,404**	**$34,667**	**$62,526**	**$83,240**	**$92,965**	**$81,757**	**$58,732**	**$36,436**
2022								
Less than $15,000	112,997	11,851	21,121	14,680	12,126	17,539	15,085	20,596
$15,000 to $24,999	82,844	6,630	13,232	9,406	6,991	10,524	15,159	20,901
$25,000 to $34,999	87,013	6,218	16,504	12,967	9,105	11,118	14,339	16,763
$35,000 to $49,999	151,261	8,392	29,034	24,623	17,787	21,338	26,006	24,081
$50,000 to $74,999	157,702	5,844	30,178	27,468	23,913	28,280	25,794	16,226
$75,000 to $99,999	193,050	4,293	35,618	38,927	37,865	40,515	26,032	9,800
$100,000-$149,999	261,679	4,168	43,111	60,332	56,992	54,411	30,456	12,210
$150,000-$199,999	122,222	1,152	17,459	28,346	30,990	27,396	12,992	3,885
$200,000+	112,190	785	9,413	24,094	30,175	29,285	14,561	3,876
Total	**1,280,958**	**49,332**	**215,669**	**240,845**	**225,944**	**240,407**	**180,423**	**128,339**
Median Income	**$79,964**	**$34,930**	**$72,510**	**$93,831**	**$102,802**	**$92,967**	**$67,367**	**$37,712**
Change 2017- 2022								
Less than $15,000	9,655	956	1,727	1,384	-589	-650	3,514	3,312
$15,000 to $24,999	-650	-415	-674	-602	-1,848	-1,006	1,696	2,201
$25,000 to $34,999	-8,224	-864	-2,119	-1,265	-3,125	-1,919	784	285
$35,000 to $49,999	12,025	844	1,683	1,270	-1,143	276	5,053	4,043
$50,000 to $74,999	-57,729	-2,381	-12,460	-9,273	-15,031	-12,453	-3,917	-2,215
$75,000 to $99,999	22,690	560	4,365	5,379	-880	3,211	7,453	2,602
$100,000-$149,999	45,487	623	7,463	11,150	1,950	9,169	10,519	4,612
$150,000-$199,999	27,384	249	4,291	6,889	3,532	5,930	4,835	1,658
$200,000+	15,389	71	1,695	3,874	-188	3,661	4,775	1,500
Total	**66,027**	**-358**	**5,972**	**18,805**	**-17,321**	**6,219**	**34,712**	**17,998**
Median Income	**$9,560**	**$263**	**$9,984**	**$10,591**	**$9,837**	**$11,210**	**$8,635**	**$1,276**

Sources: ESRI; US Census Bureau; Maxfield Research and Consulting LLC

Net Worth

Table D-7 shows household net worth in North St. Paul in 2022 along with the PMA, Ramsey County and the Twin Cities Metro. Simply stated, net worth is the difference between assets and liabilities, or the total value of assets after the debt is subtracted. The data was compiled and estimated by ESRI based on the Survey of Consumer Finances and Federal Reserve Board data.

According to data released by the Federal Reserve in September 2020 through the Survey of Consumer Finances, the average American homeowner had a net worth in 2019 of $255,000 compared to renter households with an estimated net worth of $6,300. This is a difference of 40 times greater for owners versus renters.

- North St. Paul households had an average net worth of $697,430 in 2022 and a median net worth of $185,402. Median net worth is generally a more accurate depiction of wealth than the average figure. A few households with very large net worth can significantly skew the average.

- Similar to household income, net worth increases as households age and decreases after they pass their peak earning years and move into retirement. Median and average net worth usually peak in the 65 to 74 age cohort. The median net worth in North St. Paul for the age cohort was $323,312 in 2022. The average net worth was greatest for the 65 to 74 age cohort at $1,012,848. Senior households usually have higher net worth due to their savings, investments, and other retirement funds.

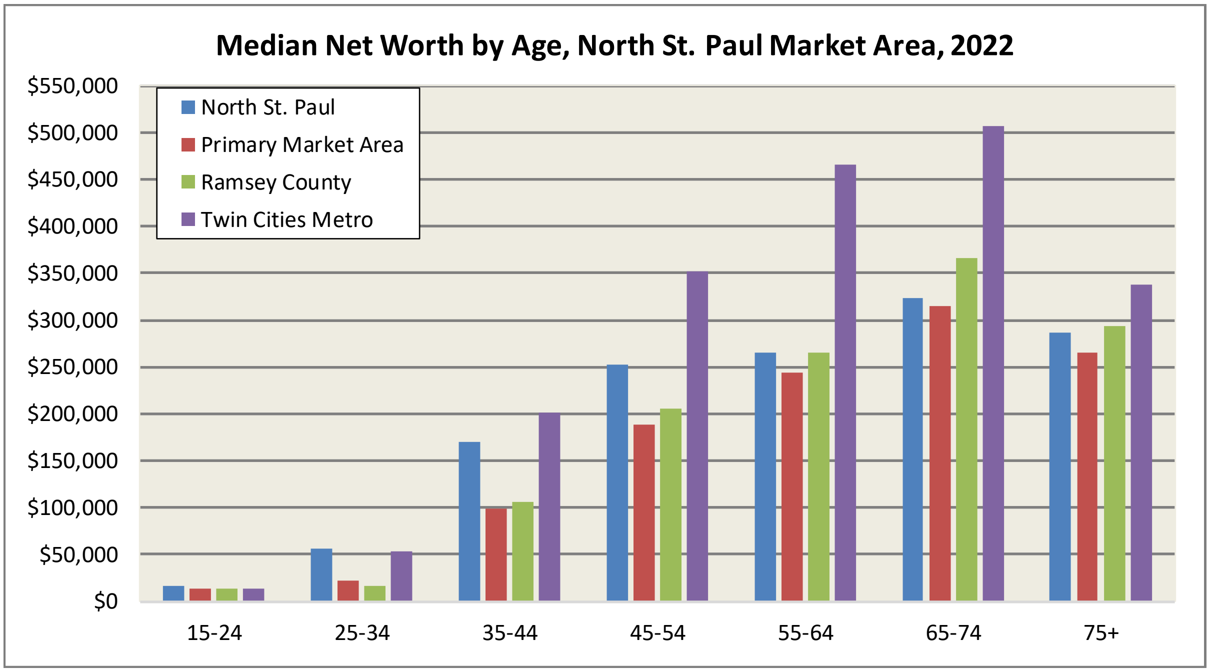
- The Primary Market Area had the lowest average net worth ($708,658) and lowest median net worth ($135,155).

- The highest average net worth in each geography was reported for the 65 to 74 age cohort.

TABLE D-7
ESTIMATED NET WORTH BY AGE OF HOUSEHOLDER
NORTH ST. PAUL PRIMARY MARKET AREA
2022

	Age of Householder							
	Total		15-24		25-34		35-44	
	Average	Median	Average	Median	Average	Median	Average	Median
North St. Paul	***$697,430***	***$185,109***	***$41,388***	***$15,836***	***$115,614***	***$56,194***	***$576,880***	***$169,370***
Primary Market Area	*$708,658*	*$135,155*	*$41,594*	*$13,435*	*$88,971*	*$22,330*	*$462,726*	*$98,382*
Ramsey County	*$890,059*	*$142,824*	*$43,156*	*$13,206*	*$83,588*	*$16,826*	*$588,388*	*$105,505*
Twin Cities Metro	*$1,304,543*	*$239,052*	*$49,332*	*$13,912*	*$142,094*	*$52,817*	*$847,459*	*$201,464*
	45-54		55-64		65-74		75+	
	Average	Median	Average	Median	Average	Median	Average	Median
North St. Paul	**$756,931**	**$251,765**	**$990,262**	**$265,457**	**$1,012,848**	**$323,312**	**$834,417**	**$286,221**
Primary Market Area	*$790,598*	*$188,844*	*$1,152,223*	*$243,490*	*$1,222,061*	*$314,578*	*$908,962*	*$265,642*
Ramsey County	*$1,045,063*	*$205,922*	*$1,045,063*	*$265,731*	*$1,477,111*	*$366,091*	*$1,159,264*	*$293,868*
Twin Cities Metro	*$1,672,594*	*$352,612*	*$2,218,455*	*$466,130*	*$1,906,275*	*$506,221*	*$1,386,599*	*$337,681*

Sources: ESRI; Maxfield Research and Consulting, LLC



Tenure by Household Income

Table D-8 shows household tenure by income for North St. Paul, the PMA, Ramsey County and the Twin Cities Metro in 2022. Data is an estimate from the American Community Survey (2020) and adjusted for household estimates to 2022. Household tenure information is important to assess the propensity for owner-occupied or renter-occupied housing options based on household affordability. As stated earlier, the Department of Housing and Urban Development determines affordable housing as not exceeding 30% of the household's income. The higher the income, the lower percentage a household typically allocates to housing. Many lower income households, as well as many young and senior households spend more than 30% of their income, while middle-aged households in their prime earning years typically allocate 20% to 25% of their income.

- Typically, as income increases, so does the rate of homeownership. This can be seen in North St. Paul, where the homeownership rate increases from 20% of households with incomes below $15,000 to 93% of households with incomes of $150,000 or higher.

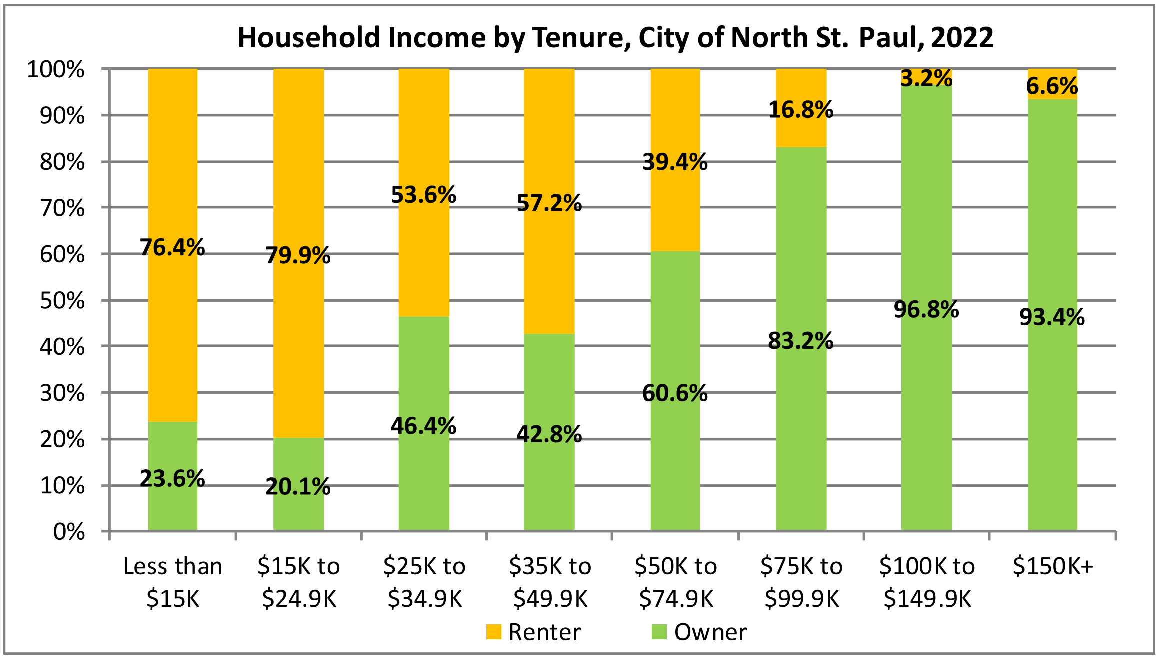
- A portion of renter households that are referred to as lifestyle renters, those who are financially able to own but choose to rent, typically have household incomes of $50,000 or more and accounted for an estimated 32% of North St. Paul's renters in 2022. The proportion of lifestyle renters is higher in the PMA (34%), in Ramsey County (40%) and in the Twin Cities Metro Area (66%).

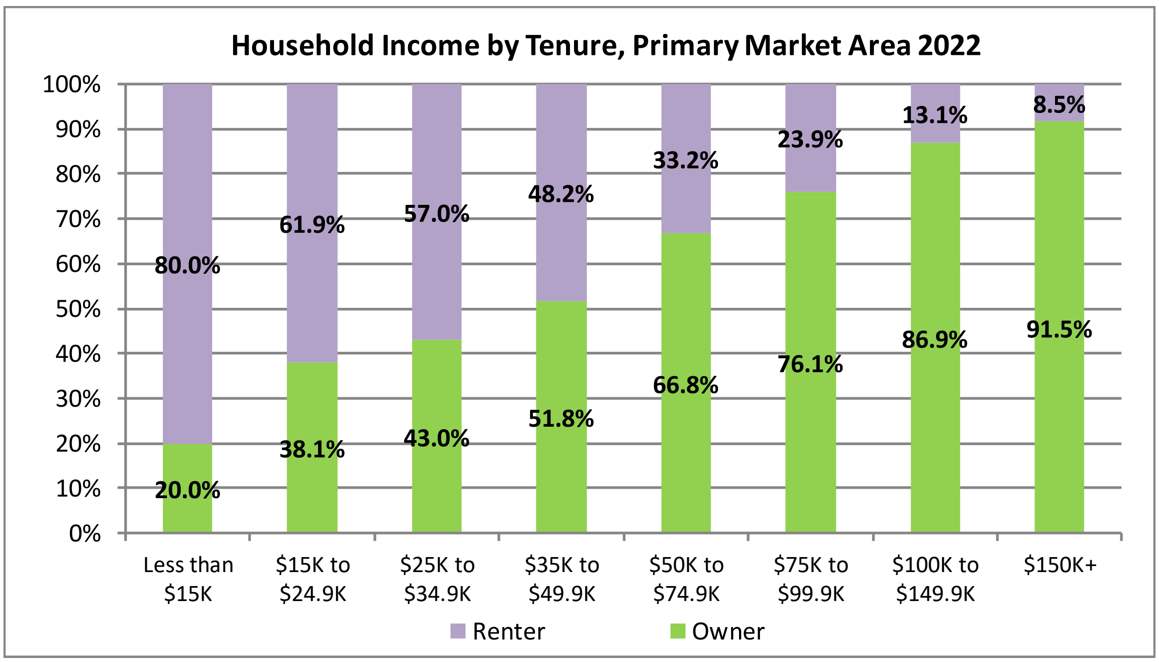
- Households with incomes below $25,000 are typically a market for deep-subsidy rental housing (an estimated 31% of North St. Paul renter households as of 2022). The proportion of renters eligible for deep subsidies in the PMA is similar to North St. Paul (32%).

TABLE D-8
TENURE BY HOUSEHOLD INCOME
NORTH ST. PAUL PRIMARY MARKET AREA
2022

	NORTH ST. PAUL				PRIMARY MARKET AREA				RAMSEY COUNTY				TWIN CITIES METRO			
Income	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
Less than $15,000	88	23.6%	285	76.4%	1,434	20.0%	5,741	80.0%	4,339	22.5%	14,952	77.5%	25,383	49.7%	25,719	50.3%
$15,000 to $24,999	62	20.1%	246	79.9%	2,550	38.1%	4,139	61.9%	5,237	31.8%	11,246	68.2%	28,654	56.1%	22,437	43.9%
$25,000 to $34,999	160	46.4%	185	53.6%	3,564	43.0%	4,722	57.0%	6,939	37.4%	11,607	62.6%	37,451	62.9%	22,080	37.1%
$35,000 to $49,999	345	42.8%	461	57.2%	5,827	51.8%	5,429	48.2%	12,215	44.8%	15,043	55.2%	68,480	60.8%	44,225	39.2%
$50,000 to $74,999	582	60.6%	379	39.4%	10,862	66.8%	5,410	33.2%	23,023	58.5%	16,321	41.5%	128,948	67.5%	62,070	32.5%
$75,000 to $99,999	560	83.2%	113	16.8%	7,838	76.1%	2,467	23.9%	19,246	68.1%	8,995	31.9%	125,254	62.1%	76,337	37.9%
$100,000 to $149,999	846	96.8%	28	3.2%	12,436	86.9%	1,874	13.1%	30,540	81.6%	6,864	18.4%	203,526	81.2%	46,979	18.8%
$150,000+	574	93.4%	40	6.6%	8,230	91.5%	763	8.5%	30,948	90.1%	3,390	9.9%	252,316	86.0%	41,057	14.0%
Total	**3,217**	**64.9%**	**1,738**	**35.1%**	**52,741**	**63.3%**	**30,544**	**36.7%**	**132,488**	**60.0%**	**88,417**	**40.0%**	**870,013**	**71.8%**	**340,904**	**28.2%**
Median Household Income	**$92,375**		**$37,103**		**$75,806**		**$36,052**		**$93,739**		**$41,074**		**$107,728**		**$49,106**	

Sources: U.S. Census Bureau - American Community Survey; Maxfield Research and Consulting LLC



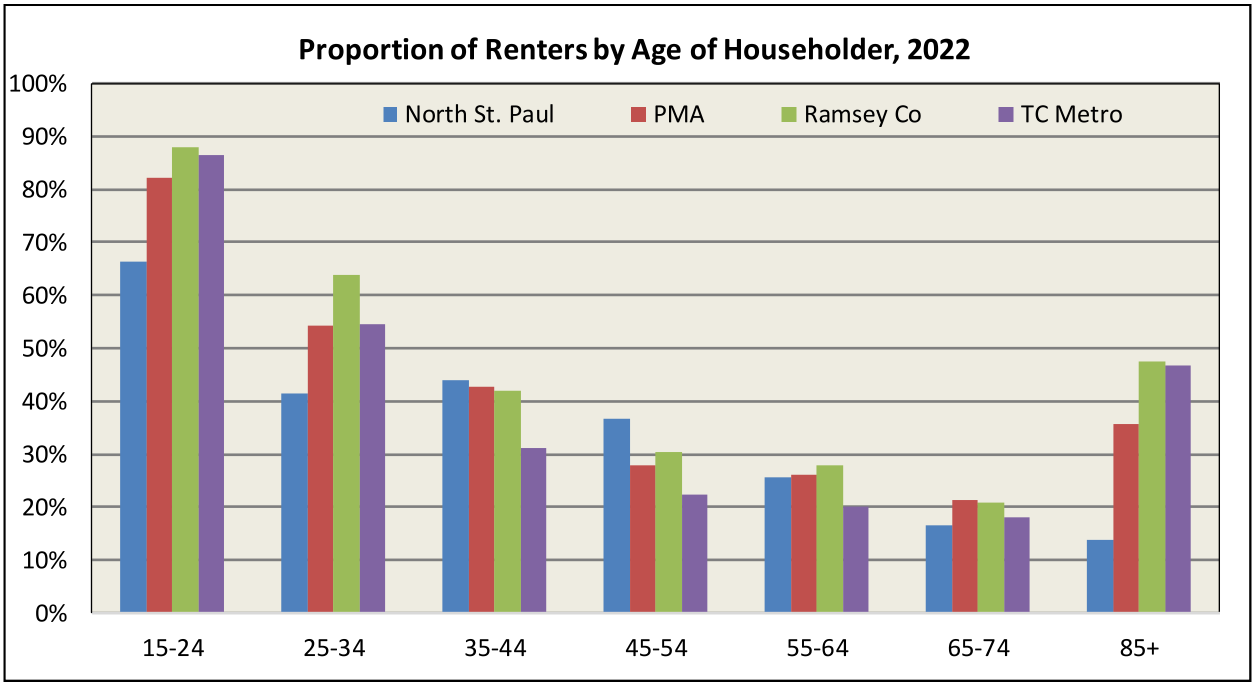


Tenure by Age of Householder

Table D-9 shows the number of owner and renter households in North St. Paul and the PMA by age group in 2010 and 2022. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle. The following are key findings from Table D-9.

- In 2010, 72% of all households in North St. Paul owned their housing. By 2022, that percentage is estimated to have decreased to 65%. A similar pattern was observed in the PMA, Ramsey County and the Twin Cities Metro, although the proportional decreases were less in Ramsey County and the Metro Area.

- Factors related to the decrease in homeownership rates include more households delaying purchasing due to affordability, shifting lifestyles, and most recently, an increase in mortgage interest rates. These factors and others have contributed to increases in the number of households renting their housing.



- As households progress through their life cycle, housing needs change. The proportion of renter households decreases as households' age out of their young-adult years. By the time households reach their older senior years however, rental housing often becomes a more viable option than homeownership, reducing the responsibility of maintenance and a financial commitment.

TABLE D-9
TENURE BY AGE OF HOUSEHOLDER
NORTH ST. PAUL PRIMARY MARKET AREA
2010 AND 2022

		NORTH ST. PAUL				PRIMARY MARKET AREA				RAMSEY COUNTY				TWIN CITIES METRO			
		2010		2022		2010		2022		2010		2022		2010		2022	
Age		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	17	14.4	114	33.7	768	18.1	456	17.7	1,446	10.8	1,030	12.0	7,947	16.0	5,991	13.6
	Rent	102	85.6	225	66.3	3,483	81.9	2,120	82.3	11,922	89.2	7,571	88.0	41,789	84.0	38,129	86.4
	Total	**120**	**100.0**	**340**	**100.0**	**4,252**	**100.0**	**2,577**	**100.0**	**13,368**	**100.0**	**8,601**	**100.0**	**49,736**	**100.0**	**44,120**	**100.0**
25-34	Own	336	52.6	634	58.4	6,944	48.9	7,583	45.8	15,896	41.7	15,504	36.3	102,236	50.6	104,371	45.6
	Rent	303	47.4	452	41.6	7,244	51.1	8,964	54.2	22,264	58.3	27,254	63.7	99,716	49.4	124,575	54.4
	Total	**639**	**100.0**	**1,086**	**100.0**	**14,188**	**100.0**	**16,546**	**100.0**	**38,160**	**100.0**	**42,758**	**100.0**	**201,952**	**100.0**	**228,946**	**100.0**
35-44	Own	552	72.9	390	56.1	9,576	64.2	8,198	57.3	23,063	63.5	22,234	58.2	154,678	72.3	160,661	68.8
	Rent	206	27.1	305	43.9	5,351	35.8	6,101	42.7	13,266	36.5	15,999	41.8	59,303	27.7	72,950	31.2
	Total	**758**	**100.0**	**694**	**100.0**	**14,928**	**100.0**	**14,299**	**100.0**	**36,329**	**100.0**	**38,233**	**100.0**	**213,981**	**100.0**	**233,612**	**100.0**
45-54	Own	963	83.0	532	63.3	13,122	75.7	10,539	72.0	31,382	72.3	25,081	69.6	202,404	79.8	189,697	77.7
	Rent	197	17.0	309	36.7	4,223	24.3	4,096	28.0	12,043	27.7	10,952	30.4	51,379	20.2	54,492	22.3
	Total	**1,159**	**100.0**	**841**	**100.0**	**17,345**	**100.0**	**14,634**	**100.0**	**43,425**	**100.0**	**36,033**	**100.0**	**253,783**	**100.0**	**244,189**	**100.0**
55-64	Own	659	81.0	575	74.5	9,614	80.1	11,782	73.8	26,224	79.3	30,148	72.0	162,595	82.6	200,993	80.0
	Rent	154	19.0	197	25.5	2,394	19.9	4,190	26.2	6,846	20.7	11,727	28.0	34,355	17.4	50,342	20.0
	Total	**813**	**100.0**	**772**	**100.0**	**12,008**	**100.0**	**15,972**	**100.0**	**33,069**	**100.0**	**41,876**	**100.0**	**196,950**	**100.0**	**251,335**	**100.0**
65-74	Own	421	83.7	642	83.5	5,566	81.6	8,481	78.8	14,203	78.2	23,913	79.1	85,347	82.6	134,938	81.9
	Rent	82	16.3	127	16.5	1,259	18.4	2,287	21.2	3,964	21.8	6,302	20.9	17,998	17.4	29,751	18.1
	Total	**503**	**100.0**	**769**	**100.0**	**6,825**	**100.0**	**10,768**	**100.0**	**18,167**	**100.0**	**30,215**	**100.0**	**103,345**	**100.0**	**164,689**	**100.0**
75-84	Own	254	58.8	186	65.0	4,228	73.4	4,191	71.9	10,101	72.2	10,303	68.4	50,083	75.6	61,880	76.0
	Rent	178	41.2	100	35.0	1,534	26.6	1,638	28.1	3,886	27.8	4,751	31.6	16,185	24.4	19,575	24.0
	Total	**433**	**100.0**	**286**	**100.0**	**5,763**	**100.0**	**5,830**	**100.0**	**13,986**	**100.0**	**15,054**	**100.0**	**66,268**	**100.0**	**81,455**	**100.0**
85+	Own	114	59.6	144	86.3	1,406	61.6	1,708	64.3	3,826	61.8	4,276	52.6	17,185	54.2	20,728	53.2
	Rent	77	40.4	23	13.7	876	38.4	950	35.7	2,360	38.2	3,860	47.4	14,549	45.8	18,255	46.8
	Total	**191**	**100.0**	**167**	**100.0**	**2,281**	**100.0**	**2,658**	**100.0**	**6,186**	**100.0**	**8,136**	**100.0**	**31,734**	**100.0**	**38,983**	**100.0**
TOTAL	Own	3,316	71.8	3,217	64.9	51,225	66.0	52,938	63.6	126,140	62.2	132,488	60.0	782,475	70.0	879,259	68.3
	Rent	1,299	28.2	1,738	35.1	26,365	34.0	30,347	36.4	76,551	37.8	88,417	40.0	335,274	30.0	408,069	31.7
	Total	**4,615**	**100.0**	**4,955**	**100.0**	**77,590**	**100.0**	**83,285**	**100.0**	**202,691**	**100.0**	**220,905**	**100.0**	**1,117,749**	**100.0**	**1,287,328**	**100.0**

Sources: U.S. Census Bureau; Maxfield Research and Consulting LLC

- The proportion of homeowners increases as households age, through the 65 to 74 age cohort in North St. Paul and in the PMA. In this age cohort, homeowner households reached the highest proportion of 83.5% in North St. Paul before declining to 65.6% among households 75 to 84. The oldest households, those age 85 and older, had the highest homeownership rate at 86.3%. In nearly every age cohort in North St. Paul and the PMA, the proportion of renter households increased between 2010 and 2022.

Household Type

Table D-10 shows a breakdown of the type of households present in North St. Paul in 2010 and 2022. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

- In 2010, the largest household type in North St. Paul was married couples without children, which represented 31% of households. As of 2022, the largest household type was people living alone, representing 30% of the households.

- North St. Paul had a lower proportion of households that are married with children, 17%, compared to the PMA, Ramsey County and the Twin Cities Metro, which ranged between 18% and 22% in 2022.

- At the same time, North St. Paul reported the lowest proportion of roommate households, 6%, compared to all other areas which reported between 7% and 9% as roommate households.

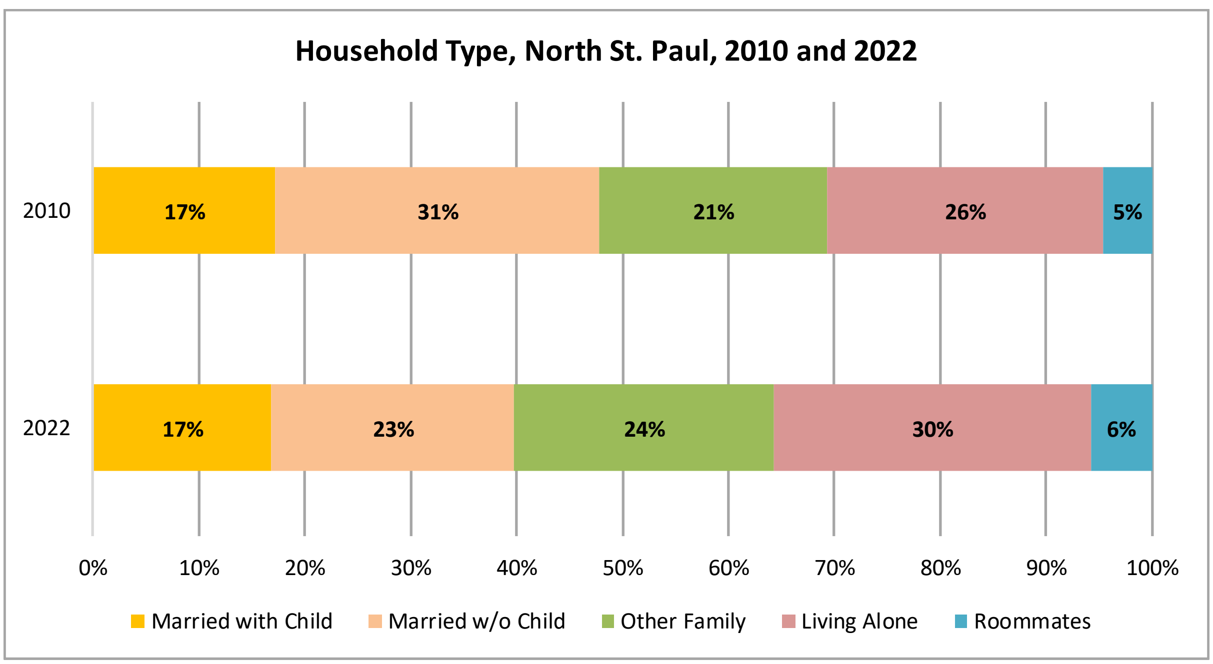


TABLE D-10
HOUSEHOLD TYPE
NORTH ST. PAUL PRIMARY MARKET AREA
2010 & 2022

	Total HH's		Family Households: Married w/ Child		Family Households: Married w/o Child		Family Households: Other *		Non-Family Households: Living Alone		Non-Family Households: Roommates **	
Households	**2010**	**2022**	**2010**	**2022**	**2010**	**2022**	**2010**	**2022**	**2010**	**2022**	**2010**	**2022**
North St. Paul	**4,615**	**4,955**	**795**	**835**	**1,412**	**1,136**	**991**	**1,212**	**1,202**	**1,483**	**216**	**288**
PMA	77,590	83,285	15,413	15,895	17,545	18,263	15,985	18,988	24,033	24,015	4,613	6,124
Ramsey County	202,691	220,905	36,419	39,773	47,551	51,756	33,243	35,289	69,438	74,671	16,040	19,416
Twin Cities Metro	1,117,749	1,264,908	244,687	273,914	298,723	345,647	164,086	174,825	319,030	367,321	91,223	103,201
Percent												
North St. Paul	**100.0**	**100.0**	**17.2**	**16.8**	**30.6**	**22.9**	**21.5**	**24.5**	**26.0**	**29.9**	**4.7**	**5.8**
PMA	100.0	100.0	19.9	19.1	22.6	21.9	20.6	22.8	31.0	28.8	5.9	7.4
Ramsey County	100.0	100.0	18.0	18.0	23.5	23.4	16.4	16.0	34.3	33.8	7.9	8.8
Twin Cities Metro	100.0	100.0	21.9	21.7	26.7	27.3	14.7	13.8	28.5	29.0	8.2	8.2

	Change 2010 - 2022											
	No.	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**	**No.**	**Pct.**
North St. Paul	**340**	**7.4%**	**40**	**5.1%**	**-275**	**-19.5%**	**221**	**22.3%**	**281**	**23.4%**	**73**	**33.6%**
PMA	5,695	7.3%	481	3.1%	718	4.1%	3,003	18.8%	-18	-0.1%	1,511	32.8%
Ramsey County	18,214	9.0%	3,354	9.2%	4,205	8.8%	2,047	6.2%	5,233	7.5%	3,376	21.0%
Twin Cities Metro	147,159	13.2%	29,227	11.9%	46,924	15.7%	10,739	6.5%	48,291	15.1%	11,978	13.1%

* Single-parents with children
** Includes unmarried couples without children and group quarters

Sources: U. S. Census; ESRI, Inc.; Maxfield Research and Consulting, LLC

- Among all areas, the greatest change in household type was for roommate households across all geographies, where this segment increased by between 13% and 34%. Proportional increases across other household types were mixed.

- In North St. Paul, the largest increase in household type occurred among roommate households, 34%, followed by people living alone (23%) and Other Family households (22%). Married Couples without children experienced a significant decrease (20%) over the period.

- Although North St. Paul showed an increase in the number of married couples with children, the proportion of that category remained stable between 2010 and 2022, due primarily to greater increases among people alone and other family households. Increases in households with fewer people, on average, in each household will impact the type of housing in demand in North St. Paul. Smaller household sizes may favor maintenance-free housing options located near goods and services as opposed to single-family homes.

Mobility in the Past Year

Table D-11 shows the mobility patterns of residents in North St. Paul, the PMA and Ramsey County within a one-year time frame (2020 is the most recent available).

- An estimated 50% of residents in North St. Paul relocated within the past year.

- Of residents who relocated, most moved within the same county (91%).

- In North St. Paul, people ages 18 to 24 and 25 to 34 were most likely to report a move and to report a move from a different county, a different state or from abroad. Of residents in the PMA who reported a move, the situation was similar, but with a higher proportion of those ages 35 to 44 also reporting a move.

- In North St. Paul, a higher proportion of people ages 18 to 24 were less likely to move (10%) compared to the PMA (20%) and Ramsey County (31%).

- After age 44, mobility declines. Mobility increases slightly with some older age groups who may elect to relocate to alternate housing, either independent living or housing with services.

- The graph shown following Table D-11 shows the percent of people that remained in their same home over the past year.

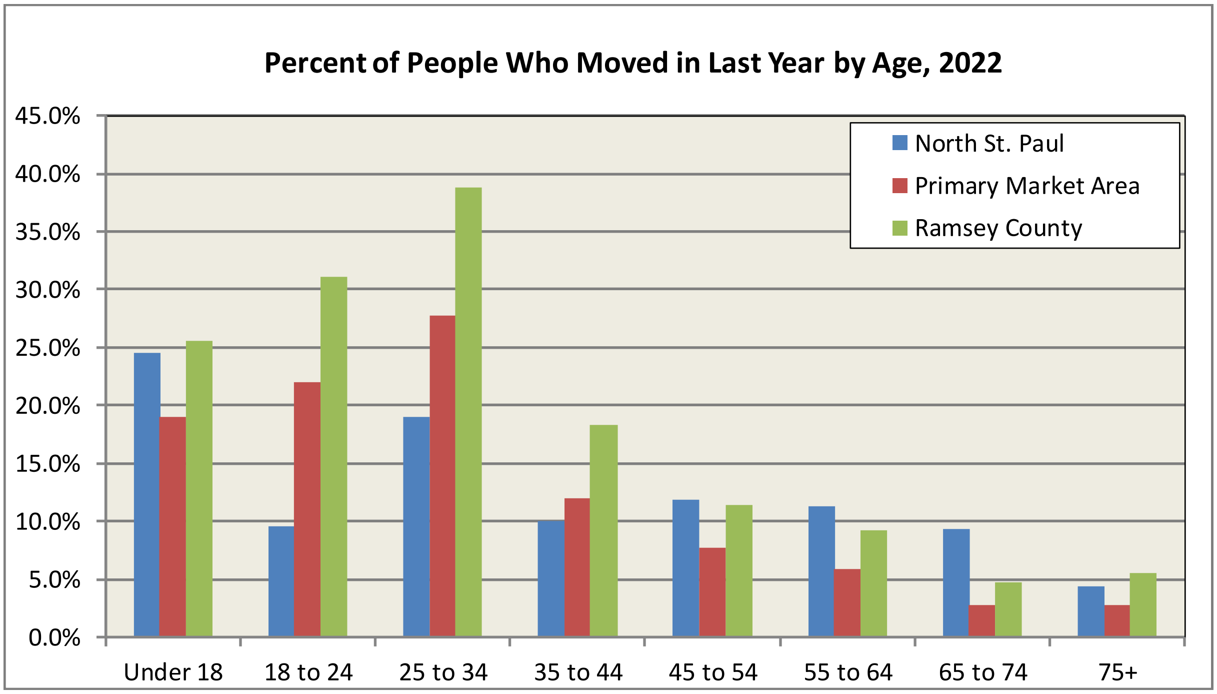

Percent of People Who Moved in Last Year by Age, 2022
45.0%
40.0%
35.0%
30.0%
25.0%
20.0%
15.0%
10.0%
5.0%
0.0%
Under 18
18 to 24
25 to 34
35 to 44
45 to 54
55 to 64
65 to 74
75+
North St. Paul
Primary Market Area
Ramsey County

TABLE D-11
MOBILITY IN THE PAST YEAR BY AGE FOR CURRENT RESIDENCE
NORTH ST. PAUL PRIMARY MARKET AREA
2022

	Did Not Move		Moved							
North St. Paul	Same House		Within Same County		Different County Same State		Different State		Abroad	
Age	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	3,109	24.3%	2,988	25.8%	35	6.6%	86	16.5%	0	0.0%
18 to 24	1,257	9.8%	1,002	8.6%	147	27.9%	65	12.5%	0	0.0%
25 to 34	2,433	19.0%	2,044	17.6%	149	28.3%	202	38.6%	11	28.6%
35 to 44	1,278	10.0%	1,212	10.5%	20	3.8%	20	3.8%	26	71.4%
45 to 54	1,501	11.7%	1,382	11.9%	0	0.0%	119	22.7%	0	0.0%
55 to 64	1,434	11.2%	1,296	11.2%	132	25.1%	11	2.0%	0	0.0%
65 to 74	1,183	9.3%	1,142	9.9%	30	5.8%	11	2.0%	0	0.0%
75+	580	4.5%	529	4.6%	14	2.6%	9	1.8%	0	0.0%
Total	**12,775**	**100.0%**	**11,595**	**100.0%**	**528**	**100.0%**	**522**	**100.0%**	**37**	**100.0%**
Primary Market Area	Same House		Within Same County		Different County Same State		Different State		Abroad	
Age	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	74,757	23.8%	6,981	22.0%	2,793	13.4%	1,895	18.5%	757	30.3%
18 to 24	26,034	8.3%	5,518	17.4%	5,490	26.3%	2,843	27.7%	487	19.5%
25 to 34	50,903	16.2%	8,038	25.4%	6,584	31.5%	2,895	28.2%	638	25.6%
35 to 44	41,333	13.1%	3,913	12.4%	2,535	12.1%	1,177	11.5%	229	9.2%
45 to 54	37,816	12.0%	2,810	8.9%	1,462	7.0%	508	4.9%	250	10.0%
55 to 64	40,482	12.9%	2,161	6.8%	1,042	5.0%	574	5.6%	91	3.6%
65 to 74	26,656	8.5%	1,081	3.4%	479	2.3%	237	2.3%	40	1.6%
75+	16,539	5.3%	1,172	3.7%	492	2.4%	134	1.3%	4	0.2%
Total	**314,520**	**100.0%**	**31,674**	**100.0%**	**20,877**	**100.0%**	**10,263**	**100.0%**	**2,496**	**100.0%**
Ramsey County	Same House		Within Same County		Different County Same State		Different State		Abroad	
Age	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Under 18	107,898	21.9%	9,494	21.7%	4,274	13.5%	1,929	15.1%	982	15.7%
18 to 24	69,074	14.0%	7,203	16.5%	8,092	25.5%	3,947	30.8%	1,068	17.1%
25 to 34	59,553	12.1%	11,436	26.1%	9,386	29.6%	3,684	28.7%	832	13.3%
35 to 44	59,686	12.1%	5,442	12.4%	3,907	12.3%	1,442	11.3%	1,167	18.7%
45 to 54	56,568	11.5%	3,476	7.9%	2,321	7.3%	644	5.0%	1,049	16.8%
55 to 64	63,492	12.9%	3,017	6.9%	1,779	5.6%	681	5.3%	543	8.7%
65 to 74	45,040	9.2%	1,564	3.6%	881	2.8%	324	2.5%	362	5.8%
75+	30,782	6.3%	2,147	4.9%	1,044	3.3%	166	1.3%	250	4.0%
Total	**492,092**	**100.0%**	**43,780**	**100.0%**	**31,682**	**100.0%**	**12,817**	**100.0%**	**6,254**	**100.0%**

Sources: American Community Survey; Maxfield Research and Consulting LLC

Summary of Demographic Trends

The following points summarize key demographic trends that will impact demand for housing in North St. Paul.

- The population in North St. Paul is forecast to increase by 6.4% (786 people) and 547 households (11.4%) between 2020 and 2030. The Primary Market Area is forecast to grow by 7.2% (16,003 people) and 11.6%, respectively (9,295 households) between 2020 and 2030.

- The populations age 35 to 44 and over age 65 are expected to experience increases in North St. Paul over the next five years. Growth in these age cohorts reflect demographic shifts and aging for Millennials and Baby Boomers.

- The median household income in North St. Paul is $78,593 and the median income is expected to rise to $90,626 by 2027. The median household income in North St. Paul is similar to the PMA at $79,022.

- As incomes rise, the proportion of homeowners also rises. However, a portion of renter households that are referred to as lifestyle renters or those who are financially able to own but choose to rent, have household incomes of $50,000 or more. This accounted for an estimated 32% of North St. Paul's renter households in 2022, slightly lower than the PMA and Ramsey County.

- The proportion of homeowners increases as households age beginning with age 35. Homeowner households reached the highest ownership proportion at 86.3% in North St. Paul for homeowners ages 85 years or older. Households ages 25 to 34 had a homeownership rate of 58.4% and households age 35 to 44 had a homeownership rate of 56.1%. These homeownership rates are higher than for the other geographies, indicating that housing in North St. Paul is more affordable.

- Between 2010 and 2022, married couple households with children remained stable while other family households and people living alone experienced strong increases.

- An estimated 50% of residents in North St. Paul moved within the past year. Of those that moved, they were most likely to be ages 18 to 24 or 25 to 34 and most likely to have moved within the same County. Mobility drops after age 44 but rises somewhat after age 65 as households elect other housing options for greater convenience and/or to obtain support services.

Employment Trends

Since employment growth generally fuels household growth, employment trends are a reliable indicator of housing demand. Typically, households prefer to live near work for convenience. However, housing is often less expensive in smaller towns, making commuting from outlying communities to work in larger employment centers attractive for households concerned about housing affordability. Submittals

Employment Growth and Projections

Table E-1 shows projected employment growth in North St. Paul, Ramsey County and the Twin Cities Metro Area. Table E-1 shows employment growth trends and projections from 2000 to 2030 based on the most recent Minnesota Department of Employment and Economic Development (DEED) employment estimates and Metropolitan Council employment forecasts.

TABLE E-1
EMPLOYMENT GROWTH TRENDS AND PROJECTIONS
NORTH ST. PAUL, RAMSEY CO. AND TWIN CITIES METRO AREA
2000 - 2030

	Employment						Change					
	Estimated Actual				Forecast		2000-2010		2010-2020		2020-2030	
	2000	2010	2020	2021*	2025	2030	No.	Pct.	No.	Pct.	No.	Pct.
North St. Paul	**3,495**	**2,897**	**3,246**	**4,265**	**4,370**	**4,500**	**-598**	**-17.1%**	**349**	**12.0%**	**1,254**	**28.7%**
Ramsey County	333,042	315,533	310,405	316,359	342,262	374,640	-17,509	-5.3%	-5,128	-1.6%	64,235	18.8%
Twin Cities Metro	1,563,245	1,543,872	1,645,284	1,716,718	1,798,177	1,900,000	-19,373	-1.2%	101,412	6.6%	254,716	14.2%

* 2021 Data is from MNDEED Quarterly Census of Employment and Wages (4th Quarter)
Note: Twin Cities Metro represents the 7-County planning region
Sources: MN Dept of Employment and Economic Development; Metropolitan Council; Maxfield Research & Consulting, LLC.

- There were an estimated 2,897 jobs in North St. Paul in 2010, which was 0.9% of the County total (315,533 jobs).

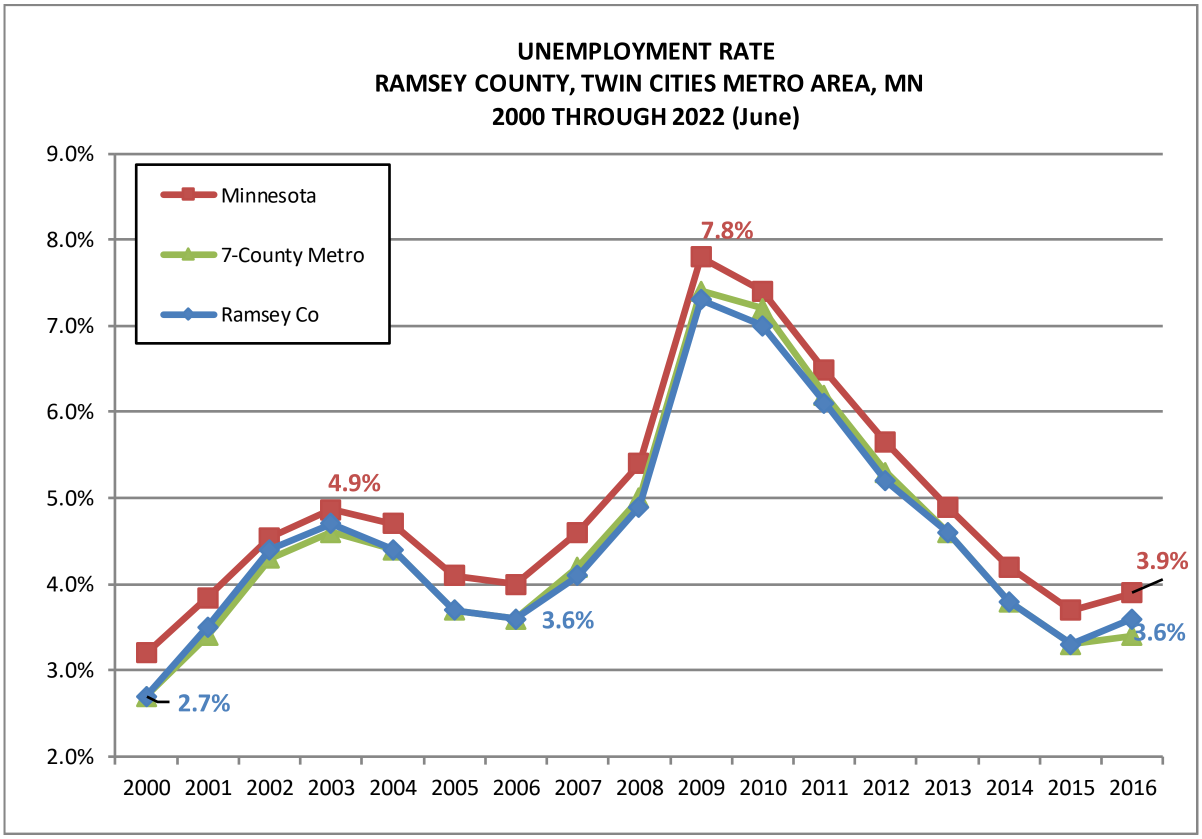
- The number of jobs in North St. Paul increased to 3,246 by 2020, growth of 12%. Between 2020 and 2021, employment increased by 31.4%, significant growth during the recovery from the pandemic. We estimate that North St. Paul will have 4,500 jobs by 2030, a growth rate of 28.7% over this decade. This growth rate is higher than for Ramsey County (18.8%) and for the Twin Cities Metro Area (14.2%). Growth in employment has been robust, continuing to make the community appealing for housing.

Resident Labor Force and Workplace Employment

Recent employment growth trends are shown in Tables E-2 and E-3. Table E-2 presents resident employment data for North St. Paul from 2000 through 2022 (July). The numbers are compiled from data published by the Minnesota Department of Employment and Economic Development (MNDEED). Resident employment data is calculated as an annual average *and reveals the work force and number of employed persons living in the city*. Not all these individuals work in the city or in Ramsey County. Table E-3 presents covered employment data for North St. Paul for the 4th Quarters of 2020 and 2021. Covered employment data is calculated as an annual average and *reveals the number of jobs in the designated area,* which are covered by unemployment insurance. Many temporary workforce positions, agricultural, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. Some agricultural businesses and employees are listed in Table E-3, but not all positions are included. The following are key trends derived from the employment data:

Resident Employment

- The labor force and resident employment (number of people employed) in Ramsey County increased from 2010 through 2019, but has fluctuated since then, primarily because of the pandemic and its ensuing recovery. The unemployment rate decreased after the Great Recession to a low of 2.9% in 2018 before increasing to a high of 7.1% during the height of the pandemic. Ramsey County's unemployment rate was 2.4% and the Twin Cities Metro was 2.2% as of July 2022.


UNEMPLOYMENT RATE
RAMSEY COUNTY, TWIN CITIES METRO AREA, MN
2000 THROUGH 2022 (June)
9.0%
8.0%
7.0%
6.0%
5.0%
4.0%
3.0%
2.0%
Minnesota
7-County Metro
Ramsey Co
7.8%
4.9%
3.9%
3.6%
3.6%
2.7%
2000
2001
2002
2003
2004
2005
2006
2007
2008
2009
2010
2011
2012
2013
2014
2015
2016

Year	Labor Force	Employed	Unemployed	Rate
TABLE E-2 ANNUAL AVERAGE RESIDENT EMPLOYMENT RAMSEY CO AND TWIN CITIES METRO 2000 through 2021				
RAMSEY COUNTY				
2000	286,658	278,404	8,254	2.9%
2005	271,356	260,757	10,599	3.9%
2010	270,063	249,935	20,128	7.5%
2011	272,394	254,310	18,084	6.6%
2012	272,944	257,259	15,685	5.7%
2013	275,220	261,715	13,505	4.9%
2014	277,353	266,179	11,174	4.0%
2015	279,536	269,716	9,820	3.5%
2016	283,182	272,995	10,187	3.6%
2017	288,172	278,748	9,424	3.3%
2018	289,445	281,073	8,372	2.9%
2019	292,145	282,808	9,337	3.2%
2020	290,469	269,924	20,545	7.1%
2021	281,343	270,690	10,653	3.8%
2022	290,733	283,634	7,099	2.4%
Change, 2010 through 2022				
No.	20,670	33,699	-13,029	
Pct.	7.7%	13.5%	-64.7%	
TWIN CITIES METRO AREA				
2000	1,563,293	1,521,414	41,879	2.7%
2005	1,585,047	1,526,490	58,557	3.7%
2010	1,593,385	1,479,385	114,000	7.2%
2011	1,603,520	1,504,083	99,437	6.2%
2012	1,609,964	1,523,656	86,308	5.4%
2013	1,625,317	1,549,756	75,561	4.6%
2014	1,638,705	1,575,806	62,899	3.8%
2015	1,649,759	1,594,798	54,961	3.3%
2016	1,675,478	1,618,135	57,343	3.4%
2017	1,706,940	1,653,641	53,299	3.1%
2018	1,719,819	1,672,375	47,444	2.8%
2019	1,746,423	1,693,132	53,291	3.1%
2020	1,742,842	1,629,444	113,398	6.5%
2021	1,690,504	1,633,867	56,637	3.4%
2022	1,750,478	1,712,143	38,335	2.2%
Change, 2010 through 2022				
No.	157,093	232,758	-75,665	
Pct.	9.9%	15.7%	-66.4%	

not seasonally adjusted

Sources: MN DEED, Maxfield Research and Consulting LLC

- Ramsey County's unemployment rate has been slightly higher than that of the Twin Cities Metro Area but lower than Minnesota's. The greatest yearly difference was 0.5% lower than the State.

- The unemployment rate in Ramsey County increased to a high of 7.5% (2010) during the Great Recession. As of June 2022 however, the unemployment rate fell to 2.4%, similar to the Twin Cities Metro Area at 2.2%, signaling a continued tight labor market.

Covered Employment by Industry

- From 4th Quarter 2020 to 4th Quarter 2021 (most recent data available), the number of jobs in North St. Paul increased by 1,029, or 32.9%. Categories that experienced the greatest increases include Education and Health Services (1,011), with only very nominal increases in other industry sectors.

- Average weekly wages decreased by 5.1% over the period. The average weekly wage in North St. Paul as of 2021 was $876 per week or $45,552. At this annual wage, affordable housing costs are estimated at $1,140 per month, which is about the cost to rent a one-bedroom unit at an older property in the Primary Market Area and in North St. Paul.

TABLE E-3
QUARTERLY CENSUS OF EMPLOYMENT AND WAGES
NORTH ST. PAUL AND SEVEN COUNTY METRO AREA
2020 and 2021

Industry	2020			2021			Change 2020 - 2021			
	Establish-ments	Employ-ment	Weekly Wage	Establish-ments	Employ-ment	Weekly Wage	Employment #	Employment %	Wage #	Wage %
NORTH ST. PAUL										
Total, All Industries	214	3,125	$923	214	4,154	$876	1,029	32.9%	($47)	-5.1%
Natural Resources & Mining	--	--	--	--	--	--	--	--	--	--
Construction	30	406	$1,437	36	404	$1,489	-2	-0.5%	$52	3.6%
Manufacturing	12	169	$1,039	6	184	$1,109	15	8.9%	$70	6.7%
Trade, Transportation, Utilities	36	155	$986	36	160	$926	5	3.2%	($60)	-6.1%
Information	---	---	---	---	---	---	--	--	--	--
Financial Activities	10	20	$1,038	8	18	$1,057	-2	-10.0%	$19	1.8%
Professional & Business Services	25	142	$1,234	24	140	$904	-2	-1.4%	($330)	-26.7%
Education & Health Services	48	1,860	$811	53	2,871	$774	1,011	54.4%	($37)	-4.6%
Leisure & Hospitality	25	163	$351	25	168	$402	5	3.1%	$51	14.5%
Other Services	27	120	$448	25	120	$451	0	0.0%	$3	0.7%
Public Administration	1	90	$1,124	1	89	$1,102	-1	-1.1%	($22)	-2.0%
RAMSEY COUNTY										
Total, All Industries	14,251	309,396	$1,329	14,394	312,008	$1,358	2,612	0.8%	$29	2.2%
Natural Resources & Mining	14	83	$1,878	14	94	$1,937	11	13.3%	$59	3.1%
Construction	792	11,368	$1,553	776	11,693	$1,622	325	2.9%	$69	4.4%
Manufacturing	637	27,090	$1,748	642	27,455	$1,777	365	1.3%	$29	1.7%
Trade, Transportation, Utilities	2,459	42,473	$1,075	2,413	42,476	$1,141	3	0.0%	$66	6.1%
Information	268	5,788	$1,858	274	5,179	$1,930	-609	-10.5%	$72	3.9%
Financial Activities	1,324	21,665	$1,738	1,314	21,149	$1,788	-516	-2.4%	$50	2.9%
Professional & Business Services	2,364	47,191	$1,863	2,330	46,935	$1,903	-256	-0.5%	$40	2.1%
Education & Health Services	2,824	94,943	$1,078	2,919	95,801	$1,098	858	0.9%	$20	1.9%
Leisure & Hospitality	1,454	21,175	$510	1,456	23,434	$568	2,259	10.7%	$58	11.4%
Other Services	1,794	10,350	$949	1,931	10,632	$970	282	2.7%	$21	2.2%
Public Administration	322	27,268	$1,510	326	27,158	$1,523	-110	-0.4%	$13	0.9%
SEVEN COUNTY METRO AREA										
Total, All Industries	86,594	1,644,054	$1,377	87,459	1,679,191	$1,430	35,137	2.1%	$53	3.8%
Natural Resources & Mining	329	3,668	$972	329	3,851	$1,144	183	5.0%	$172	17.7%
Construction	6,778	73,128	$1,541	6,771	75,774	$1,610	2,646	3.6%	$69	4.5%
Manufacturing	4,061	166,172	$1,556	3,994	168,113	$1,644	1,941	1.2%	$88	5.7%
Trade, Transportation, Utilities	15,728	302,009	$1,120	15,421	307,336	$1,175	5,327	1.8%	$55	4.9%
Information	1,746	32,215	$2,113	1,815	30,561	$1,981	-1,654	-5.1%	($132)	-6.2%
Financial Activities	9,125	140,939	$2,198	9,166	138,283	$2,291	-2,656	-1.9%	$93	4.2%
Professional & Business Services	16,701	283,689	$1,870	16,553	289,158	$1,959	5,469	1.9%	$89	4.8%
Education & Health Services	13,866	398,486	$1,108	14,617	405,742	$1,147	7,256	1.8%	$39	3.5%
Leisure & Hospitality	7,898	124,780	$557	7,881	139,162	$591	14,382	11.5%	$34	6.1%
Other Services	9,569	48,170	$849	10,110	50,895	$855	2,725	5.7%	$6	0.7%
Public Administration	793	70,798	$1,400	803	70,315	$1,430	-483	-0.7%	$30	2.1%

Sources: Minnesota Department of Employment and Economic Development; Maxfield Research and Consulting LLC

Commuting Patterns

Proximity to employment is often a primary consideration when choosing where to live, since transportation costs often account for a large proportion of households' budgets. Table E-4 highlights the commuting patterns of workers in the PMA in 2019 (the most recent data available), based on Local Employer-Household Dynamics data (LEHD) from the U.S. Census Bureau.

- As shown in Table E-4, 28.3% of North St. Paul's residents commuted to jobs in St. Paul. Another 11.6% of workers that live in North St. Paul also work in the city.

- The remaining workers commute primarily from Maplewood, Oakdale, Roseville, Woodbury, Bloomington, Woodbury, White Bear Lake and Eagan.

- Of workers that live in North St. Paul, 28.3% commute to jobs in St. Paul, 6.1% commute to jobs in Maplewood, 5.5% commute to jobs in Oakdale and 5.1% commute to jobs in Minneapolis. An estimated 11.6% of workers in North St. Paul live and work in the city.

TABLE E-4
COMMUTING PATTERNS
NORTH ST. PAUL
2019

Home Destination			Work Destination		
Place of Residence	**Count**	**Share**	**Place of Employment**	**Count**	**Share**
St. Paul city, MN	1,290	12.7%	St. Paul city, MN	539	28.3%
Minneapolis city, MN	864	8.5%	North St. Paul city, MN	351	11.6%
Maplewood city, MN	496	4.2%	Maplewood city, MN	339	6.1%
North St. Paul city, MN	351	4.0%	Oakdale city, MN	252	5.5%
Oakdale city, MN	252	4.0%	Minneapolis city, MN	130	5.1%
Roseville city, MN	238	3.5%	White Bear Lake city, MN	127	4.8%
Woodbury city, MN	231	3.2%	Woodbury city, MN	114	4.7%
Bloomington city, MN	195	3.0%	Cottage Grove city, MN	76	4.7%
White Bear Lake city, MN	164	2.8%	Blaine city, MN	66	4.4%
Eagan city, MN	158	2.4%	Stillwater city, MN	59	1.6%
All Other Locations	2,642	51.7%	All Other Locations	1,623	23.2%
Distance Traveled			**Distance Traveled**		
Total Primary Jobs	6,881	100.0%	Total Primary Jobs	3,676	100.0%
Less than 10 miles	3,681	53.5%	Less than 10 miles	2,192	59.6%
10 to 24 miles	2,735	39.7%	10 to 24 miles	1,031	28.0%
25 to 50 miles	208	3.0%	25 to 50 miles	314	8.5%
Greater than 50 miles	257	3.7%	Greater than 50 miles	139	3.8%

Home Destination = Where workers live who are employed in the selection area
Work Destination = Where workers are employed who live in the selection area

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research & Consulting, LLC

Inflow/Outflow

Table E-5 provides a summary of the inflow and outflow of workers in North St. Paul. Outflow reflects the number of workers living in North St. Paul but employed outside of the city while inflow measures the number of workers that are employed in North St. Paul but live outside. Interior flow reflects the number of workers that both live and work in the city.

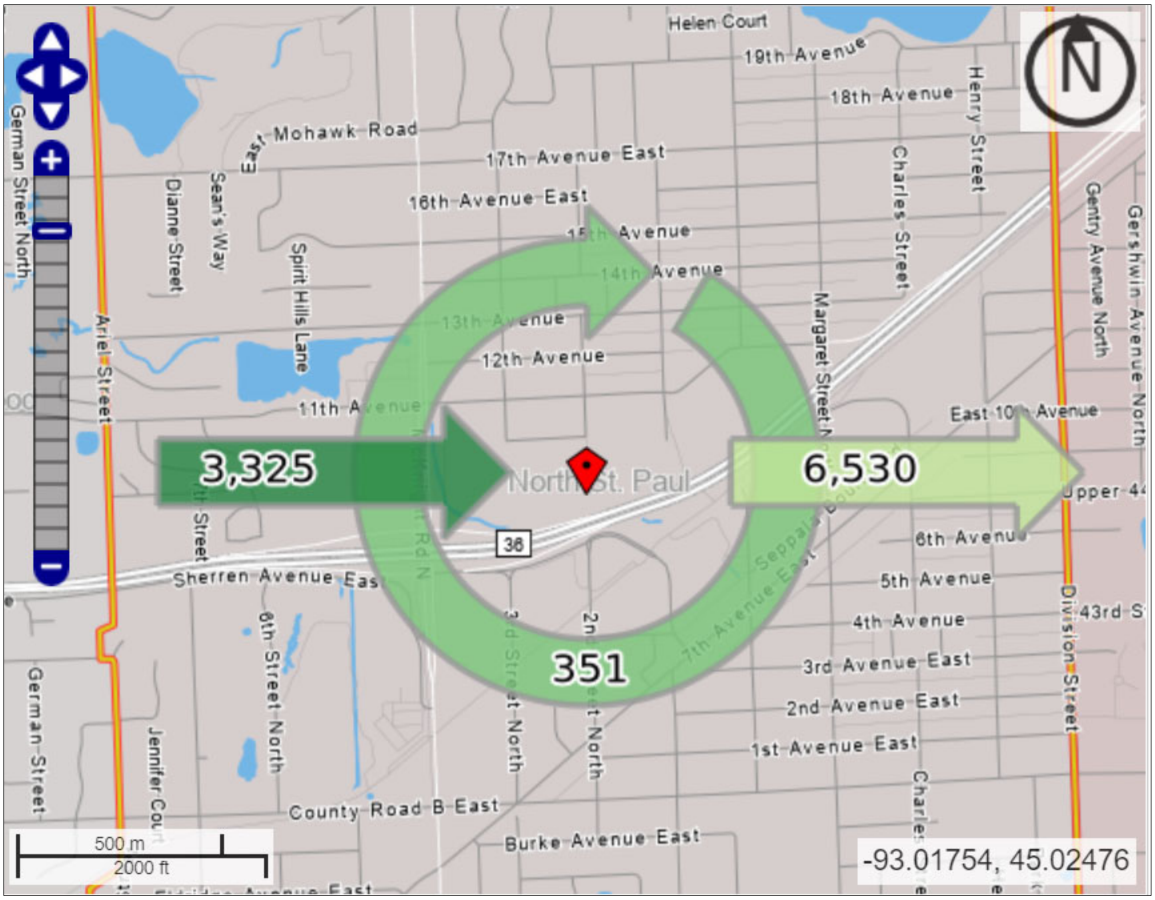
- North St. Paul is considered a net exporter of workers, as the number of workers leaving the city (outflow) for employment was more than the number of workers coming into the city for work (inflow). An estimated 6,530 workers leave the city for work while 3,325 workers commute in, a net difference of 3,205 commuting out.

TABLE E-5
COMMUTING INFLOW/OUTFLOW CHARACTERISTICS
NORTH ST. PAUL
2019

	Outflow		Inflow		Interior Flow	
City of North St. Paul	**6,530**	**100.0%**	**3,325**	**100.0%**	**351**	**100.0%**
By Age						
Workers Aged 29 or younger	1,649	25.3%	788	23.7%	99	28.2%
Workers Aged 30 to 54	3,356	51.4%	1,666	50.1%	138	39.3%
Workers Aged 55 or older	1,525	23.4%	871	26.2%	114	32.5%
By Monthly Wage						
Workers Earning $1,250 per month or less	1,396	21.4%	838	25.2%	143	40.7%
Workers Earning $1,251 to $3,333 per month	1,917	29.4%	1,007	30.3%	116	33.0%
Workers Earning More than $3,333 per month	3,217	49.3%	1,480	44.5%	92	26.2%
By Industry						
"Goods Producing"	943	14.4%	525	15.8%	30	8.5%
"Trade, Transportation, and Utilities"	1,166	17.9%	358	10.8%	83	23.6%
"All Other Services"*	4,421	67.7%	2,442	73.4%	238	67.8%

*includes the following sectors: Information, Financial Activities, Professional & Business Services, Education & Health Services, Leisure & Hospitality, Other Services, and Public Administration

Sources: US Census Bureau Local Employment Dynamics; Maxfield Research & Consulting, LLC


3,325
6,530
351
North St. Paul
500 m
2000 ft
-93.01754, 45.02476
Helen Court
19th Avenue
18th Avenue
Mohawk Road
17th Avenue East
16th Avenue East
12th Avenue
Sherren Avenue East
County Road B East
Burke Avenue East
East 10th Avenue
6th Avenue
5th Avenue
4th Avenue
3rd Avenue East
2nd Avenue East
1st Avenue East
German Street North
Ariel Street
Dianne Street
Sean's Way
Spirit Hills Lane
Margaret Street
Charles Street
Henry Street
Gentry Avenue North
Gershwin Avenue North
Division Street
8th Street North
German Street
38

Introduction

Maxfield Research and Consulting LLC analyzed the market for for-sale housing in North St. Paul by gathering data on single-family and multifamily home resales and active listings, identifying pending for-sale developments and conducting interviews with real estate professionals.

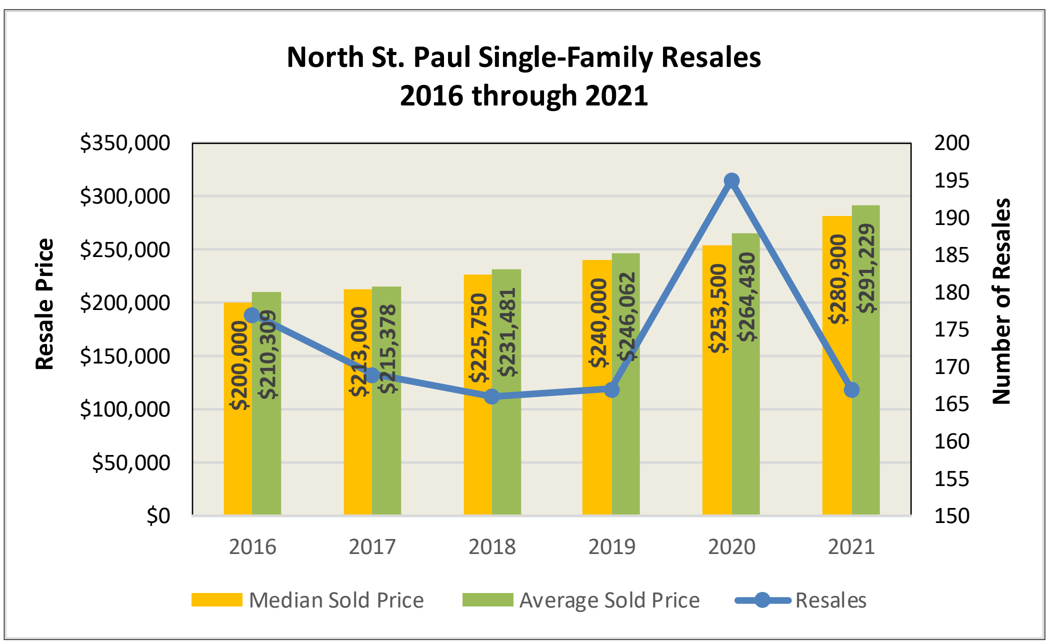
Overview of For-Sale Housing Market Conditions

Single-Family Resales

Table FS-1 presents home resale data on single-family homes in North St. Paul from 2010 through 2021 (annual data) and comments on resale pricing and time on market year-to-date 2022. The data was obtained from the Greater Minneapolis Area Association of Realtors and shows annual number of sales of previously owned homes (resales), median and average pricing and cumulative days on market.

- From 2016 through 2011, average and median resale prices increased each year. In 2016, the average resale price in North St. Paul was $210,309 and the median sales price was $200,000. The overall resale price increased to an average of $291,229 and a median of $280,900 in 2021, increases of 38.5% and 40.5%, respectively.

- As of the end of July 2022, the average resale price of a single-family home in North St. Paul was $345,902 with a median price of $325,000 across 92 closed sales. The current resale price has escalated dramatically from year-end 2021.



- The current average and median home resale prices in the Twin Cities Metro as of July 2022 were $450,318 and $385,000, respectively.

- The number of resales fluctuated over the period but averaged 174 closed sales annually over the past six years. The high was in 2020 with 195 sales and the low was in 2018 with 166 sales.

TABLE FS-1
SINGLE-FAMILY HOME RESALES
CITY OF NORTH ST. PAUL
2016 through 2021

Year		No. Sold	Avg. Sales Price	Avg. % Change	Med. Sales Price	Median % Change	Days on Market Avg.	Days on Market Median
2016		177	$210,309		$200,000		40	23
2017		169	$215,378	2.4%	$213,000	6.5%	32	18
2018		166	$231,481	7.5%	$225,750	6.0%	26	18
2019		167	$246,062	6.3%	$240,000	6.3%	25	14
2020		195	$264,430	7.5%	$253,500	5.6%	24	13
2021		167	$291,229	10.1%	$280,900	10.8%	17	10
2022	*	92	$345,902	18.8%	$325,000	15.7%	12	3
Total 16'-22'		**1,133**						
Summary 16' to 22'								
Change			**64.5%**		**62.5%**			
Average		**162**	**$257,827**		**$248,307**		**25**	**14**

* through July 2022

Sources: Greater Mpls Area Association of Realtors, Maxfield Research & Consulting, LLC

Multifamily Resales (Owned)

Table FS-2 presents summary data for resales for multifamily housing units in North St. Paul. The table shows the median resale price and number of resales from 2016 through 2022. The following are key points from Table FS-2.

- The median resale price of owned multifamily homes increased from $150,000 in 2016 to $359,995 as of the end of July 2021. The average sales price increased from $170,500 to $335,826. The significant increase in the median resale price primarily reflects new construction townhomes that were sold over the past few years.

- Sales activity essentially doubled with the additional construction, increasing from only 15 sales in 2016 to a high of 54 sales in 2021. Sales year to date in 2022 total 30 units.

- Similar to the single-family market, pricing of owned multifamily sales has also increased substantially. Again, the increase in owned multifamily pricing is primarily a result of new construction sales versus single-family homes, most of which are older.

TABLE FS-2
OWNED MULTIFAMILY RESIDENTIAL RESALES
NORTH ST. PAUL
2016 through 2022 (July)

Year		Number of Sales	Median Sales Price	% Chg.	Average Sales Price	% Chg.	Average Market Time (Days)
Multifamily**							
2016		15	$150,000		$170,500		41
2017		11	$155,000	-4.8%	$162,263	3.3%	33
2018		15	$152,720	0.0%	$162,198	-1.5%	56
2019		17	$188,000	28.8%	$208,926	23.1%	42
2020		48	$297,615	25.5%	$262,263	58.3%	37
2021		54	$346,045	20.2%	$315,239	16.3%	25
2022	*	30	$359,995	6.5%	$335,826	4.0%	26
Pct. Change 16' - 22'		100.0%	97.0%		140.0%		-36.6%

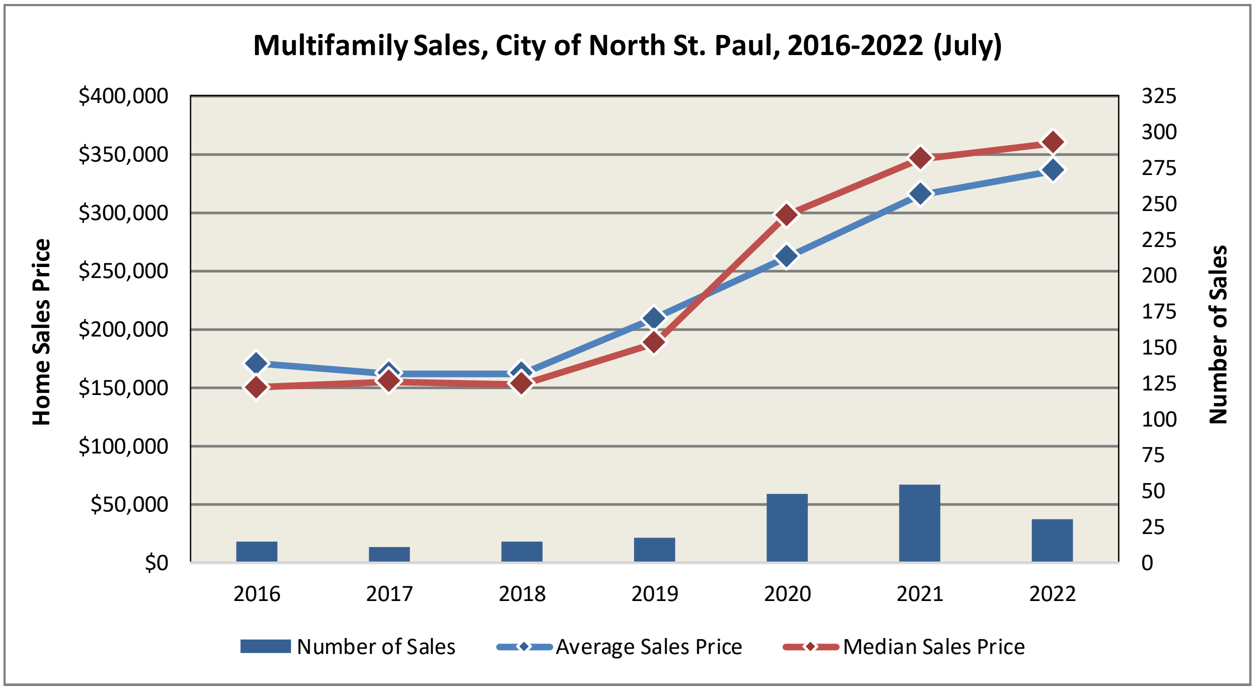
* Multifamily includes twinhomes, townhomes, condominiums, and cooperatives

Sources: Greater Mpls Area Association of Realtors; Maxfield Research & Consulting, LLC

- The following chart compares the median and average resale prices and market activity for owned multifamily housing in North St. Paul since 2016.

- Market activity has been strong in North St. Paul over the past two and a half years with sales peaking in 2020 at 195 for single-family homes.

- Median and single-family resales prices have continued to escalate, similar to the Twin Cities Metro Area as the owned housing market remains very tight.



Current Supply of Homes on the Market

To more closely examine the current market for available owner-occupied housing in North St. Paul, we reviewed the current supply of homes on the market (listed for sale). Tables FS-4 shows the number of homes currently listed for sale in North St. Paul as of July 2022. The data was provided by the Greater Minneapolis Area Association of Realtors. MLS listings account for more than 90% of all residential listings in a given area.

Table FS-4 shows the number of listings by property type (single-family, townhome, twin home or condominium). The following points are key findings from the assessment of active single-family and multifamily homes listed for sale in North St. Paul.

- As of the end of July 2022, there were only 16 single-family homes listed for sale in North St. Paul. Similar to other communities throughout the Twin Cities Metro, the supply of homes on the market is very low and has remained low throughout the past several years. Single-family homes account for 67% of the listings, with owned multifamily accounts for the remaining one-third.

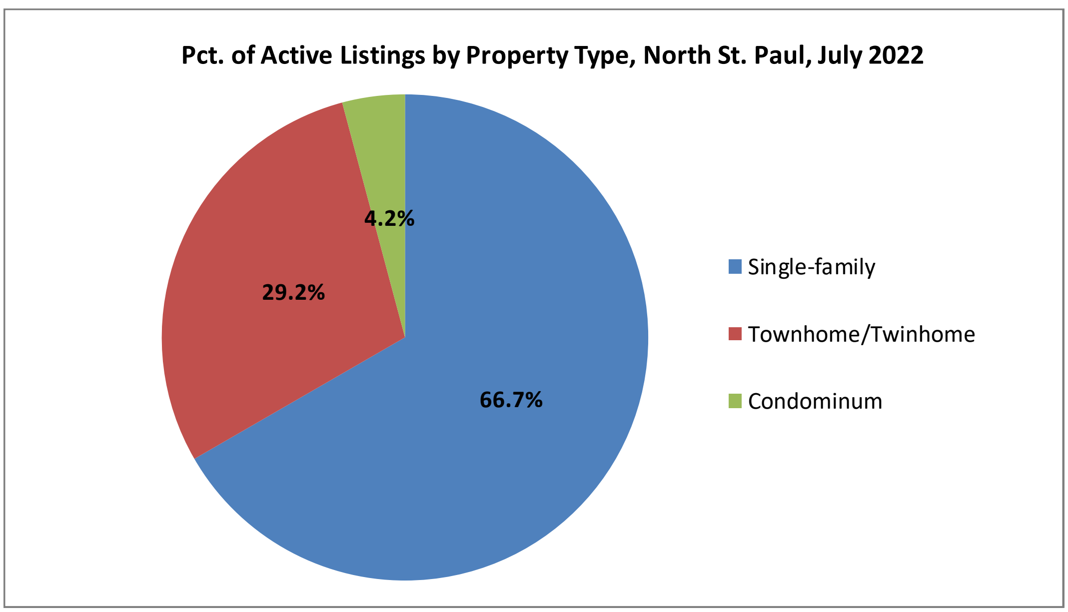
- The median list price in North St. Paul is $312,000 for single-family homes and $360,000 for multifamily homes. The median price is generally a more accurate indicator of housing values in a community than the average price. Average prices can be easily skewed by a few very high-priced or low-priced homes in any given year, whereas the median price better represents the pricing of most homes in a given market, either listed or sold.

- Based on a median list price of $312,000 for a single-family home in North St. Paul as of July 2022, a household would need an estimated income of $89,680 to afford monthly housing payments of $2,242 (assuming a 10% down payment, 6.758%, 30-year fixed mortgage, property taxes, insurance). An estimated 51% of North St. Paul's non-senior households have annual incomes at or above $89,680 as of 2022. A household would need an estimated income of $107,280 to afford a townhome unit at the median list price of $360,000. An estimated 45% of North St. Paul's non-senior households are estimated to have annual incomes at or above $107,280. A household with more equity (in an existing home and/or savings) could likely afford a higher priced home.

TABLE FS-4
ACTIVE LISTINGS BY HOUSING TYPE
July 2022

Property Type	Listings	Pct.
Single-family	16	66.7%
Detached Townhome/Townhome/Twinhome	7	29.2%
Condominium/Cooperatives	1	4.2%
Total	**24**	**100.0%**

Sources: Greater Mpls Area Association of Realtors; Maxfield Research & Consulting, LLC.



- There were eight townhome listings and one condominium listing. The condominium listing is in Oak Hill, a 55+ community.

- Most of the listings for townhome units are in newer buildings, most built post-2000. The median list price is $360,000 and the average price is $327,534.

New Subdivisions Marketing

As a fully developed, first-tier suburban community, North St. Paul has accommodated new construction housing on redevelopment and in-fill sites. New housing has been predominantly for-sale townhomes and condominiums with some properties age-restricted.

- A new for-sale development is underway on the newly approved Kari Lane. The 7th Street Development features 18, single-level townhomes in a twin home style with attached double-car garages. Base pricing is $399,900. Association fees are $280 per month. Floor plans feature a main level owner's suite with 2nd bedroom and a lookout lower level with optional 3rd bedroom, den and family room.

Summary of For-Sale Market Conditions

- The for-sale market in North St. Paul has been quite active over the past six years with single-family home sales rising along with median and average pricing. Time on market has steadily decreased during the period with current market time for single-family homes at less than 15 days.

- Most new owned multifamily has been new construction townhomes priced in the low to mid-$300s. Units have sold well and additional single-level townhomes are currently being marketed at the new 7th Street Development. The housing market remains tight and although new construction pricing has also risen substantially, there is market demand. Some demand may soften from younger households with the recent rise in mortgage interest rates.

- Home resales in North St. Paul had higher median resale prices than average prices in some years. This suggests that new construction homes in the multifamily segment have caused the median price to increase.

- As of July 2022, there were only 16 single-family homes and eight multifamily homes listed for sale. Inventory in nearly all owned housing segments remains very low.

Introduction

Maxfield Research and Consulting LLC identified and surveyed larger rental properties in North St. Paul and identified other smaller properties, either in the shadow market (single-family homes or townhomes for rent) or smaller buildings with fewer than 24 units.

For purposes of the analysis, rental properties are classified into three general categories, traditional general occupancy, senior (age-restricted) and non-traditional (single-family, townhomes and condominiums that were constructed as owner-occupied, but are currently rented). Senior properties are included in the *Senior Housing Market Analysis* section of this report. Traditional rentals are divided into three groups: market rate (those without income restrictions); affordable or shallow-subsidy housing (those receiving tax credits or another type of shallow-subsidy and where there is a quoted rent for the unit and a maximum income that cannot be exceeded by the tenant); and subsidized or deep-subsidy properties (those with income restrictions at 50% or less of AMI where rental rates are based on 30% of a household's gross adjusted income.

Overview of Rental Market Conditions

Maxfield Research utilized data from the Marquette Advisors *Apartment Trends* report to summarize rental market conditions in North St. Paul and the adjacent submarkets of the Primary Market Area. The data from Marquette Advisors is shown for the 1st Quarter of 2021 and the 1st Quarter of 2022 (the most recent available).

The following are key points concerning rental market conditions in North St. Paul and the adjacent submarkets of Maplewood, Oakdale, Little Canada, Roseville and Vadnais Heights.

- The equilibrium vacancy rate for rental housing is considered to be 5.0%. This allows for normal turnover and an adequate supply of alternatives for prospective renters. As of the 1^{st} Quarter 2022, the vacancy rate was 3.6% in the Twin Cities Metro Area, 2.4% in North St. Paul and 1.9% in adjacent submarkets.

- The vacancy rate for one-bedroom units in North St. Paul was slightly higher than for other unit types at 2.7% and studio units were fully occupied. In the PMA as a whole, vacancy rates remained low for most unit types and below market equilibrium. As shown on Table R-1, no unit types had vacancy rates that exceeded the 5% level and two-bedroom plus den units were fully occupied after leasing up previously vacant units.

TABLE R-1
AVERAGE RENTS/VACANCIES TRENDS
NORTH ST PAUL PRIMARY MARKET AREA
First Quarter 2021 and First Quarter 2022

		Total	Studio	1 BR	1 BR w/ Den	2 BR	2 BR w/ Den	3 BR	3 BR/D or 4BR	Average Increase
NORTH ST. PAUL										
Q1/2021	Units	**625**	22	293	--	310	--	--	--	--
	No. Vacant	**15**	0	8	--	7	--	--	--	--
	Avg. Rent	**$926**	$780	$758	--	$989	--	--	--	-4.1%
	Vacancy	**2.4%**	0.0%	2.7%	--	1.0%	--	--	--	-2.0%
Q1/2022	Units	**625**	22	293	--	310	--	--	--	--
	No. Vacant	**15**	0	8	--	7	--	--	--	--
	Avg. Rent	**$974**	$786	$864	--	$1,092	--	--	--	5.2%
	Vacancy	**2.4%**	0.0%	2.7%	--	2.3%	--	--	--	0.0%
ADJACENT SUBMARKETS										
Q1/2021	Units	**2,599**	36	841	43	1,451	13	215	--	
	No. Vacant	**55**	1	21	1	28	1	3	--	
	Avg. Rent	**$1,103**	$795	$987	$1,317	$1,124	$2,250	$1,353	--	2.9%
	Vacancy	**2.1%**	2.8%	2.5%	2.3%	1.9%	7.7%	1.4%	--	-1.2%
Q1/2022	Units	**2,730**	36	914	43	1,509	13	215	--	
	No. Vacant	**49**	1	13	1	30	0	4	--	
	Avg. Rent	**$1,262**	$866	$1,143	$1,351	$1,307	$2,340	$1,433	--	3.4%
	Vacancy	**1.9%**	2.8%	1.4%	2.3%	2.0%	0.0%	1.9%	--	-0.2%
TWIN CITIES METRO AREA										
Q1/2021	Units	**161,397**	11,149	71,109	3,657	64,779	2,286	8,035	382	--
	No. Vacant	**7,496**	795	3,180	116	2,905	167	301	32	--
	Avg. Rent	**$1,317**	$1,099	$1,164	$1,521	$1,425	$2,044	$1,713	$3,077	1.9%
	Vacancy	**4.6%**	7.1%	4.5%	3.2%	4.5%	7.3%	3.7%	8.4%	1.4%
Q1/2022	Units	**169,011**	12,067	74,890	3,643	67,325	2,326	8,378	382	--
	No. Vacant	**6,083**	643	2,664	84	2,324	109	242	17	--
	Avg. Rent	**$1,382**	$1,147	$1,215	$1,549	$1,502	$2,259	$1,863	$2,964	4.9%
	Vacancy	**3.6%**	5.3%	3.6%	2.3%	3.5%	4.7%	2.9%	4.5%	-1.0%

Sources: Marquette Advisors; Maxfield Research & Consulting, LLC

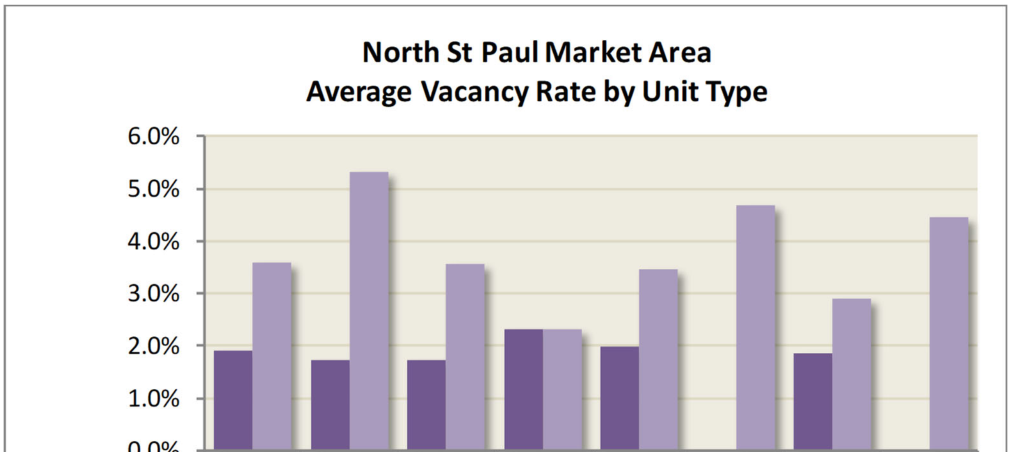
- Rental markets throughout the Twin Cities Metro Area remain tight, except for the two Downtowns, Minneapolis and St. Paul, where there has been an exceptional amount of new construction. Most submarkets in the Twin Cities have vacancy rates below the 5% level and North St. Paul and the PMA are also in this category. New product in North St. Paul has absorbed rapidly.

- The average monthly rent in North St. Paul increased by 5.2% year-over-year between the two first quarters. The average monthly rent in North St. Paul was $974, which average rate has recently increased because of new rental product coming on-line, The Sentinel and Anchor View. Second quarter figures should show a strong increase in the average rent in North St. Paul. The average rent in the Twin Cities Metro Area increased by 4.9% to $1,382 as of 1st Quarter 2022.

- In North St. Paul, average monthly rents ranged from $786 for a studio unit to $1,092 for a two-bedroom unit as of 1st Quarter 2022. No three-bedroom units were included in the Apartment Trends survey. Average rents continue to increase dramatically due to high demand and low vacancies.

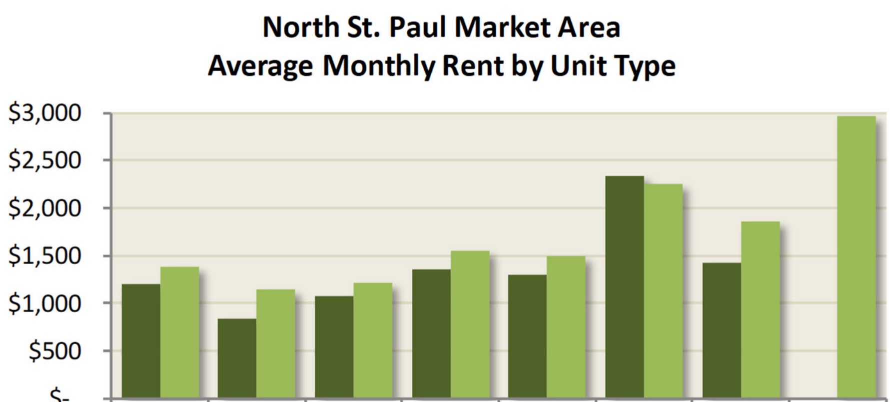
- The below market equilibrium vacancy rate in North St. Paul reflects a tight rental market and limited product available, primarily among older rental properties. The newest rental properties to come on-line however have had strong absorption even with rents at the top of the market. Older rental properties do not offer the same level of amenities as newer rental housing stock, although some older rental properties are being upgraded with new cabinets, new appliances and new baths to remain competitive in the market.

- The following chart shows average vacancy rates in the Primary Market Area and the Twin Cities Metro Area by unit type as of 1st Quarter 2022.



	Total	Studio	1BR	1BR+D	2BR	2BR+D	3BR	3BR+
PMA	1.9%	1.7%	1.7%	2.3%	2.0%	0.0%	1.9%	0.0%
Twin Cities	3.6%	5.3%	3.6%	2.3%	3.5%	4.7%	2.9%	4.5%

- Average rents are lower in the Primary Market Area for all unit types surveyed than in the Twin Cities Metro. The overall average rent of $1,208 in the PMA is 14% lower than the Metro Area.



	Total	Studio	1BR	1BR+D	2BR	2BR+D	3BR	3BR+
PMA	$1,208	$836	$1,075	$1,351	$1,307	$2,340	$1,433	$-
Twin Cities	$1,382	$1,147	$1,215	$1,549	$1,502	$2,259	$1,863	$2,964

General-Occupancy Rental Properties

The survey of general occupancy rental properties includes seven market rate properties (two new properties in North St. Paul), one shallow-subsidy and one deep-subsidy property as of June 2022. The properties have a combined total of 1,187 units, including 866 market rate units (including units in properties that are in initial lease-up), 204 shallow-subsidy (typically properties income-restricted to households with incomes between 50% and 60% of Area Median Household Income and 117 deep-subsidy units (typically properties restricted to households with incomes at or less than 50% of the Area Median Household Income). Market rate units may be affordable to a broad range of households, but do not have income restrictions.

The survey of market rate rental properties identified a total of 72 units vacant including units in initial lease-up for an overall vacancy rate of 8.4%. Anchor View apartments in the newest rental property to come on-line in the PMA and more than half of its 128 units had been leased just shortly after opening.

In total, the overall vacancy rate among stabilized market rate rental properties was 2.4%, well below the market equilibrium rate of 5% which promotes competitive rates, ensures adequate choice, and allows for sufficient unit turnover. This vacancy rate indicates that additional rental units are needed. The vacancy rate is lower however for properties built prior to 2000 (near 0.0%).

Market Rate

- The newest market rate general occupancy properties in North St. Paul are Anchor View and The Sentinel. These properties opened in 2021 and 2022. The Sentinel has reached stabilized occupancy and Anchor View, which just recently opened, has been experiencing strong absorption.

TABLE R-2
SELECT MARKET RATE PROPERTIES
NORTH ST. PAUL PRIMARY MARKET AREA
July 2022

Project Name/Location	Occp. Date	No. of Units	Total Vacant	Unit Description Type	No.	Vac.	Size	Monthly Rent Min	Monthly Rent Max	Rent/sq. ft. Min	Rent/sq. ft. Max
Trails Edge	2020	152	6	Studio	13	1	569 - 570	$1,320	$1,320	$2.32	$2.32
3000 Country View N	vacancy rate:		3.9%	1BR	46	2	780 - 1,303	$1,540	$2,065	$1.58	$1.97
Maplewood, MN				2BR	36	2	1,105 - 1,361	$2,003	$2,270	$1.67	$1.81
				3BR	57	1	1,142 - 1,419	$2,625	$2,675	$1.89	$2.30
Notes:	*Opened July 2020; Elevator; Full kitchen appliance package; SS appliances; granite counters; raised panel doors; walk-in closets; community room, fitness ctr., movie theater; pkg delivery system, game rm.; dog park, pet spa, business ctr; bike storage; outdoor community deck. Free 1 yr Costco Membership; UG pkg; one stall included. Contact: Leasing Manager (952) 900-2787. Offering free Costco shop and gas card w/signed 12-month lease for 2BR/3BR units.*										
Conifer Ridge	2018	150	2	Studio	3	0	670 - 670	$1,299	$1,299	$1.94	$1.94
3090 Hazelwood St	vacancy rate:		1.3%	1BR	57	0	690 - 690	$1,519	$1,559	$2.20	$2.26
Maplewood, MN				2BR	90	2	980 - 1,020	$1,779	$1,869	$1.82	$1.83
Notes:	*SS appliances; vinyl plank flooring; quartz counters; crown molding; walk-in closets; wire shelving; full-size in-unit w/dryers; fitness ctr; business ctr; community lounge w/lg screen TV; free Wi-Fi in lounge and fitness area; grilling pavilions; dog park; bike storage; Luxor One pkg system; patio/balcony; UG pkg-1 stall incl; Water, sewer and trash incl.; Contact: Leasing Manager (651) 770-1890.*										
Aster Meadow	2020	140	4	Studio	22	0	500 - 560	$1,244	$1,294	$2.31	$2.49
4143-4145 Centerville Rd	vacancy rate:		2.9%	1BR	76	1	708 - 909	$1,496	$1,620	$1.78	$2.11
Vadnais Heights, MN				2BR	42	3	1,010 - 1,214	$1,735	$2,100	$1.72	$1.73
Notes:	*Open Oct 2020; Currently offering one month free when move in by July 15, 2022; SS Appl; vinyl plank flrg; quartz ctrs; in-unit w/dryers; walk-in closets; community rm; fitness ctr; business ctr; balconies/patios; media ctr/movie thtr; game rm; playgrnd; walking/biking trails; outdoor heated courtyard w/grilling area. Water, sewer and trash removal included; Offering 1st mo rent free w/2BR; one UG pkg stall included; Contact: Leasing Manager: (651) 393-9515.*										
590 Park	2020	92	3	Studio	82	0	394 - 497	$1,060	$1,330	$2.68	$2.69
590 Park Street	vacancy rate:		3.3%	1BR	10	3	535 - 602	$1,595	$1,625	$2.70	$2.98
St. Paul, MN											
Notes:	*Opened Nov 2020; Central air; walk-in closet; balcony, in-unit w/dryer; wood plank flooring; LED lighting, pantry, oversized windows w/roller shades, walk-in shower w/glass door, USB ports in BR. Amenities include club room, pup lawn, pup pantry w/treats, LUXOR pkg station, bike storage, wellness studio, free coffee bar, lobby lounge w/game room, outdoor patio w/grilling stations; UG pkg: $100-$175/mo . Contact: Leasing Agent (651) 393-9281.*										
Capital View Apts	2019	116	3	Studio	8	0	512 - 512	$1,249	$1,315	$2.44	$2.57
1880 Old Hudson Rd	vacancy rate:		2.6%	1BR	81	1	612 - 760	$1,355	$1,650	$2.17	$2.21
St. Paul, MN				2BR	27	2	880 - 1,090	$1,850	$2,090	$1.92	$2.10
Notes:	*Units w/vaulted ceilings have a premium of $100/mo; Units include SS appliances, vinyl plank flooring in kitchen; balcony/patio, granite ctrs, in-unit w/dryer, . Amenities include community room, fitness center, pkg lockers, UG pkg- $100/mo additional, dog washing station; free Wi-fi in common areas; bike racks, storage units at addtl chrg. Water, sewer and trash incl. Contact: Community Manager (651) 505-1880.*										
The Sentinel	2021	88	2	Studio	20	0	488 - 589	$1,098	$1,325	$2.25	$2.25
2526 7th Avenue	vacancy rate:		2.3%	1BR	45	0	767 - 879	$1,480	$1,688	$1.92	$1.93
North St. Paul, MN				1BR+D	6	0	912 - 999	$1,696	$1,888	$1.86	$1.89
				2BR	17	2	1,101 - 1,251	$2,037	$2,339	$1.85	$1.87
Notes:	*Opened Nov 2021; Retail/Restaurant Space; SS Appliances; granite counters; kitchen island; walk-in closets; in-unit w/dryer; ceiling fans; vinyl plank flooring; amenities include rooftop deck w/grills, fitness ctr; bike storage; outdoor sundeck; breakfast coffee concierge; community rm w/large screen TV; package service, bike strg; UG parking for $75/mo. Addtl storage: $25/mo. Contact: Leasing Agent (612) 430-7965.*										
Initial Lease-Up											
Anchor View Apts	2022	128	52	Studio	44	11	541 - 638	$1,241	$1,322	$2.07	$2.29
2290 Anchor Drive N	vacancy rate:		40.6%	1BR	32	17	679 - 850	$1,439	$1,768	$2.08	$2.12
North St. Paul, MN				1BR+D	11	1	1,077 - 1,077	$2,194	$2,194	$2.04	$2.04
				2BR	41	23	980 - 1,070	$1,960	$2,140	$2.00	$2.00
Notes:	*Open June 2022; Retail/Restaurant Space; SS Appliances; granite counters; kitchen island; walk-in closets; in-unit w/dryer; ceiling fans; vinyl plank flooring; amenities include clubhouse; fitness ctr.; community rm; game rm; outdoor play area; bike storage; outdoor sun terrace; firepit, gas grills and outdoor lounge area; package service, UG parking for $75/mo. Detached parking stalls - Addtl storage: $25/mo. Contact: Leasing Agent (612) 430-7965.*										
Total		**866**	**72**	**Vacancy Rate = 8.4%**							
Stabilized Properties		**738**	**18**	**Vacancy Rate = 2.6%**							

Source: Maxfield Research & Consulting, LLC

- Table R-3 shows a summary for select market rate properties included in the survey. The Sentinel and Anchor View, both in North St. Paul are included. Anchor View is in its initial lease-up period but has been absorbing units rapidly. The table shows that the average rent per square foot for these properties is $2.08 with a monthly rent of $1,697 and an average unit size of 843 square feet. As shown, 40% of the units are one-bedroom and 29% are two-bedroom. New construction properties have been weighting their mix of units more heavily toward smaller unit types with fewer two-bedroom units. This is a shift from years ago when most new properties had higher proportions of two-bedroom units. A shift in household types has identified an increasing number of people living alone.

TABLE R-3
UNIT TYPE SUMMARY
SELECTED MARKET RATE RENTAL PROPERTIES
July 2022

				Monthly Rents		
Unit Type	**Total Units**	**% of Total**	**Avg. Size**	**Range Low - High**	**Avg. Rent**	**Avg. Rent/ Sq. Ft.**
Studio	192	22.2%	513	$1,060 - $1,330	$1,239	$2.44
1BR	347	40.1%	782	$1,355 - $2,065	$1,583	$2.05
1BR+Den	17	2.0%	1,034	$1,696 - $1,888	$2,052	$1.98
2BR	253	29.2%	1,066	$1,735 - $2,339	$1,961	$1.84
3BR	57	6.6%	1,281	$2,625 - $2,675	$2,650	$2.07
Total:	**866**	**100%**	**843**	**$1,355 - $2,675**	**$1,697**	**$2.08**

Source: Maxfield Research & Consulting, LLC

- Rents range from $1,060 for a studio apartment to $2,675 per month for a three-bedroom unit. Average monthly rents and average per square foot rents by unit type were:

Studio:	$1,239	$2.44
1BR:	$1,583	$2.05
1BR+Den:	$2,052	$1.98
2BR:	$1,961	$1.84
3BR:	$2,650	$2.07

Shallow-Subsidy

Properties that provide a shallow-subsidy have income restrictions, but households that qualify to reside in units at these properties usually pay a set monthly rent that is affordable to their income level. Properties developed as shallow-subsidy typically have rental rates set at 50% up to 80% of area median household income. At times, a household may qualify at a higher proportion of income (say 60%), but the rent will be set at 50% of AMI. Housing revenue bonds, TIF financing, Low Income Housing Tax Credits are example of programs that offer shallow-subsidies.

- There is one general occupancy rental property in North St. Paul that has 204 units financed under the LIHTC program, of which 201 are affordable to households with incomes at or less than 50% of Area Median Household Income. The property has 99, one-bedroom units, 65 two-bedroom units and 40, three-bedroom units. Quoted rents range from $896 per month for one-bedroom units to $1,265 per month for three-bedroom units. No vacant units were identified at the time of the survey. Table R-2 shows information on shallow-subsidy and deep-subsidy properties.

- Typically, properties developed under the Low-Income Housing Tax Credit program (LIHTC) or other shallow-subsidy program should be able to maintain vacancy rates of 3% or less in most housing markets. The vacancy rate of 0.0% for this category indicates a need for additional housing of this type.

Deep-Subsidy

Properties that provide deep subsidies are restricted to households (defined as household income of 50% or less of adjusted median family income where the tenant pays no more than 30% of their income as rent; the remaining portion of the rent is paid to the landlord). Housing programs include project-based Section 8, Section 811 (primarily group living arrangements or housing for special needs populations). Housing vouchers also fall into this category but are used in the private market. Senior programs are discussed in the senior section.

- There are no, deep-subsidy general occupancy rental properties in North St. Paul. There is one, senior property, restricted to households age 62 years or older or those that have a qualified disability. Franklyn Park apartments has 109, one-bedroom units and 8, two-bedroom units. There is a wait list for the property.

- Typically, deep-subsidy rental properties should be able to maintain vacancy rates of 3% or less in most housing markets. A vacancy rate of 0% for these units indicates a need for more of this housing. However, cuts in Federal funding for programs to construct these types of units has resulted in long waiting lists and virtually none of these units are being developed, except when combined with other income-restricted or market rate units. Knox Landing is included in the senior housing section because the property accepts residents ages 62 or older, but also accepts a proportion of those under age 62 with physical or mental limitations.

- Based on our conversations with leasing agents at shallow-subsidy and deep-subsidy properties, there is a significant need for additional affordable rental units throughout the Twin Cities Metro Area. Virtually every deep-subsidy rental property has a wait list and many new shallow-subsidy properties have leased up prior to opening. Many shallow-subsidy properties also maintain significant wait lists. Deep-subsidy properties are restricted to households with incomes no higher than 50% of AMI, adjusted for family size. Tax-credit properties (shallow-subsidy) have rent levels set at no higher than 50% or 60% of AMI depending on their funding structure and tax credit allocation.

TABLE R-4
AFFORDABLE AND DEEP-SUBSIDY GENERAL OCCUPANCY RENTAL PROPERTIES
NORTH ST. PAUL
July 2022

Property Name/Location	Year Built	Units/ Vacant	Unit Mix	Unit Size	Monthly Rent	Rent per Square Foot	Accept Vouchers	Amenities/Comments
Affordable Tax-Credit (Section 42)								
Cedarview Commons	2003	204	99 - 1BR	625 726	$876 - $1,036	$1.40 - $1.43	Yes	Walk-in closets; common laundry facilities; Cable TV hook-ups
2736 Ariel Street N		0	65 - 2BR	894 - 894	$1,127 - $1,127	$1.26 - $1.26		outdoor play area; community rm; resident pkg delivery system,
Section 42 Tax Credit		0.00%	40 - 3BR	1,000 - 1,000	$1,400 - $1,400	$1.40 - $1.40		outdoor picnic area w/grills; business center; outdoor pool
Affordable Total		**204**	**0**	**0.0%**				
Subsidized								
Franklyn Park	1977	117	109 - 1BR	508	30% of AGI	n.m.	No	Four-story building w/balconies and patios; all utilities included;
2485 North Seppala Blvd		0	8 - 2BR	721				wall-unit A/C; coin-op laundry; community rm; resident activities.
Subsidized		0.0%						Waiting list. Age 62+ or with a qualified disability.
Subsidized Total		**117**	**0**	**0.0%**				

Source: Maxfield Research & Consulting, LLC

Selected Rental Properties in North St. Paul
Market Rate and Publicly Assisted

Anchor View Apartments

The Sentinel

Parkside Apartments

Cedarview Commons

Aspen Village

Silas Pointe Apartments

Selected Rental Properties in North St. Paul
Market Rate

Regency Park

Village Manor

17th Avenue Flats

Franklyn Park Apartments

Non-Traditional Rental Units

Non-traditional rental units are those that were not originally constructed as rental properties, but which are being rented due to a variety of reasons. Non-traditional rental units may include single-family homes, townhomes and condominiums, which are owned by single owners that have elected to rent these units in the private market. Most often the tenant is responsible for the upkeep and maintenance of the property, unlike a traditional rental apartment, where the landlord maintains the property.

There has been an increase in the number of non-traditional rental units across the Twin Cities Metro Area as the housing market slowdown during the recession resulted in a number of homeowners relocating or having to leave their owner-occupied homes. Households that were in financial crisis often elected to rent their housing rather than move back into the owner-occupied market. This may have been due to ongoing financial instability or due to a lifestyle choice. Many of these properties have remained rental and have not converted back to the ownership market. With significant demand for rental housing, these units have also experienced significant rent increases. Overall, we identified two-bedroom rental townhomes at older properties leasing for between $1,300 and $2,000 per month, on average.

Summary of Rental Market Conditions

As of 1st Quarter 2022, the overall vacancy rate for market rate units in North St. Paul was 2.4% and was 1.9% for market rate properties in adjacent submarkets. This vacancy rate is well-below the 5% market equilibrium rate that provides for sufficient consumer choice and turnover in a balanced market. The overall vacancy rate for the Twin Cities Metro Area was 3.6%, down from 4.2% in 1st Quarter 2021, despite the Twin Cities adding an estimated 8,800 new rental units to its inventory. Rents have been increasing throughout the Twin Cities Metro Area, in part, because of new market rate rental product coming on-line which has pushed the average rent higher. The generally tight rental market in many locations has also encouraged landlords to raise rents because of high demand. Older properties that have remodeled their units have also raised rents to reflect the higher level of unit finishes. This has occurred at some properties in North St. Paul.

Affordable rental properties are also experiencing high demand, even more so than the traditional rental market. Properties that offer rental rates affordable to households with incomes at 60% or less of AMI continue to be in high demand, often with substantial waiting lists. Properties that have a Section 8 project-based contract where the resident pays 30% of their income or less for the monthly rent (qualified at 50% or less of AMI), are also in high demand.

According to the 2020 American Community Survey as published by the US Census Bureau, North St. Paul an estimate 216 single-family homes as rentals and another 136 townhome units rented. These products account for 22% of all rental units in North St. Paul. A portion of these units may be considered as "naturally-occurring affordable housing," which housing stock tends to be older and has rent levels at or less than 100% of the Area Median Income. The caveat is that we cannot determine if households residing in these units have incomes lower than 100% of AMI, but it is likely that many of these units are occupied by households with moderate incomes.

Senior Housing Defined

The term "senior housing" refers to any housing development that is restricted to people aged 55 or older. Today, senior housing includes an entire spectrum of housing alternatives, which occasionally overlap, thus making the differences somewhat ambiguous. However, the level of support services offered best distinguishes them. Maxfield Research and Consulting LLC classifies senior housing projects into five categories based on the level of support services offered:

Adult/Few Services; where few, if any, support services are provided and rents tend to be modest;

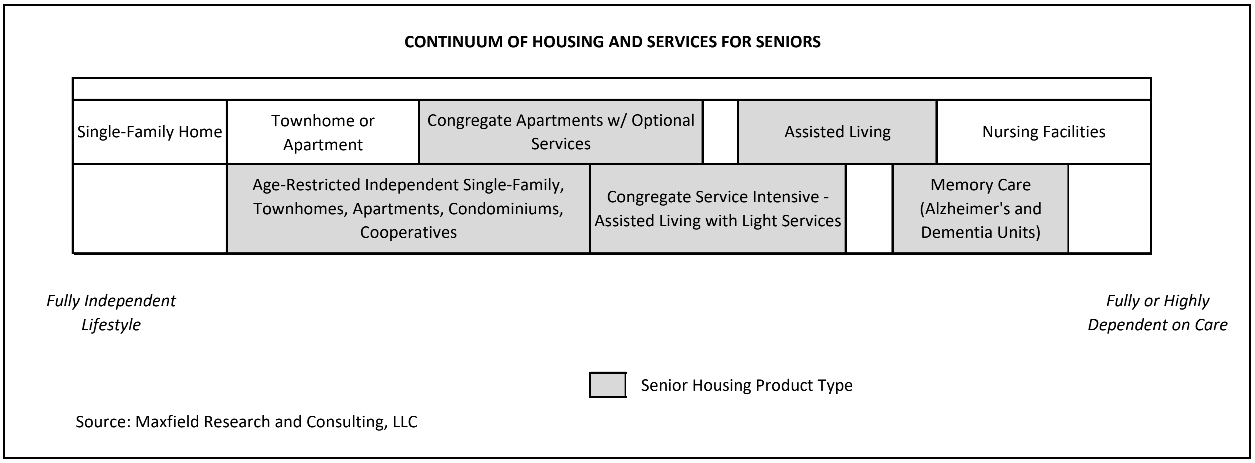
Independent Living/Optional or Included-Services; where support services such as meals and light housekeeping are available for an additional fee or included in the monthly fee;

Assisted Living; where two or three daily meals as well as basic support services such as transportation, housekeeping and/or linen changes are included in the fees. Personal care services such as assistance with bathing, grooming and dressing is included in the fees or is available either for an additional fee.

Memory Care; where more rigorous and service-intensive personal care is required for people with dementia and Alzheimer's disease. Typically, support services and meal plans are similar to those found at assisted living facilities, but the heightened levels of personalized care demand more staffing and higher rental fees.

These senior housing products tend to share several characteristics. First, they usually offer individual living apartments with living areas, bathrooms, and kitchens or kitchenettes. Second, they generally have an emergency response system with pull-cords or pendants to promote security. Third, they often have a community room and other common space to encourage socialization. Finally, they are age-restricted and offer conveniences desired by seniors, although assisted living projects sometimes serve non-elderly people with special health considerations.

The senior housing products offered today form a continuum of care (see the graphic on the following page), from a low level to a fairly intensive one; often the service offerings of one type overlap with those at another. In general, however, adult/few services properties tend to attract younger, more independent seniors, while assisted living and memory care properties tend to attract older, frailer seniors.



Senior Housing in North St. Paul

As of June 2022, Maxfield Research identified a total of three, market rate and one, deep-subsidy age-restricted senior housing properties in North St. Paul. These properties contain 312 units. The market rate properties have 195 units. Of the total units, there were three vacancies, all in assisted living, resulting in an overall vacancy rate of 1.5% for senior housing developments. Only one property, Polar Ridge, provides a continuum of care that includes independent living, assisted living and memory care on the same campus.

Table S-1 provides a summary of the number of senior units by type (market rate and subsidized) and by service level. Information in the table includes year built, number of units and number of vacant units.

The following are key points from the survey of the senior housing supply.

Market Rate Ownership

North St. Paul has one ownership property, Condominiums of Oak Hill with 77 units including one- and two-bedroom units. All units have been sold and there are ongoing resales at the property. There is an association whereby the owners have input on how the property is operated.

Market Rate Active Adult

- There are no market rate active adult rental properties in North St. Paul although this type of property is becoming more popular as the senior population increases and as independent living has increased in demand above that of assisted living. Many older adults are looking for opportunities to have a more convenient living arrangement. Active adult rental properties offer freedom from home maintenance and more flexibility for travel and other activities. This product type is seeing a resurgence in construction activity as developers are once again taking an interest in building this product type. Although residency targets households age 55 years or older, most households residing in active adult properties are age 70 years or older.

Subsidized Active Adult

- Subsidized (deep-subsidy) active adult senior housing offers affordable rents to qualified low-income seniors and handicapped/disabled persons. Typically, residents may earn no more than 50% of the area median income adjusted for household size and residents pay 30% of their adjusted gross income for rent. The remaining portion of the rent is typically paid by the Department of Housing and Urban Development. These programs are usually Section 8 or Section 202. For households meeting the age and income qualifications, subsidized senior housing is usually the most affordable rental option available. Affordable or shallow-subsidy projects are typically funded through the Low-Income Housing Tax Credit Program (LIHTC) and residents pay a specific monthly rent that is set at a level whereby households may have an adjusted gross income that is between 50% to 60% of the county's area median income. The vast majority of properties under these programs offer no services and are considered active adult, independent living. There are no affordable tax credit age-restricted properties in North St. Paul and one deep-subsidy property, Franklyn Park.

- There are no shallow-subsidy, age-restricted rental properties in North St. Paul and one, deep-subsidy property with 117 units. Equilibrium for senior subsidized housing projects is usually around 3%, allowing for optimal housing availability for potential residents. Most subsidized senior properties offer only one-bedroom units and unit sizes are about 550 square feet. Many of these senior properties maintain waiting lists for units and some waiting lists may be very long (many months or potentially up to a year). Federal programs for the development of deep-subsidy rentals have been substantially reduced in recent years and it is very difficult to obtain the necessary funding to develop additional units.

Independent Living

- There is one independent living property in North St. Paul, Polar Ridge, with 39 units of independent living. At the time of the survey, the independent living units were fully occupied, indicating additional demand for independent living units in the community. The very low vacancy rate for independent living facilities indicates there is strong demand for additional independent living units in North St. Paul.

- Market rate rents for independent living units begin at $2,300 per month for a one-bedroom units and range up to $3,175 per month for a two-bedroom unit at Polar Ridge. Unit sizes range from 590 square feet for a studio unit at Nine-Mile Creek to 1,350 square feet for a two-bedroom plus den unit at Founders Ridge. Common features include full kitchens in the units, in-unit washers/dryers, window treatments and covered parking (additional fee). Common area amenities include items such as community room, chapel, lounge, greenhouse or garden plots, walking paths and sundeck/outdoor terrace.

Assisted Living

- There are two properties in North St. Paul that offer assisted living services, Polar Ridge and Suite Living. As of June 2022, there were three vacancies in assisted living for an overall vacancy rate of 4.2%. The market equilibrium vacancy rate for assisted living is 7.0% due to higher turnover at these facilities.

- Market rate monthly rents for basic services with some personal care begin at $2,645 per month for a studio unit and range up to $5,250 per month for a two-bedroom unit. Additional costs for personal care are based on the needs of the individual resident which are identified based on an initial personal care assessment usually conducted by a registered nurse prior to admittance to the facility. Common features of assisted living properties include full kitchens or kitchenettes, private bathrooms, two or three meals per day, linen services, personal laundry and weekly housekeeping. A full complement of activities is provided as is transportation to shopping and outings. Some facilities will provide transportation to doctor's appointments, but most facilities require the resident to arrange transportation to individual physician appointments.

Memory Care

- There are two facilities in North St. Paul that offer memory care, Polar Ridge and Suite Living. There is a total of 35 units of memory care between the two properties. As of June 2022, there were two vacant memory care units, for a vacancy rate of 5.7%, below the market equilibrium rate of 7.0%. The higher market equilibrium vacancy rate for memory care units is due to higher turnover levels at these facilities.

- Market rate rents at memory care facilities in North St. Paul begin at $4,600 for a studio unit and range up to more than $6,200 per month for a one-bedroom deluxe unit. Additional personal cares beyond the base level of services are at additional charge depending on the level of services that are required by the resident. Typically, base fees include three meals per day, daily housekeeping, weekly linen change, personal laundry, passive programming, showers twice per week, medication administration and other services such as personal escorts to meals and activities. Most memory care facilities are secured to prevent residents from wandering. There is usually an outdoor walking courtyard with landscaping and resting places; some have gardens and/or gardening plots that may be attended to by residents.

TABLE S-1
SURVEYED UNIT TYPE SUMMARY
SENIOR HOUSING PROPERTIES
NORTH ST. PAUL
July 2022

For-Sale Active Adult (Condominium)				Monthly Rents		
Unit Type	Total Units	% of Total	Avg. Size	Range Low - High	Avg. Mo. Fee	Avg. Fee/ Sq. Ft.
1BR	6	8%	810	$105,000 - $140,000	$290	$0.36
2BR	60	78%	1,325	$140,400 - $300,000	$295	$0.22
2BR+Den	11	14%	1,323	$250,000 - $305,000	$350	$0.26
Total:	**77**	**100%**	**1,285**	**$206,000**	**$312**	**$0.24**
Vacancy Rate:	**0.0%**					

Subsidized Active Adult				Monthly Rents		
Unit Type	Total Units	% of Total	Avg. Size	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	109	93%	508	30% of AGI	N.A.	N.A.
2BR	8	7%	721	30% of AGI	N.A.	N.A.
Total:	**117**	**100%**	**508**	30% of AGI	**N.A.**	**N.A**
Vacancy Rate:	**0.0%**					

Independent Living				Base Monthly Rents		
Unit Type	Total Units	% of Total	Avg. Size	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
1BR	6	15%	869	$2,300 - $2,575	$2,438	$2.80
1BR+Den	19	49%	948	$2,500 - $2,900	$2,700	$2.85
2BR	14	36%	1,145	$2,625 - $3,175	$2,900	$2.53
Total:	**39**	**100%**	**861**	**$2,300 - $3,175**	**$2,731**	**$2.73**
Vacancy Rate:	**0.0%**					

(continued)

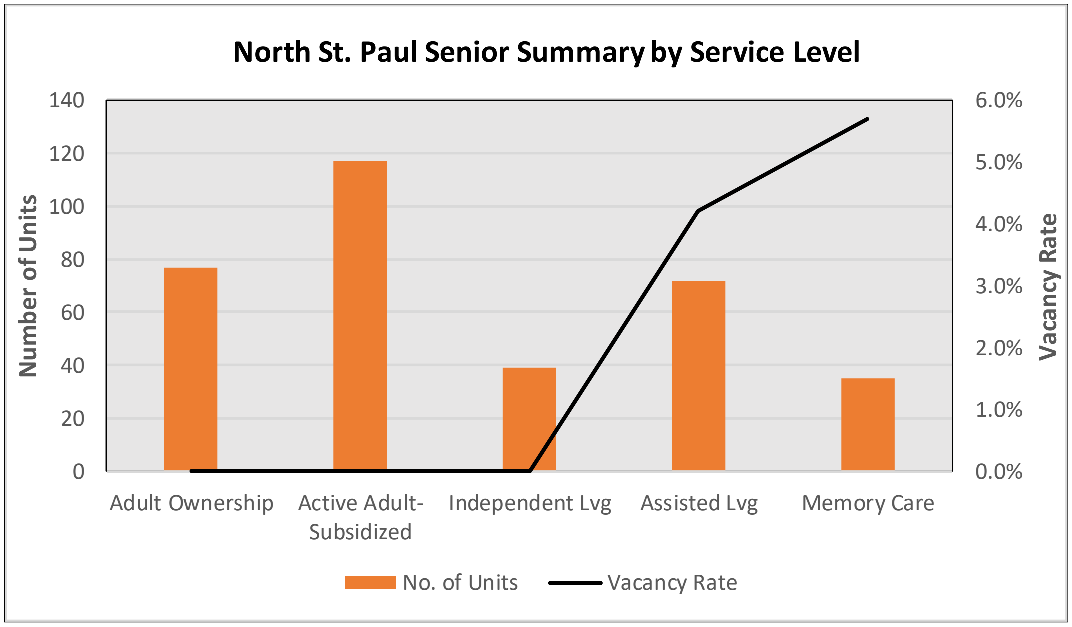
TABLE S-1
SURVEYED UNIT TYPE SUMMARY
SENIOR HOUSING PROPERTIES
NORTH ST. PAUL
July 2022

Assisted Living				Base Monthly Rents		
Unit Type	Total Units	% of Total	Avg. Size	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	24	33%	388	$2,645 - $3,250	$2,948	$7.60
1BR	38	53%	572	$3,760 - $4,395	$4,078	$7.13
1BR+Den	4	6%	1,079	$4,035 - $4,035	$4,035	$3.74
2BR	6	8%	1,008	$4,285 - $5,250	$4,768	$4.73
Total:	**72**	**100%**	**559**	**$2,645 - $5,250**	**$3,715**	**$6.65**
Vacancy Rate:	**4.2%**					

Memory Care				Base Monthly Rents		
Unit Type	Total Units	% of Total	Avg. Size	Range Low - High	Avg. Rent	Avg. Rent/ Sq. Ft.
Studio	28	80%	321	$4,600 - $5,250	$4,925	$15.34
1BR	7	20%	479	$5,890 - $6,200	$6,045	$12.62
Total:	**35**	**100%**	**400**	**$4,600 - $6,200**	**$5,127**	**$13.98**
Vacancy Rate:	**5.7%**					

Note: Vacancy rates are calculated from properties that are not in lease-up.

Source: Maxfield Research and Consulting, LLC



Summary of Senior Housing Analysis

- North St. Paul has a variety of age-restricted properties (55+ and 62+) that offer ownership and rental options, independent living and service-enriched senior housing, covering the senior housing spectrum.

- In total, North St. Paul offers the following service levels and number of units:

Active Adult Ownership	77 units
Active Adult Rental	0 units
Affordable Senior	117 units
Independent Living	39 units
Assisted Living	72 units
Memory Care	35 units
Total	340 units

- In addition to market rate properties, North St. Paul has one active adult property that was originally 55+ and income-restricted, Cottages of North St. Paul. This property is no longer under the tax credit program although many of its residents remain over age 55.

- Despite the recent pandemic, vacancy rates for senior housing properties in North St. Paul and adjacent communities remain relatively low although there have been increased vacancies in assisted living and memory care. For higher service levels, staffing remains a significant challenge to being able to adequately staff to the levels required under licensing to care for residents. There remains a need for additional senior housing and independent living along with active adult are in highest demand.

- Independent senior housing is often best located convenient to shopping, healthcare, churches and other amenities for residents that are active and may still drive. Assisted living and memory care facilities are often best located convenient to major thoroughfares for convenient access for family members that may visit their relatives. Although these site qualifications are not required, senior housing properties developed at locations that have these features have typically performed well.

Introduction

Previous sections of this study analyzed the existing housing supply and the growth and demographic characteristics of the population and household base in North St. Paul and the surrounding Primary Market Area. This section of the report presents our estimates of housing demand in North St. Paul and specifically in the Downtown area from 2022 to 2030.

Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that are needed. The housing life-cycle stages are:

1. *Entry-level householders*
   - Often prefer to rent basic, inexpensive apartments
   - Usually singles or couples in their early 20's without children
   - Will often "double-up" with roommates in apartment setting

2. *First-time homebuyers and move-up renters*
   - Often prefer to purchase modestly priced single-family homes or rent more upscale apartments
   - Usually married or cohabiting couples, in their mid-20's or 30's, some with children, but most are without children

3. *Move-up homebuyers*
   - Typically prefer to purchase newer, larger, and therefore more expensive single-family homes
   - Typically, families with children where householders are in their early 40s to mid-50s

4. *Empty-nesters (persons whose children have grown and left home) and never-nesters (persons who never have children)*
   - Prefer owning but will consider renting their housing
   - Some will move to alternative lower-maintenance housing products
   - Generally, couples in their mid-50's or 60's

5. *Younger independent seniors*
   - Prefer owning but will consider renting their housing
   - Will often move (at least part of the year) to retirement havens in the Sunbelt and desire to reduce their responsibilities for upkeep and maintenance
   - Generally, in their late 60's or 70's

6. *Older seniors*
    - May need to move out of their single-family home due to physical and/or health constraints or a desire to reduce their responsibilities for upkeep and maintenance
    - Generally, singles in their late 70's or older

Demand for housing can come from several sources including household growth, changes in housing preferences, and replacement need. Household growth necessitates building new housing unless there is enough desirable vacant housing available to absorb the increase in households. Demand is also affected by shifting demographic factors such as the aging of the population, which dictates the type of housing preferred. New housing to meet replacement need is required, even in the absence of household growth, when existing units no longer meet the needs of the population and when renovation is not feasible because the structure is physically or functionally obsolete.

Rural areas tend to have higher proportions of younger households that own their housing than in the larger growth centers or metropolitan areas such as the Twin Cities Metro Area. In addition, senior households tend to move to alternative housing at an older age. These conditions are a result of housing market dynamics, which typically provide more affordable single-family housing for young households and a scarcity of senior housing alternatives for older households.

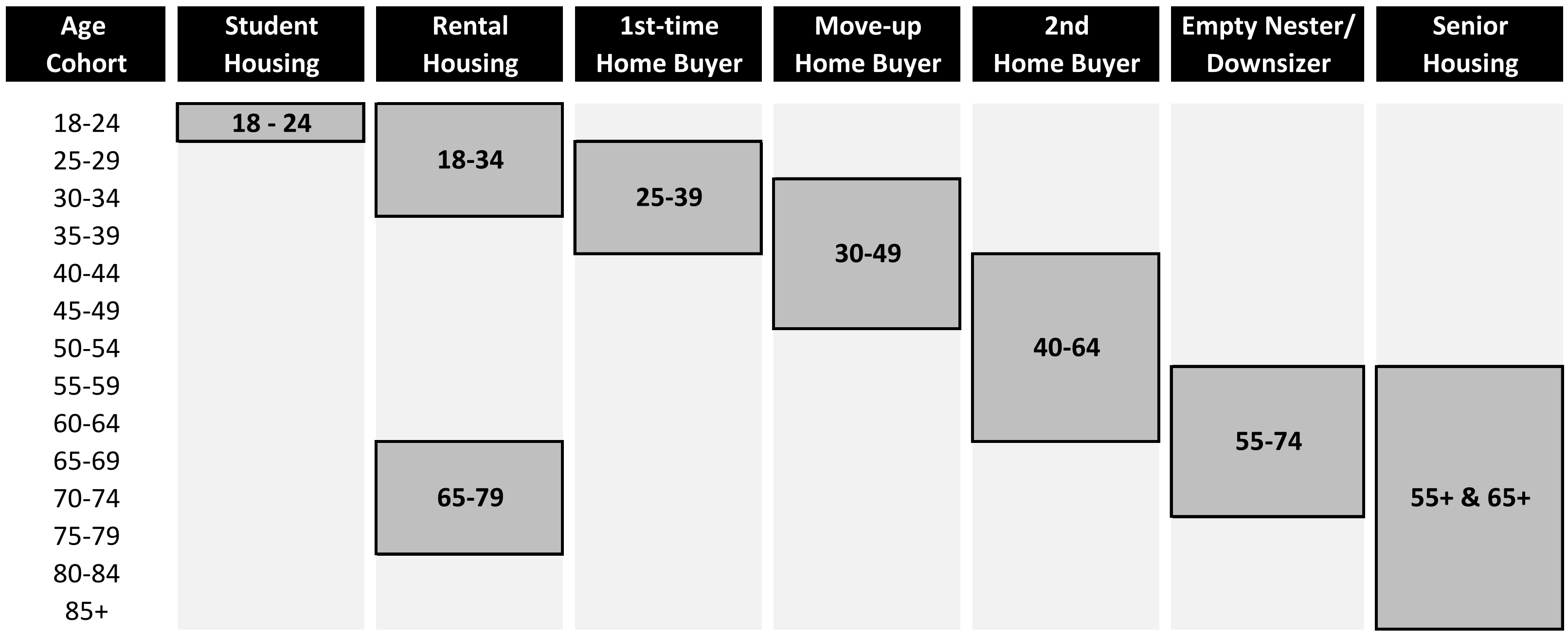
The graphic on the following page provides greater detail of various housing types supported within each housing life cycle. Information on square footage, average bedrooms/bathrooms, and lot size is provided on the subsequent graphic.

Housing Demand Overview

The previous sections of this assessment focused on demographic and economic factors driving demand for housing in North St. Paul. In this section, we utilize findings from the economic and demographic analysis to calculate demand for new general occupancy housing units in North St. Paul. The ability to accommodate new construction in North St. Paul will be constrained by the following factors: availability of land for new residential development, a predisposition toward increased density because of the scarcity of available land and the cost of land for new development. These factors cause the price of new construction for single-family and townhomes to be at a higher pricing level, $380,000 and above for new townhomes (single-level or rowhomes) and $400,000 and above for new single-family homes.

Housing markets are driven by a range of supply and demand factors that vary by location and submarket. The following points outline several of the key variables driving housing demand.

DEMOGRAPHICS & HOUSING DEMAND



Source: Maxfield Research & Consulting, LLC

Demographics

Demographics are major influences that drive housing demand. Household growth and formations are critical (natural growth, immigration, etc.), as well as household types, size, age of householders, incomes, etc. Although North St. Paul is aging, the community is transitioning and seeing turnover with younger households and younger families moving into the community. The proportion of households with children, however, has continued to decrease overall in the Twin Cities Metro Area, except for the far outlying suburban communities outside of the core seven counties. We have however, seen modest increases in the number of married couples with children as more Millennials have been having children recently.

Economy & Job Growth

The economy and housing market are intertwined; the health of the housing market affects the broader economy and vice versa. Housing market growth depends on job growth (or the prospect of); jobs generate income growth which results in the formation of more households and can stimulate household turnover. Historically low unemployment rates have driven both existing home purchases and new-home purchases. Lack of job growth leads to slow or diminishing household growth, which in-turn relates to reduced housing demand. Additionally, low-income growth results in fewer move-up buyers which results in diminished housing turnover across all income brackets. North St. Paul has experienced strong job growth along with nearby communities which has increased demand for housing in the community.

In addition, the commercial district of Downtown North St. Paul is one of the few in the Twin Cities Metro Area that offers a strong pedestrian-oriented environment. Communities such as Hopkins, Stillwater, North St. Paul and White Bear Lake have experienced increased housing demand due, in part, to the attractiveness of a “downtown” environment.

Consumer Choice/Preferences

A variety of factors contribute to consumer choice and preferences. Many times, a change in family status is the primary factor for a change in housing type (growing families, empty-nest families, etc.). However, housing demand is also generated from the turnover of existing households who decide to move for a range of reasons. Some households may want to move-up, downsize, change their tenure status (owner to renter or vice versa), or simply move to a new location. Recently, there has been a modest increase in the proportion of households that elect to rent their housing, either younger households or older households. However, increasing demand in the owned housing sector, the high price of new construction and a preference for households to live closer into the core, has resulted in a low supply of existing homes on the market and prices for those homes being bid up or having multiple bid offers. Homes priced to the market are selling at times that are generally 15 days or less.

Supply (Existing Housing Stock)

The stock of existing housing plays a crucial component in the demand for new housing. There are a variety of unique household types and styles, not all of which are desirable to today's consumers. The age of the housing stock is an important component for housing demand, as communities with aging housing stocks have higher demand for remodeling services, replacement new construction, or new home construction as the current inventory may not provide the supply that consumers seek. First-tier cities such as North St. Paul have an older housing that results in higher demand for remodeling services and infill redevelopment.

Pent-up demand may also exist if supply is unavailable as householders postpone a move until new housing product becomes available.

Housing Finance

Household income is the fundamental measure that dictates what a householder can afford to pay for housing costs. According to the U.S. Department of Housing and Urban Development (HUD), the definition of affordability is for a household to pay no more than 30% of its annual income on housing (including utilities). Families who pay more than 30% of their income for housing (either rent or mortgage) are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation and medical care. The recent increase in mortgage interest rates is anticipated to cause a slight downturn in demand, although the local market appears to be remaining strong.

Mobility

Demand is generally fluid between communities in the Twin Cities Metro Area and is impacted by development activity in neighboring communities in addition to throughout the core seven county metro area in general.

Estimated Demand for For-Sale Housing

Table HD-1 presents our demand calculations for general occupancy for-sale housing in the North St. Paul from 2022 to 2030 with a focus on owned multifamily.

The 65 and older cohort is typically not a target market for new general occupancy for-sale housing as many of these households are either remaining in their single-family homes or they may elect to relocate to a senior housing option. A small portion of these households may choose to relocate to an owned multifamily product such as a twin home or detached villa. For the purpose of this analysis, we limit demand from household growth to those households under the age of 65. According to household growth projections, the PMA is expected to add 326 non-senior households from 2022 to 2030. We estimate that 64% would decide to own their housing, which produces demand for 209 new general occupancy for-sale housing units from 2022 to 2030.

Demand is also forecast from existing PMA householders through turnover. An estimated 52,938 owner-occupied households in the PMA in 2022. Based on mobility data from the Census Bureau, an estimated 30% of owner households will turnover in a seven-year period, resulting in 15,881 existing households projected to turnover. Finally, we estimate 10% of the existing owner households would seek new for-sale housing, resulting in demand for 1,588 for-sale units to 2030.

Next, we estimate that 30% of the total demand for new for-sale units in the PMA will come from people currently living outside of the PMA. A portion of this market will be former residents of the area, such as “snow-birds” heading south for the winters. Adding demand from outside the PMA to the existing demand potential, results in a total estimated demand for 2,567 for-sale housing units to 2030.

Based on land available, building trends, and demographic shifts (increasing older adult population), we project 50% of the for-sale owners will prefer traditional single-family product types while the remaining 50% will prefer a maintenance-free multi-family product (twin homes, townhomes, or condominiums).

Of these totals, we estimate that North St. Paul could capture 5% of the potential demand for single-family homes and 20% of the demand for owned multifamily with totals of 57 and 243, respectively.

TABLE HD-1
FOR-SALE HOUSING DEMAND
NORTH ST. PAUL
2022 to 2030

Demand from Projected Household Growth			
Projected HH growth under age 65 in the Primary Market Area 2022 to 2030[1]		326	
(times) % propensity to own[2]	x	64%	
(equals) Projected demand from new HH growth	=	**209**	
Demand from Existing Owner Households			
Number of owner households (age 64 and younger) in the PMA (2022)[3]		52,938	
(times) Estimated percent of owner turnover[4]	x	20%	
(equals) Total existing households projected to turnover	=	10,588	
(times) Estimated percent desiring new housing	x	10%	
(equals) Demand from existing households		1,059	
(equals) Total demand from HH growth and existing HHs 2022 to 2030	**=**	**1,267**	
(times) Demand from outside PMA		30%	
(equals) Total demand potential for ownership housing, 2022 to 2030		**1,811**	
		Single Family	**Multi-Family***
(times) Percent desiring for-sale single-famiy vs. multifamily[5]	x	50%	50%
(equals) Total demand potential for new single-family & multifamily for-sale housing	=	905	905
(minus) Units under construction or approved platted lots (undeveloped and developed lots)[6]	-	140	68
(equals) Excess demand for new general occupancy for-sale housing	**=**	**765**	**837**
(times) capturable by North St. Paul	x	5%	20%
(equals) Excess demand for new general occupancy for-sale housing	**=**	**38**	**167**

[1] Estimated household growth based on projections as adjusted by Maxfield Research and Consulting LLC
[2] Pct. of owner households under the age of 65 (2015 ACS, ESRI, Maxfield Research and Consulting LLC) & adjusted by Maxfield Research
[3] Estimate based on 2020 ACS owner households and new owner household growth 2016 to 2020 (under age 65)
[4] Based on on turnover from 2020 American Community Survey for households moving over a 10-year period.
[5] Based on preference for housing type and land availability
[6] Approved platted lot data does not account for the scattered lot supply which includes individual lots and lots in older non-marketing subdivisions.

* Multi-family demand includes demand for townhomes, twinhomes, detached townhomes, and condominium units.

Source: Maxfield Research and Consulting LLC

Estimated Demand for General-Occupancy Rental Housing

Table HD-2 presents our calculation of general-occupancy rental housing demand in North St. Paul. This analysis identifies potential demand for rental housing that is generated from both new households and turnover households. A portion of the demand will be drawn from existing households in the PMA that want to upgrade their housing situations.

The 65 and older cohort is typically not a target market for new general occupancy rental housing, therefore, demand is limited to growth from households under the age of 65. According to projections, North St. Paul is expected to add 326 new non-senior households between 2022 and 2030. We estimate that 36% would rent their housing, which produces demand for 117 new general occupancy rental housing units between 2022 and 2030 from household growth.

Demand is also forecast to emerge from existing Market Area householders through turnover. An estimated 30,347 renter households in the PMA in 2022. Based on mobility data from the Census Bureau, an estimated 50% of renter households will turnover in a seven-year period, resulting in 15,174 existing households projected to turnover. Finally, we estimate 20% of the existing renter households will seek new rental housing, resulting in demand for 3,035 rental units to 2030.

Next, we estimate that 35% of the total demand for new rental units in the PMA will come from people currently living outside of the Market Area. Adding demand from outside the PMA to the existing demand potential, results in a total estimated demand for 3,152 rental housing units to 2030.

Based on a review of rental household incomes and sizes and monthly rents at existing projects, we estimate that 15% of the total demand will be for subsidized housing (30% to 40% AMI), 35% will be for affordable housing (41% to 80% AMI), and 50% will be for market rate housing (81% AMI or above and generally non-income restricted).

Next, we subtract housing developments under construction or pending, since these projects will satisfy some of the calculated demand for general occupancy rental housing. There are two rental properties in the development pipeline. These projects include:

Gladstone Village – Maplewood – 60 affordable units (pending)
Gladstone Mkt – Maplewood - 150 units pending

After subtracting units under construction or pending at 95% occupancy results in demand for 727 subsidized units, 1,637 affordable units and 2,275 market rate units.

TABLE HD-2
RENTAL HOUSING DEMAND
NORTH ST. PAUL PRIMARY MARKET AREA
2022 to 2030

Demand from Projected Household Growth				
Projected HH growth under age 65 in the PMA 2022 to 2030[1]			326	
(times) Estimated % to be renting their housing[2]	x		36%	
(equals) Projected demand from new HH growth	=		**117**	
Demand from Existing Renter Households				
Number of renter HHs (age 64 and younger) in the PMA (2022)[3]			30,347	
(times) Estimated percent of renter turnover[4]	x		50%	
(equals) Total existing households projected to turnover	=		15,174	
(times) Estimated percent desiring new rental housing	x		20%	
(equals) Demand from existing households			3,035	
(equals) Total demand from HH growth and existing HHs 2022 to 2030	**=**		**3,152**	
(times) Demand from outside the PMA			35%	
(equals) Total demand potential for rental housing, 2022 to 2030			**4,849**	
		Deep Subsidy 50% or Less	**Shallow Subsidy 51% to 80%**	**Market Rate Rate 81% or above**
(times) Percent of rental demand by product type[5]	x	15%	35%	50%
(equals) Total demand potential for general-occupancy rental housing units	=	727	1,697	2,425
(minus) Units under construction or pending[6]	-	0	60	150
(equals) Excess demand for new general occupancy rental housing	**=**	**727**	**1,637**	**2,275**
(times) Proportion capturable by North St. Paul	x	5%	10%	20%
(equals) Number of units supportable in North St. Paul (2022 to 2030)	**=**	**36**	**164**	**455**

[1] Estimated household growth based on projections as adjusted by Maxfield Research and Consulting LLC
[2] Pct. of renter households under the age of 65 (U.S. Census - 2010, ESRI, Maxfield Research and Consulting LLC).
[3] Estimate based on 2020 ACS renter households and new renter household growth 2016 to 2020 (under age 65)
[4] Based on on turnover from 2010 American Community Survey for households moving over 10-year period.
[5] Based on the combination of current rental product and household incomes of area renters (non-senior households)
[6] Pending/proposed/under construction at 95% occupancy.

Source: Maxfield Research and Consulting LLC

Senior Demand Summary

Table HD-4 presents a demand summary for senior housing in 2022 and 2027. Demand is segmented by service level and identifies the proportion of demand for each service level that would be capturable by North St. Paul.

TABLE HD-4
DEMAND SUMMARY
NORTH ST. PAUL PRIMARY MARKET AREA
2013 & 2018

Service Level	*Total Demand Potential in the Primary Market Area*		*Total Demand Capturable in North St. Paul*	
	2022	**2027**	**2022**	**2027**
Mkt Rate Active Adult				
Ownership	605	620	60	62
Rental	1,025	1,047	102	105
Affordable/Deep-Subsidy Active Adult	1,165	1,245	117	125
Mkt. Rate Independent Living	1,040	1,025	62	65
Mkt. Rate Assisted Living	371	553	36	38
Mkt. Rate Memory Care	248	378	25	28
Total Units	**4,454**	**4,869**	**402**	**423**

Source: Maxfield Research and Consulting LLC

Introduction/Overall Housing Recommendations

This section summarizes demand calculated for specific housing products in the PMA and recommends development concepts to meet the housing needs forecast for the city with a focus on the City's Downtown commercial district and redevelopment sites that would be made available. All recommendations are based on findings of the analysis. The following table and charts illustrate calculated demand by product type. It is important to recognize that housing demand is contingent on projected household growth and land availability; household growth may be higher with increased density and additional properties made available for residential development.

TABLE CR-1
SUMMARY OF HOUSING DEMAND
NORTH ST. PAUL
July 2022

Type of Use	2022-2030	
General-Occupancy		
Rental Units - Market Rate	455	
Rental Units - Shallow-Subsidy	162	
Rental Units - Deep-Subsidy	36	
For-Sale Units - Single-family	57	
For-Sale Units - Multifamily	243	
Total General Occupancy Supportable	***953***	
	2022	**2027**
Age-Restricted (Senior)		
Market Rate		
Adult Few Services (Active Adult)	163	167
Ownership	*61*	*62*
Rental	*102*	*105*
Independent Living	62	64
Assisted Living	32	36
Memory Care	22	24
Total Market Rate Senior Supportable	***279***	***291***
Shallow-Subsidy/Deep-Subsidy		
Active Adult - Shallow-Subsidy	68	78
Active Adult - Deep-Subsidy	55	55
Total Shallow/Deep-Subsidy Senior Supportable	***123***	***133***

Source: Maxfield Research & Consulting, LLC

Recommended Housing Product Types

For-Sale Housing

For-Sale Multifamily Housing

A growing number of households desire alternative housing types such as townhomes, detached townhomes and twin homes. Typically, the target market for owned multifamily housing is empty-nesters and retirees seeking to downsize from their single-family homes. In addition, singles and couples without children and small families will also seek townhomes if they prefer not to have the maintenance responsibilities of a single-family home. In many housing markets, younger households also find purchasing multifamily units to be generally more affordable than purchasing new single-family homes.

As Table FS-2 showed, multifamily resales make up a small portion of the for-sale market in North St. Paul, but due to recent new construction, sales in this segment have increased. The existing for-sale multifamily housing stock is generally newer with pricing at the mid-range of the multifamily market in the PMA. The most recent development is the 7th Street Development with twin homes and a limited number of single-family homes, targeted to families and those seeking more convenience.

Based on the changing demographics and the need for alternative housing types, demand was calculated for 243 new owned multifamily for-sale units in North St. Paul to 2030. Because of the modest supply, aging demographics, and desire for association-maintained housing from other age cohorts, North St. Paul can benefit from the development of these alternative housing product types.

Similar to single-family housing, for-sale multifamily development is contingent on land availability. Demand calculations identified demand for 243 owned multifamily units to 2030. Not all of this demand may be realized within the designated period. Attached units could be developed as twin homes, detached townhomes or villas, townhomes/row homes, condominiums or a combination. Because the primary target markets for many of these products are usually empty-nesters and young seniors, single-level living would have high appeal, but is more difficult to develop in today's market. Condominium product is currently making a modest comeback although costs to develop this product also remain high.

TABLE CR-2
RECOMMENDED HOUSING DEVELOPMENT
NORTH ST. PAUL
2022 to 2030

	Purchase Price/ Monthly Rent Range[1]	No. of Units	Development Timing
Owner-Occupied Homes			
Single Family [2]			
Entry-level	$300,000 - $325,000		As lots are available
Move-up	$400,000 - $500,000	25 - 30	As lots are available
Executive	$600,000+	15 - 20	As lots are available
Total		**40 - 50**	
Townhomes/Twinhomes/Detached Townhomes [2]			
Entry-level	$300,000 - $350,000	50 - 60	2022+
Move-up	$400,000 - $460,000	35 - 50	2022+
Executive	$450,000+	20 - 25	2022+
Total		**105 - 135**	
Total Owner-Occupied		**145 - 185**	
General Occupancy Rental Housing			
Affordable Rental Housing			
Apartment-style	Moderate Income[3]	120 - 150	2022+
Townhomes	Moderate Income[3]	20 - 25	2022+
Subsidized	30% of Income[4]	20 - 25	2022+
Total		**160 - 200**	
Market Rate Rental Housing			
Apartment-style	$1,200 to $2,600	130 - 150	2022+
Townhomes	$1,900 to $2,400	25 - 30	2022+
Total		**155 - 180**	
Total Renter-Occupied		**315 - 380**	
Senior Housing (i.e. Age Restricted)			
Senior Cooperative	$95,000+	50 - 60	2022+
Active Adult Market Rate Rental[5]	$1,400/1BR - $1,700/2BR	80 - 100	2022+
Active Adult Affordable Rental[5]	Moderate Income[3]	60 - 65	2022+
Independent Living	$2,000/1BR - $2,800/2BR	70 - 80	2022+
Total		**260 - 305**	
Total - All Units		**720 - 870**	

[1] Pricing in 2022 dollars. Pricing can be adjusted to account for inflation.

[2] Replacement need, infill, and redevelopment. Development of single-family homes and townhomes/twinhomes will hinge on land availability. Due to Bloomington's location and desirability, there is pent-up demand that exceeds replacement need.

[3] Affordablity subject to income guidelines per Minnesota Housing Finance Agency (MHFA).

[4] Subsized housing is difficult to develop; mixed income properties may have a small proportion of these units incorporated in a larger property.

Note - Recommended development does not coincide with total demand. North St. Paul unlikely to be able to accommodate all recommended housing types based on land availability and development constraints.

Source: Maxfield Research & Consulting, LLC

The following provides greater detail into several for-sale multifamily housing products.

- *Twin homes*– By definition, a twin home is two units with a shared wall with each owner owning half of the lot the home is on (also referred to as a duplex). Some one-level living units are designed in three-, four-, or even six-unit buildings in a variety of configurations. The swell of support for twin home and one-level living units is generated by the aging baby boomer generation, which is increasing the numbers of older adults and seniors who desire low-maintenance housing alternatives to their single-family homes but are not ready to move to service-enhanced rental housing (downsizing or right sizing).

  Traditionally most twin home developments have been designed with the garage being the prominent feature of the home; however, today's newer twin homes have much more architectural detail. Many higher-end twin home developments feature designs where one garage faces the street and the other to the side yard. This design helps reduce the prominence of the garage domination with two separate entrances. Housing products designed to meet the needs of aging North St. Paul residents, many of whom desire to stay in their current community if housing is available to meet their needs, will be needed into the foreseeable future.

  Twin homes are also a preferred for-sale product by builders in today's market as units can be developed as demand warrants. Because twin homes bring higher density and economies of scale to the construction process, the price point can be lower than stand-alone single-family housing with similar finishing's and square footage. Move-up twin homes haves especially been popular in the Twin Cities Metro Area over the past few years and have commanded price premiums. Most new twin homes in the Twin Cities have catered to the move-up or "right-sized" buyers that have commanded prices from $350,000 to $550,000 on average. Most of these homes feature a main-level floor plans averaging 1,500 square feet plus lower levels, resulting in an average total finished square footage of about 2,500 square feet. Lot sizes typically average about 40' wide and range from 36'wide to 50' wide.

- *Cooperative* – Given North St. Paul's location as a first-ring suburban community, the city is well-positioned to attract a cooperative housing product that would be targeted to seniors. A cooperative development is often attractive as households have several different levels of share values at entry with the monthly fee adjusted accordingly.

  Of the calculated demand for owned multifamily housing, a cooperative could have between 80 to 85 units. Building style should be mid-rise. Unit mix should primarily include one-bedroom plus den, two-bedroom and two-bedroom plus den units.

General Occupancy Rental Housing

Our competitive inventory identified that the vacancy rates for all types of general occupancy rental product is below market equilibrium (2.4% vacancy rate in North St. Paul and 1.9% in adjacent submarkets) indicating pent-up demand for rental housing.

Due to the age and positioning of the existing rental supply (most pre-1990 construction), a significant portion of units are priced under 80% of AMI, which indirectly satisfies demand from some households that income-qualify for financially assisted housing. The growing renter base however, is seeking newer rental properties with additional and updated amenities that are not sometimes offered in older developments. Demand exists for rental housing at all price levels, market rate, affordable and subsidized.

- *Market Rate Rental* – Demand calculations identified a need for 455 units in North St. Paul. Although new units are pending in Maplewood and new units are being considered for the Hillcrest site in St. Paul (still very tentative), we believe that North St. Paul with an established downtown commercial district and pedestrian-oriented environment. These properties have been accounted for in the demand calculations. Additional demand for market rate rental may result from a higher proportion of demand coming from outside of the Market Area than was originally calculated, which would increase the potential demand for market rate rental in North St. Paul, due to an increased capture rate.

- *Affordable General Occupancy Multifamily Housing*– There is only one income-restricted affordable rental property in North St. Paul which is 100% occupied. The existing products target households between 50% and 60% of area median income. However, new affordable projects would have income-restrictions most likely established through programs supported by HUD and could target households with incomes between 30% to 60% of area median income; some, however, may be workforce units with affordability up to 100% AMI.

  We find that demand exists for an estimated 1,637 units to 2030 with rent levels ranging from 51% to 80% of AMI with North St. Paul estimated to capture 10% of the demand or 164 units. Affordable housing would attract households that cannot afford new construction market rate housing units, but do not income-qualify for deep subsidy housing (50% or less of AMI). Affordable projects attract a broad group of people based of tenants based on the unit type. One-bedroom units target singles and couples, whereas two and three-bedroom units target families. Some retired seniors would also be attracted to an affordable concept. We recommend an affordable concept that would target residents at 50% to 60% AMI. A workforce housing project targeting households from 80% to 100% AMI could also be pursued in North St. Paul, but at these levels, this housing could be market rate with potentially some TIF assistance.

Senior Housing

As illustrated in Table CR-1, demand exists for additional senior housing in North St. Paul. To 2027, demand exists for 291 senior housing units across the product and service-level spectrum. Development of additional senior housing is recommended to provide housing opportunities for the projected growing group of seniors that may need or want to transition from other housing products. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in the PMA and in North St. Paul: older adult and senior residents can relocate to new age-restricted housing in North St. Paul and existing homes and rental units that were occupied by seniors become available to other households. Therefore, the development of additional senior housing does not mean the housing needs of younger households are neglected; it simply means that a greater percentage of housing need is satisfied by housing unit turnover. The types of housing products needed to accommodate the aging population base are discussed individually in the following section.

- *Active Adult Rental* – Demand is estimated for 62 market rate active adult rental units in North St. Paul to 2027. There are no active adult market rate rental units in North St. Paul and only one active adult ownership property. All properties are fully occupied indicating pent up demand. It is likely there are seniors who currently reside in general-occupancy housing that would consider a new active adult rental product.

  Development of this product could be in a separate stand-alone facility or in a mixed-income project. A mixed-income building could include a portion of units that would be affordable to seniors with incomes established the Minnesota Housing Finance Agency. We recommend a new project of between 65 to 85 units.

- *Active Adult Senior Cooperative* – There are no existing cooperatives in North St. Paul and three in the PMA. We believe that an active adult cooperative of 50 to 60 units would be well-received in the community. The cooperative model, in particular, has appealed to a larger base of potential residents in that it has characteristics of both rental and ownership housing. Cooperative developments allow prospective residents an ownership option and homestead tax benefits without a substantial upfront investment as would be true in a condominium development or life care option. Maxfield Research & Consulting, LLC has found the cooperative model to be well-accepted in suburban communities in the Twin Cities Metro Area and across the Midwest. As such, we recommend 50 to 60 units of senior cooperative housing with sliding scale share costs starting at $95,000 but recommend a development timeframe between 2022 and 2027.

- *Independent Living* – North St. Paul has one property that offers independent living. Demand is calculated for 64 independent units as of 2022 to 2027. New properties are seeing increased demand for larger size units across the board and a higher proportion of two-bedroom units as more couples are making a move to this product type. Originally more service-intensive, many independent living developments have substantially reduced the level of services included and offer more services as optional. As such, this product must typically be combined with assisted living and memory care to support the optional service component for the independent living. We would recommend a mix of one-bedroom, one-bedroom plus den, and two-bedroom units.

APPENDIX

Definitions

Absorption Period – The period of time necessary for newly constructed or renovated properties to achieve the stabilized level of occupancy. The absorption period begins when the first certificate of occupancy is issued and ends when the last unit to reach the stabilized level of occupancy has signed a lease.

Absorption Rate – The average number of units rented each month during the absorption period.

Active adult (or independent living without services available) – Active Adult properties are similar to a general-occupancy apartment building, in that they offer virtually no services but have age-restrictions (typically 55 or 62 or older). Organized activities and occasionally a transportation program are usually all that are available at these properties. Because of the lack of services, active adult properties typically do not command the rent premiums of more service-enriched senior housing.

Adjusted Gross Income "AGI" – Income from taxable sources (including wages, interest, capital gains, income from retirement accounts, etc.) adjusted to account for specific deductions (contributions to retirement accounts, unreimbursed business and medical expenses, alimony, etc.).

Affordable housing – Housing that is income-restricted to households earning at or below 80% AMI, though individual properties can have income-restrictions set at 40%, 50%, 60% or 80% AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific income restriction segment. It is essentially housing affordable to low or very low-income tenants.

Amenity – Tangible or intangible benefits offered to a tenant in the form of common area amenities or in-unit amenities. Typical in-unit amenities include dishwashers, washer/dryers, walk-in showers and closets and upgraded kitchen finishes. Typical common area amenities include detached or attached garage parking, community room, fitness center and an outdoor patio or grill/picnic area.

Area Median Income "AMI" – AMI is the midpoint in the income distribution within a specific geographic area. By definition, 50% of households earn less than the median income and 50% earn more. The U.S. Department of Housing and Urban Development (HUD) calculates AMI annually and adjustments are made for family size.

Assisted Living – Assisted Living properties come in a variety of forms, but the target market for most is generally the same: very frail seniors, typically age 80 or older (but can be much younger, depending on their particular health situation), who are in need of extensive support services and personal care assistance. Absent an assisted living option, these seniors would otherwise need to move to a nursing facility. At a minimum, assisted living properties include two meals per day and weekly housekeeping in the monthly fee, with the availability of a third meal and personal care (either included in the monthly fee or for an additional cost). Assisted living properties also have either staff on duty 24 hours per day or at least 24-hour emergency response.

Building Permit – Building permits track housing starts and the number of housing units authorized to be built by the local governing authority. Most jurisdictions require building permits for new construction, major renovations, as well as other building improvements. Building permits ensure that all the work meets applicable building and safety rules and is typically required to be completed by a licensed professional. Once the building is complete and meets the inspector's satisfaction, the jurisdiction will issue a "CO" or "Certificate of Occupancy." Building permits are a key barometer for the health of the housing market and are often a leading indicator in the rest of the economy as it has a major impact on consumer spending.

Capture Rate – The percentage of age, size, and income-qualified renter households in a given area or "Market Area" that the property must capture to fill the units. The capture rate is calculated by dividing the total number of units at the property by the total number of age, size and income-qualified renter households in the designated area.

Comparable Property – A property that is representative of the rental housing choices of the designated area or "Market Area" that is similar in construction, size, amenities, location and/or age.

Concession – Discount or incentives given to a prospective tenant to induce signature of a lease. Concessions typically are in the form of reduced rent or free rent for a specific lease term, or free amenities, which are normally charged separately, such as parking.

Congregate (or independent living with services available) – Congregate properties offer support services such as meals and/or housekeeping, either on an optional basis or a limited amount included in the rents. These properties typically dedicate a larger share of the overall building area to common areas, in part, because the units are smaller than in adult housing and in part to encourage socialization among residents. Congregate properties attract a slightly older target market than adult housing, typically seniors aged 75 or older. Rents are also above those of the active adult buildings, even excluding the services.

Contract Rent – The actual monthly rent payable by the tenant, including any rent subsidy paid on behalf of the tenant, to the owner, inclusive of all terms of the lease.

Demand – The total number of households that would potentially move into a proposed new or renovated housing project. These households must be of appropriate age, income, tenure and size for a specific proposed development. Components vary and can include, but are not limited to turnover, people living in substandard conditions, rent over-burdened households, income-qualified households and age of householder. Demand is project specific.

<u>Density</u> – Number of units in a given area. Density is typically measured in dwelling units (DU) per acre – the larger the number of units permitted per acre the higher the density; the fewer units permitted results in lower density. Density is often presented in a gross and net format:

- <u>Gross Density</u> – The number of dwelling units per acre based on the gross site acreage.
  Gross Density = Total residential units/total development area
- <u>Net Density</u> - The number of dwelling units per acre located on the site, but excludes public right-of-way (ROW) such as streets, alleys, easements, open spaces, etc.
  Net Density = Total residential units/total residential land area (excluding ROWs)

<u>Detached housing</u> – a freestanding dwelling unit, most often single-family homes, situated on its own lot.

<u>Effective Rents</u> – Contract rent less applicable concessions.

<u>Elderly or Senior Housing</u> – Housing where all the units in the property are restricted for occupancy by persons age 62 years or better, or at least 80% of the units in each building are restricted for occupancy by households where at least one household member is 55 years of age or better and the housing is designed with amenities, facilities and services to meet the needs of senior citizens.

<u>Extremely low-income</u> – person or household with incomes below 30% of Area Median Income, adjusted for respective household size.

<u>Fair Market Rent</u> – Estimates established by HUD of the Gross Rents needed to obtain modest rental units in acceptable conditions in a specific geographic area. The amount of rental income a given property would command if it were open for leasing at any given moment and/or the amount derived based on market conditions that is needed to pay gross monthly rent at modest rental housing in a given area. This figure is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families on at financially assisted housing.

<u>Floor Area Ratio (FAR</u>) Ratio of the floor area of a building to area of the lot on which the building is located.

<u>Foreclosure</u> – A legal process in which a lender or financial institute attempts to recover the balance of a loan from a borrower who has stopped making payments to the lender by using the sale of the house as collateral for the loan.

<u>Gross Rent</u> – The monthly housing cost to a tenant which equals the Contract Rent provided for in the lease, plus the estimated cost of all utilities paid by tenants.

Household – All persons who occupy a housing unit, including occupants of a single-family, one person living alone, two or more families living together, or any other group of related or unrelated persons who share living arrangements.

Household Trends – Changes in the number of households for any particular areas over a measurable period of time, which is a function of new household formations, changes in average household size, and met migration.

Housing Choice Voucher Program – The federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. A family that is issued a housing voucher is responsible for finding a suitable housing unit of the family's choice where the owner agrees to rent under the program. Housing choice vouchers are administered locally by public housing agencies. They receive federal funds from the U.S. Department of Housing and Urban Development (HUD) to administer the voucher program. A housing subsidy is paid to the landlord directly by the public housing agency on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program.

Housing unit – House, apartment, mobile home, or group of rooms used as separate living quarters by a single household.

HUD Project-Based Section 8 – A federal government program that provides rental housing for very low-income families, the elderly, and the disabled in privately owned and managed rental units. The owner reserves some or all of the units in a building in return for a Federal government guarantee to make up the difference between the tenant's contribution and the rent. A tenant who leaves a subsidized project will lose access to the project-based subsidy.

HUD Section 202 Program – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy by elder household who have incomes not exceeding 50% of Area Median Income.

HUD Section 811 Program – Federal program that provides direct capital assistance and operating or rental assistance to finance housing designed for occupancy of persons with disabilities who have incomes not exceeding 50% Area Median Income.

HUD Section 236 Program – Federal program that provides interest reduction payments for loans which finance housing targeted to households with income not exceeding 80% Area Median Income who pay rent equal to the greater or market rate or 30% of their adjusted income.

Income limits – Maximum household income by a designed geographic area, adjusted for household size and expressed as a percentage of the Area Median Income, for the purpose of establishing an upper limit for eligibility for a specific housing program.

	Income Limits by Household Size							
	1 pph	2 phh	3 phh	4 phh	5 phh	6 phh	7 phh	8 phh
30% of median	$18,030	$20,580	$23,160	$25,740	$27,810	$29,850	$31,920	$33,990
50% of median	$30,050	$34,300	$38,600	$42,900	$46,350	$49,750	$53,200	$56,650
60% of median	$36,060	$41,160	$46,320	$51,480	$55,620	$59,700	$63,840	$67,980
80% of median	$48,080	$54,880	$61,760	$68,640	$74,160	$79,600	$85,120	$90,640
100% of median	$60,100	$68,600	$77,200	$85,800	$92,700	$99,500	$106,400	$113,300
120% of median	$72,120	$82,320	$92,640	$102,960	$111,240	$119,400	$127,680	$135,960

Inflow/Outflow – The Inflow/Outflow Analysis generates results showing the count and characteristics of worker flows in to, out of, and within the defined geographic area.

Low-Income – Person or household with gross household incomes below 80% of Area Median Income, adjusted for household size.

Low-Income Housing Tax Credit – A program aimed to generate equity for investment in affordable rental housing authorized pursuant to Section 42 of the Internal Revenue Code. The program requires that a certain percentage of units built be restricted for occupancy to households earning 60% or less of Area Median Income, and rents on these units be restricted accordingly.

Market analysis – The study of real estate market conditions for a specific type of property, geographic area or proposed (re)development.

Market rent – The rent that an apartment, without rent or income restrictions or rent subsidies, would command in a given area or “Market Area” considering its location, features and amenities.

Market study – A comprehensive study of a specific proposal including a review of the housing market in a defined market or geography. Project specific market studies are often used by developers, property managers or government entities to determine the appropriateness of a proposed development, whereas market specific market studies are used to determine what house needs, if any, existing within a specific geography.

Market rate rental housing – Housing that does not have any income-restrictions. Some properties will have income guidelines, which are minimum annual incomes required in order to reside at the property.

Memory Care – Memory Care properties, designed specifically for persons suffering from Alzheimer’s disease or other dementias, is one of the newest trends in senior housing. Properties consist mostly of suite-style or studio units or occasionally one-bedroom apartment-style units, and large amounts of communal areas for activities and programming. In addition, staff typically undergoes specialized training in the care of this population. Because of the greater amount of individualized personal care required by residents, staffing ratios are much higher than traditional assisted living and thus, the costs of care are also higher. Unlike conventional assisted living, however, which deals almost exclusively with widows or widowers, a higher proportion of persons afflicted with Alzheimer's disease are in two-person households. That means the decision to move a spouse into a memory care facility involves the caregiver's concern of incurring the costs of health care at a special facility while continuing to maintain their home.

Migration – The movement of households and/or people into or out of an area.

Mixed-income property – An apartment property contained either both income-restricted and unrestricted units or units restricted at two or more income limits.

Mobility – The ease at which people move from one location to another.

Moderate Income – Person or household with gross household income between 80% and 120% of the Area Median Income, adjusted for household size.

Multifamily – Properties and structures that contain more than two housing units.

Naturally Occurring Affordable Housing – Although affordable housing is typically associated with an income-restricted property, there are other housing units in communities that indirectly provide affordable housing. Housing units that were not developed or designated with income guidelines (assisted) yet are more affordable than other units in a community are considered "naturally-occurring" or "unsubsidized affordable" units. This rental supply is available through the private market, versus assisted housing programs through various governmental agencies. Property values on these units are lower based on a combination of factors, such as: age of structure/housing stock, location, condition, size, functionally obsolete, school district, etc.

Net Income – Income earned after payroll withholdings such as state and federal income taxes, social security, as well as retirement savings and health insurance.

Net Worth – The difference between assets and liabilities, or the total value of assets after the debt is subtracted.

Pent-up demand – A market in which there is a scarcity of supply and as such, vacancy rates are very low or non-existent.

Population – All people living in a geographic area.

Population Density – The population of an area divided by the number of square miles of land area.

Population Trends – Changes in population levels for a particular geographic area over a specific period of time – a function of the level of births, deaths, and in/out migration.

Project-Based rent assistance – Rental assistance from any source that is allocated to the property or a specific number of units in the property and is available to each income eligible tenant of the property or an assisted unit.

Redevelopment – The redesign, rehabilitation or expansion of existing properties.

Rent burden – gross rent divided by adjusted monthly household income.

Restricted rent – The rent charged under the restriction of a specific housing program or subsidy.

Saturation – The point at which there is insufficient demand to support additional market rate, affordable/subsidized, rental, for-sale, or senior housing units. Saturation usually refers to a particular segment of a specific market.

Senior Housing – The term "senior housing" refers to any housing development that is restricted to people aged 55 or older. Today, senior housing includes an entire spectrum of housing alternatives. Maxfield Research Inc. classifies senior housing into four categories based on the level of support services. The four categories are: Active Adult, Congregate, Assisted Living and Memory Care.

Short Sale – A sale of real estate in which the net proceeds from selling the property do not cover the sellers' mortgage obligations. The difference is forgiven by the lender, or other arrangements are made with the lender to settle the remainder of the debt.

Single-family home – A dwelling unit, either attached or detached, designed for use by one household and with direct street access. It does not share heating facilities or other essential electrical, mechanical or building facilities with another dwelling.

Stabilized level of occupancy – The underwritten or actual number of occupied units that a property is expected to maintain after the initial lease-up period.

Subsidized housing – Housing that is income-restricted to households earning at or below 30% AMI. Rent is generally based on income, with the household contributing 30% of their adjusted gross income toward rent. Also referred to as extremely low-income housing.

Subsidy – Monthly income received by a tenant or by an owner on behalf of a tenant to pay the difference between the apartment's contract/market rate rent and the amount paid by the tenant toward rent.

Substandard conditions – Housing conditions that are conventionally considered unacceptable and can be defined in terms of lacking plumbing facilities, one or more major mechanical or electrical system malfunctions, or overcrowded conditions.

Target population – The market segment or segments of the given population a development would appeal or cater to.

Tenant – One who rents real property from another individual or rental company.

Tenant-paid utilities – The cost of utilities, excluding cable, telephone, or internet necessary for the habitation of a dwelling unit, which are paid by said tenant.

Tenure – The distinction between owner-occupied and renter-occupied housing units.

Turnover – A measure of movement of residents into and out of a geographic location.

Turnover period – An estimate of the number of housing units in a geographic location as a percentage of the total house units that will likely change occupants in any one year.

Unrestricted units – Units that are not subject to any income or rent restrictions.

Vacancy period – The amount of time an apartment remains vacant and is available on the market for rent.

Workforce housing – Housing that is income-restricted to households earning between 80% and 120% AMI. Also referred to as moderate-income housing.

Zoning – Classification and regulation of land use by local governments according to use categories (zones); often also includes density designations and limitations

NORTH ST. PAUL
extraordinary.

Agenda Information Memorandum

To	Date
Honorable Mayor Furlong and City Council	October 4, 2022

Agenda Placement # IV.B

Topic(s)

Subject

Wold Architects & Engineers - Community Center Presentation/Discussion

Background/Facts

Moving forward with the community center revitalization plan, the city council authorized staff to seek a proposal from Wold Architects & Engineers. Staff had the opportunity to meet with the group and reviewed a plan that appears to work extremely well for North St. Paul's puposes.

The plan utilizes an approach that works to ascertain the needs and future use of the facility while also focusing on the physical costs that will be needed to meet the proposed use.

Presentation and overall approach presented by Jonathan Loose | PE, LEED AP Wold Architects and Engineers

Recommended Action

N/A

Attachments

1. 10-04-2022 Council Introduction
2. Wold AE_North St. Paul Community Center Proposal

Respectfully submitted,
Craig Waldron, Consultant

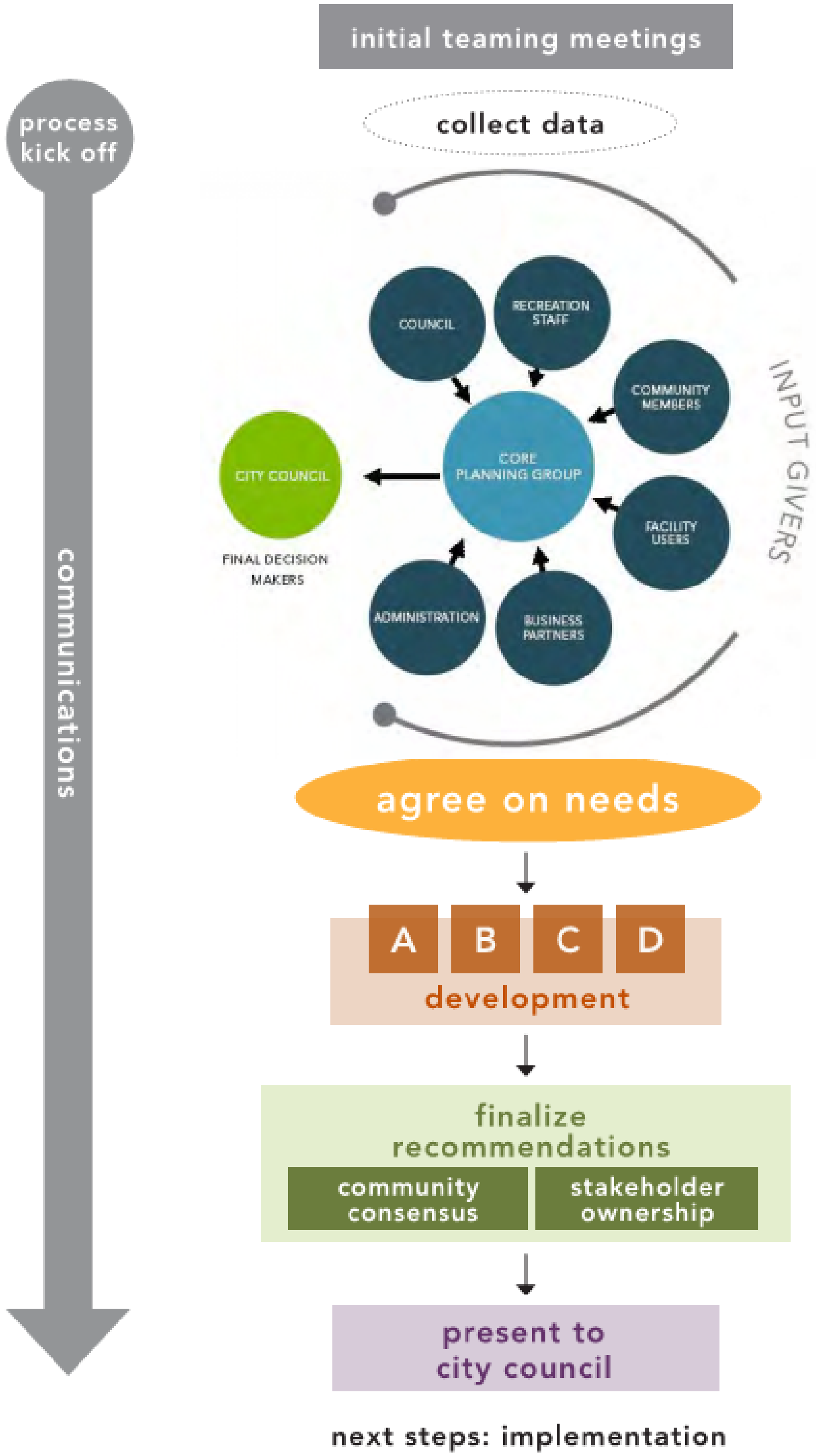
City Council Introduction
Community Center Long-range Planning
October 4, 2022

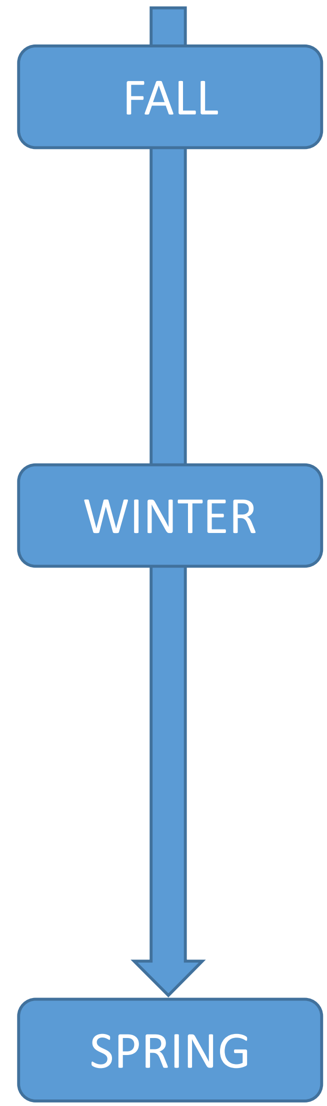
Agenda

1. Introductions
2. Our Planning Process
3. Core Planning & Stakeholder Process
4. Next Steps

CITY OF NORTH ST. PAUL

Planning Process





Core Planning

» High Level of Collaboration:

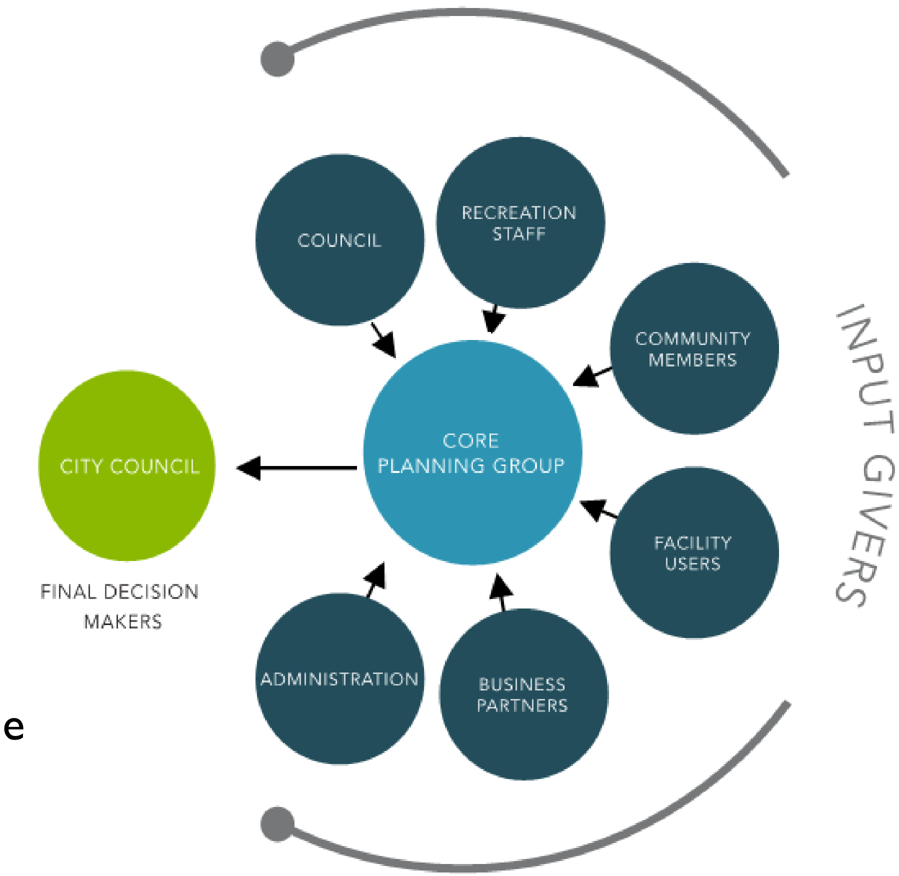
- Opportunities for partnership
- Involves all stakeholders

» Inclusive Planning Process:

- Establishes Guiding Principles
- Needs versus Wants
- Establishes Criteria

» Ownership of Decisions:

- All needs are documented so that final product is what you want.
- Community/ user consensus on the solution.

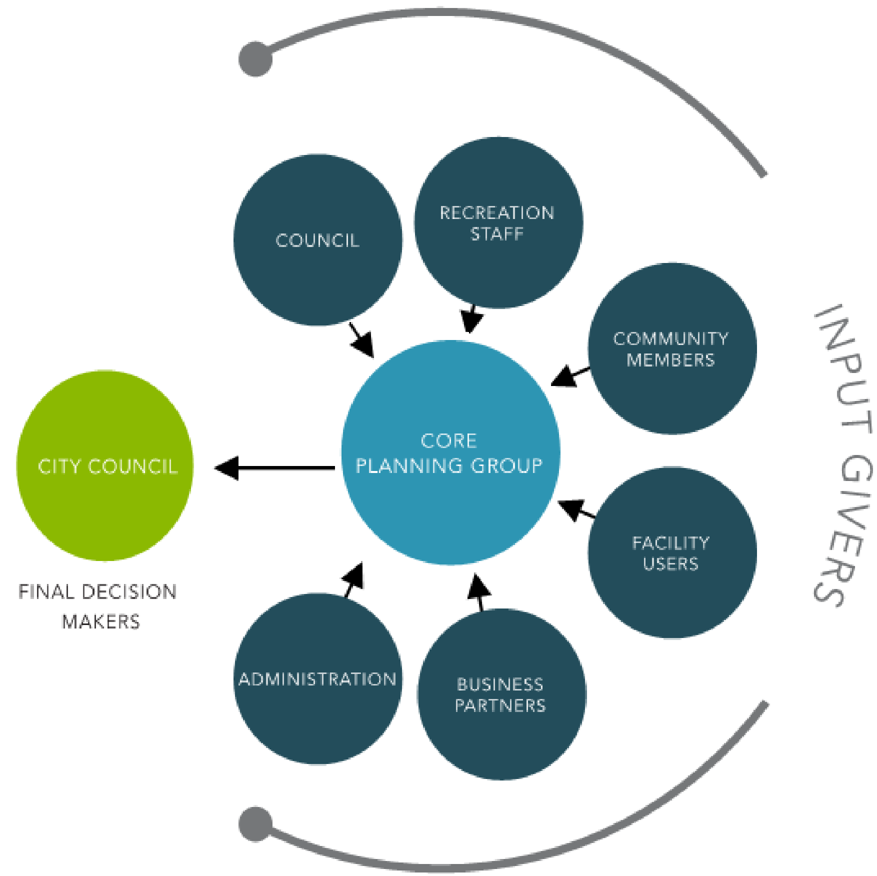


» Stakeholder Group(s)

- 15-20 Individuals
- Community Members
- Partners (School District, Chamber, EDA, Associations, etc.)
- Council Representation
- Input Giver to Council

» Core Planning Group

- 6-8 Individuals
- City Staff
- Recommends to Council



Draft Schedule

- Core Planning – Kick-Off – October 2022 (meets monthly throughout)
- Stakeholder Engagement: November 2022
- Agreement on Need: Dec. 2022 – Jan. 2023
- Design Concepts: February 2023
- Stakeholder Re-engagement: Feb. - March 2023
- Public Engagement: March 2023
- Revise and Reengage: April 2023
- Council Approval: May 2023

- Next Steps:
  - Programming/ Needs Analysis
  - Facility Assessment
  - Agreement on Need
  - Options Development/ Site Selection
  - Community Meeting
  - Budget Agreement
  - Council Approval

NORTH ST. PAUL COMMUNITY CENTER
Planning Services

October 4, 2022

Wold

WOLD ARCHITECTS & ENGINEERS

October 4, 2022

Craig Waldron,
City of North St. Paul
2400 Margaret Street
North St. Paul , MN 55109

RE: Planning Services for Community Center

Dear Craig,

It was a pleasure talking to you and City Leadership about the current needs at the Community Center, and the potential possibilities of how it could be a resource for the residents of North St. Paul in the future. Wold Architects and Engineers has been around for over 50 years and has worked with over 30 municipalities and for over 100 public sector entities, helping to develop solutions that meet with their community vision. With every effort, whether for a long-range plan or for small remodeling projects, and everything in between, we ensure that our client's vision is considered and complemented by the results. Over the years, we have had the pleasure of working on many community center projects for both municipalities and school districts. Some notable projects include: the Redwood Area Community Center and the recent Senior Center Expansion, the Ehlers Intergenerational Center and its change into a school daycare center as well as grocery store conversion into a community center for the City of Hutchinson.

We firmly believe that our experience in the planning and design of intergenerational community activity centers and school facilities makes Wold an exceptional choice for the City of North St. Paul to partner with for this important project.

Through our discussions, we understand you are looking for a team to help facilitate a process that will identify options for the most ideal future use of the Community Center, as well as a plan to address the various infrastructure needs to support and extend the life of the facility.

Through our work with multiple local municipalities, school districts, and counties, we understand the intricacies of gathering input from the community for this type of project.

Our creative and expert team is prepared to assist in the full range of opportunities that this project represents and I know our team can and will exceed all expectations for service and responsiveness. The following pages represents out team, our experiences and our approach to this type of project.

We would welcome the opportunity to work with you and would be happy to come visit to discuss this further.

Sincerely,
Wold Architects and Engineers

Jonathan Loose | PE, LEED AP
Partner

Wold Architects and Engineers
332 Minnesota Street, Suite W 2000
St. Paul, MN 55101
651 227 7773 | woldae.com

PLANNERS
ARCHITECTS
ENGINEERS

TOC

1 | FIRM DESCRIPTION

FIRM PROFILE

WOLD ARCHITECTS AND ENGINEERS

services wold offers | Long-Range Planning, Strategic Facility Planning, Pre-Design Program & Verification, Space Adequacy Evaluation, Site & Facility Analysis, Interior Design & Space Planning, Architectural Design, Contract Documents, Security Analysis, Color & Material Selection, Sustainable Design, Mechanical & Electrical Engineering, Cost Estimating & Management, Quality Review, Bidding & Contract Review, Best Value Procurement, Comprehensive Construction Administration, Project Close Out & Archiving, Continuous Post-Occupancy Follow-Through, Utility Tracking & Analysis

firm location

332 Minnesota Street, Suite W2000
St. Paul, MN 55101
t 651 227 7773 | **f** 612 382 5870
www.woldae.com

main contact

Jonathan Loose, PE, LEED AP
Partner-in-Charge
c 612 382 7224
jloose@woldae.com

date founded | 1968
legal status | Corporation
ownership | Privately Owned
office locations | Minnesota, Colorado, Illinois, Tennessee
website address | woldae.com

about us

With client service as a focus, we take a long-term posture of keeping our clients' interests as our goal. We believe our role is much more than just a facility designer. Because facility issues are ongoing, we offer a continuum of support from initial space needs analysis, through design and construction, continuing through post-occupancy to help you resolve any ongoing issues.

Our 200+ person, multi-disciplinary staff provides facility analysis, facility planning and programming, architectural design and specifications, mechanical and electrical design and specifications, space planning, interior design, cost estimating, and construction administration.

staff counts	NAT'L	MN
Registered Architects	65	27
Graduate Architects	105	61
Registered Engineers	18	10
Graduate Engineers	57	39
Interior Designers	10	9
Administrative Support	44	38
Total	***299***	***184***

EXPERTISE IN MUNICIPAL BUILDINGS

WOLD ARCHITECTS AND ENGINEERS

Our goal at Wold is to provide an exceptionally high level of service to our clients, not only during projects but between the projects. We see ourselves as always available to add value to our client's facility management and maintenance. This attitude has resulted in most of our clients continually relying on Wold for project after project. This has given Wold a wide range of exposure to all municipal facility types and benefits clients with our ability to get up to speed quickly.

Over Wold's 54 years, we have had the opportunity to collaborate with many municipal clients on successful facility projects. We are excited about the prospect of working with the City of North St. Paul and have highlighted several relevant experiences working with municipalities below.

- City of Alexandria, MN
- City of Annandale, MN
- City of Appleton, WI
- City of Berwyn, IL
- City of Bloomington, MN
- City of Brooklyn Park, MN
- City of Burnsville, MN
- Village of Capac, MI
- City of Carver, MN
- City of Circle Pines, MN
- City of Coon Rapids, MN
- City of Corcoran, MN
- City of Cottage Grove, MN
- City of DeKalb, IL
- City & County of Denver, CO
- City of Eagan, MN
- City of East Dubuque, IL
- City of Excelsior, MN
- City of Faribault, MN
- City of Farmington, MN
- City of Fridley, MN
- City of Golden Valley, MN
- City of Greeley, CO
- City of Hopkins, MN
- City of Hutchinson, MN
- City of Inver Grove Heights, MN
- City of Jackson, MN
- City of Kimball, MN
- City of Lakeville, MN
- Lake in the Hills, IL
- City of Litchfield, MN
- City of Lonsdale, MN
- City of Loretto, MN
- City of Maple Grove, MN
- City of Maple Plain, MN
- City of Minneapolis, MN
- City of Minnetonka, MN
- City of Mounds View, MN
- City of New Ulm, MN
- Village of North Aurora, IL
- City of Northfield, MN
- City of Novi, MI
- City of Oak Grove, MN
- City of Olivia, MN
- City of Owatonna, MN
- City of Prior Lake, MN
- City of Redwood Falls, MN
- City of Red Wing, MN
- City of Richfield, MN
- City of River Falls, WI
- City of Rosemount, MN
- City of Royal Oak, MI
- City of St. Cloud, MN
- City of St. Paul, MN
- City of St. Paul Park, MN
- City of Sartell, MN
- City of Sauk Rapids, WI
- City of Shelby, MI
- City of Sterling Heights, MI
- City of Stillwater, MN
- City of Waconia, MN
- City of West St. Paul, MN
- City of Woodbury, MN
- City of Woodstock, IL
- City of Wyoming, MN


MATRIX
TRIPLEPLYO
X-SERIES

3 | STAFF

PROPOSED TEAM ORGANIZATION

FOR CITY OF NORTH ST. PAUL

LEADERSHIP

jonathan loose | Partner-in-Charge / Lead Planner

WOLD TEAM

joel dunning | Municipal Planner
paige sullivan | Project Manager
kevin marshal | Lead Mechanical Engineer
bradley johannsen | Lead Electrical Engineer

Plus over 200 dedicated professional & administrative team members

SUB-CONSULTANTS

bkbm engineers | Structural Engineering
bolton & menk, inc. | Civil Engineering & Landscape Design
loeffler construction & consulting | Cost Estimating

2 | OUR APPROACH TO PLANNING

LONG RANGE PLANNING

We know that the facility needs of each community are dictated by many complex factors. With proper planning, these factors can be anticipated to allow more deliberate and longer lived solutions. Effective facility planning needs careful consideration of:

- Building appropriateness for function
- Facility conditions
- Building expandability
- Ideal facility sizes
- Population Projections / Demographics
- The publics funding tolerance

philosophy

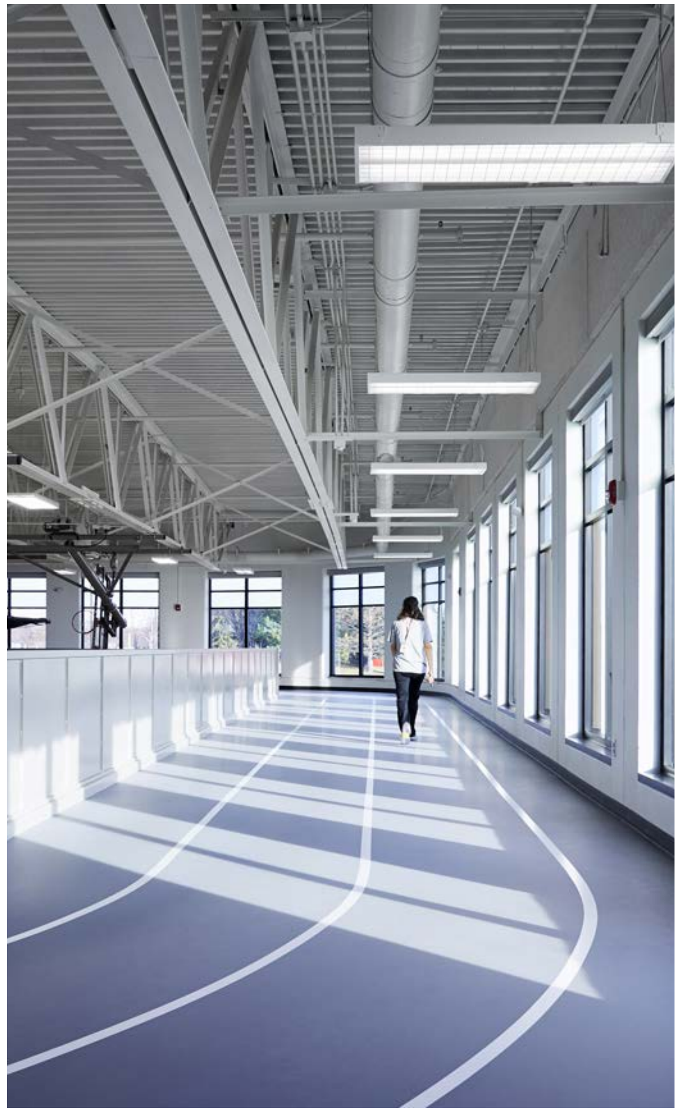
Wold believes very strongly that public buildings are a community asset, and as such must embody the values of their community. We do not believe there can be cookie cutter solutions developed in an architect's office. As a result, our first step is to sit down with you and listen.

We spend time in your community, talk with administration and staff, and have discussions with the Council to identify your goals and your aspirations for your community center. Only after careful consideration of your goals, your community, and your long range vision will we start working on solving your facility issues.

STAKEHOLDERS MUST SEE THAT YOU ARE TRULY A FACILITATOR OF THE PROBLEM SOLVING PROCESS & THEIR HELP IS ESSENTIAL TO ITS SUCCESS.

funding

When it comes to funding, we have a long history of working with public entities that have fixed capital budgets, and limited tolerance for dramatic increases in taxes. With our 50+ year history of garnering community support for public projects, we know how to effectively plan not just for a City, but ***with*** a community in mind.



the plan must be based on your community's values

In addition to the objective analysis of data, we know that long-range plans can only be successful if they reflect the values of your Community. They cannot be developed solely by "out of town experts" but must be developed through collaborative planning. We can provide the leadership you need to guide your Council through the complexities of understanding your facility space needs, prioritizing those needs, and developing future facility solutions. We reflect daily on how we can better match solutions to unique challenges. Our practice has led us to be skilled problem solvers.

PARTICIPATORY PLANNING PROCESS

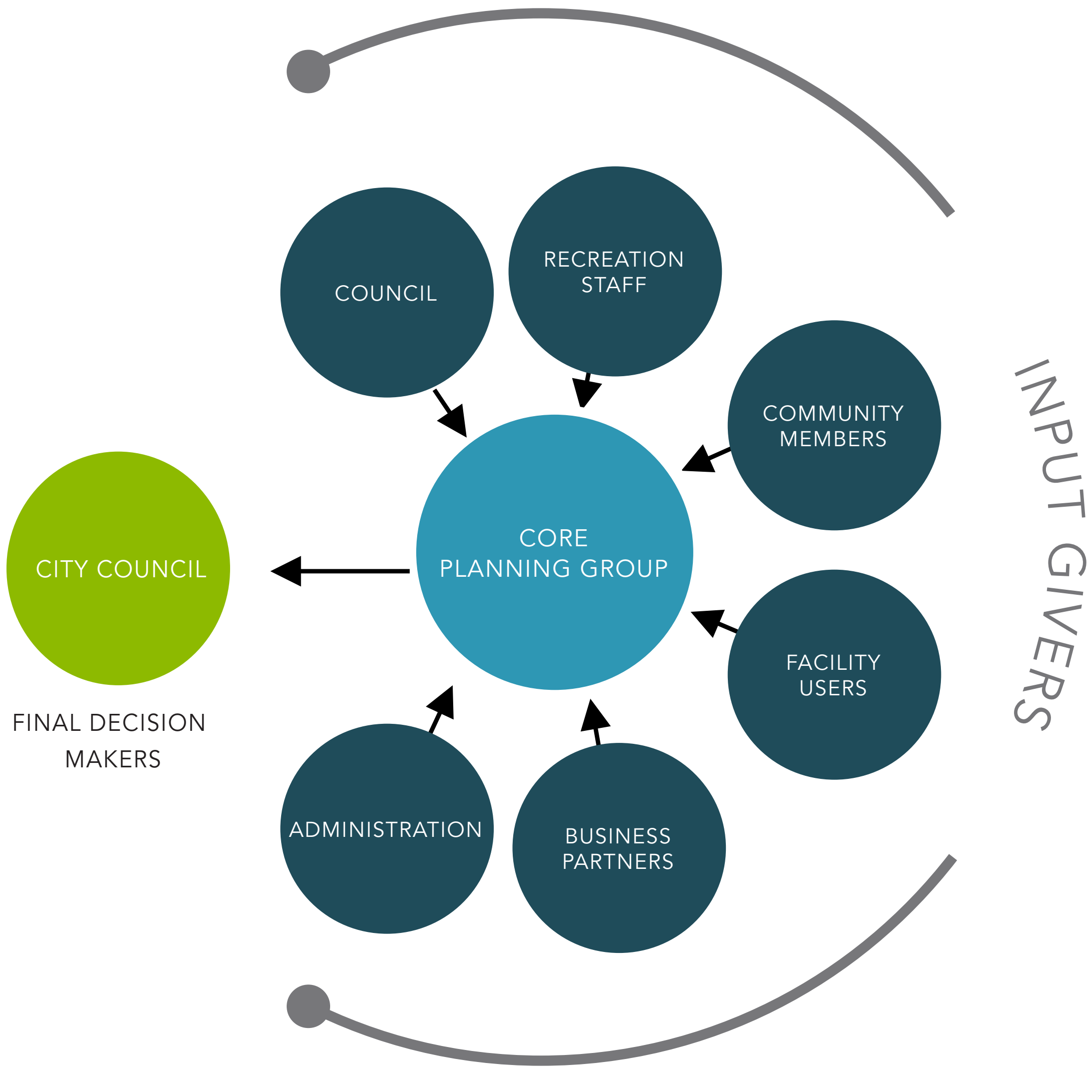
FOR CITY OF NORTH ST. PAUL

leveraging the wold team's expertise

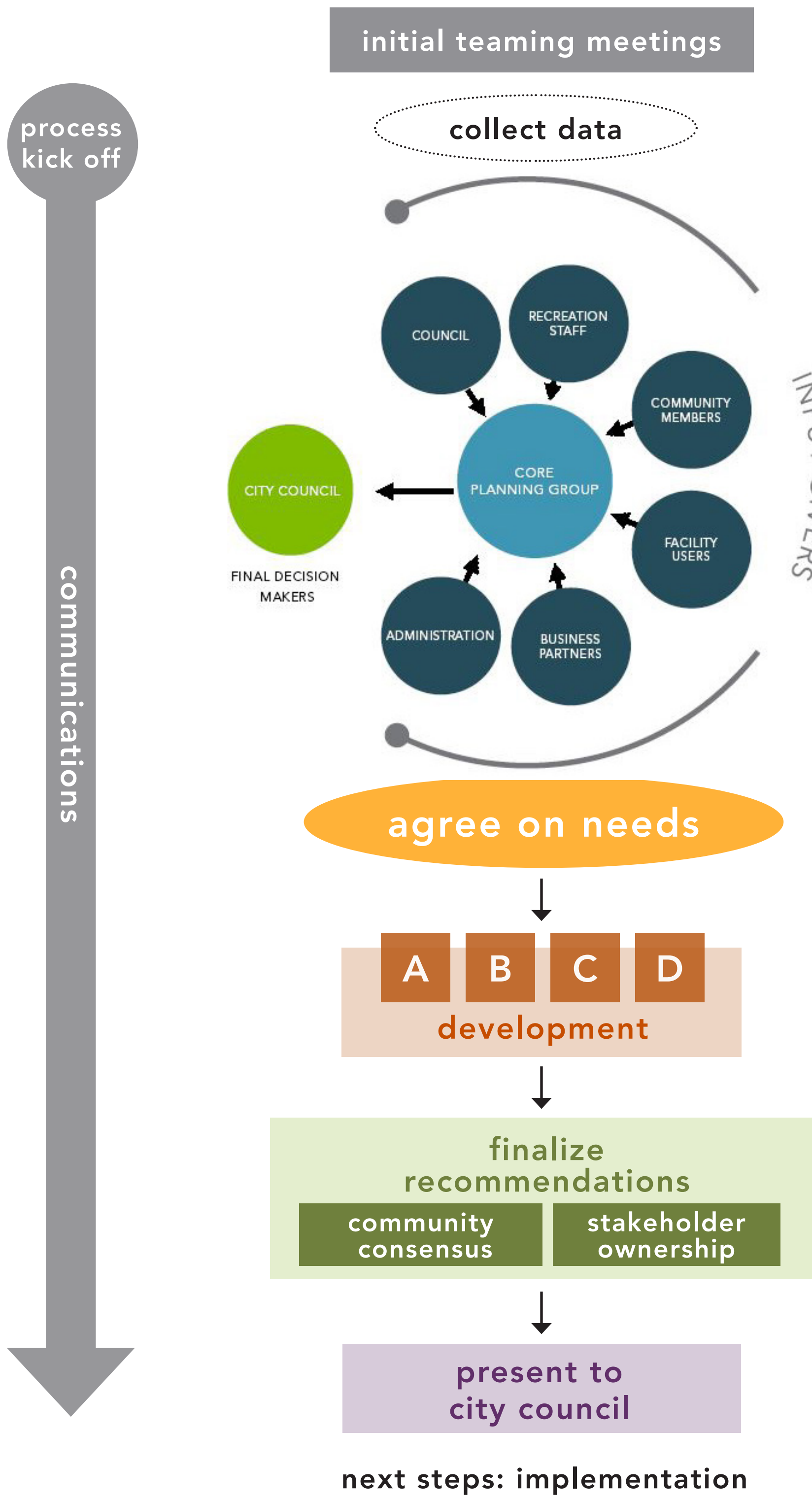
Our experiences, and our team's expertise of working on community and intergenerational centers will be leveraged, not to tell what to do, but to inform the City of North St. Paul community of what has been done before, both successfully and unsuccessfully. This enables you to make more informed design decisions on how you want your facility to support your operations.

guidelines for a successful participatory planning process:

- Core Planning Group must be empowered to make decisions
- Core Planning Group must be willing to make decisions
- Core Group requests information from input givers
- Input givers' role is for input, not consensus decision
- The more efficient the Core Planning Group, the faster the project can develop



LONG RANGE PLAN DEVELOPMENT STEPS OUTLINED



step 1: teaming

Initial meetings with Administration to better understand the goals, tasks and exceptions.

step 2: create facilities planning committee

Involve key stakeholders that represent all the interests of your communities

step 3: objective data gathering

Collect data to be reviewed and analyzed by committees to understand needs.

step 4: subjective data input

Stakeholder review of information, individual perspective and development of criteria for resolution.

step 5: agree on needs

Communicate with the community on identified problems.

step 6: options development

Development of facilities plan options for consideration and analysis.

step 7: evaluate options

Core Planning Group evaluates options and selects options that best meet needs.

step 8: final recommendation

Adoption and direction for implementation by the Council transitioning into next steps.

LONG RANGE PLANNING

STEPS 1 AND 2

step 1: teaming

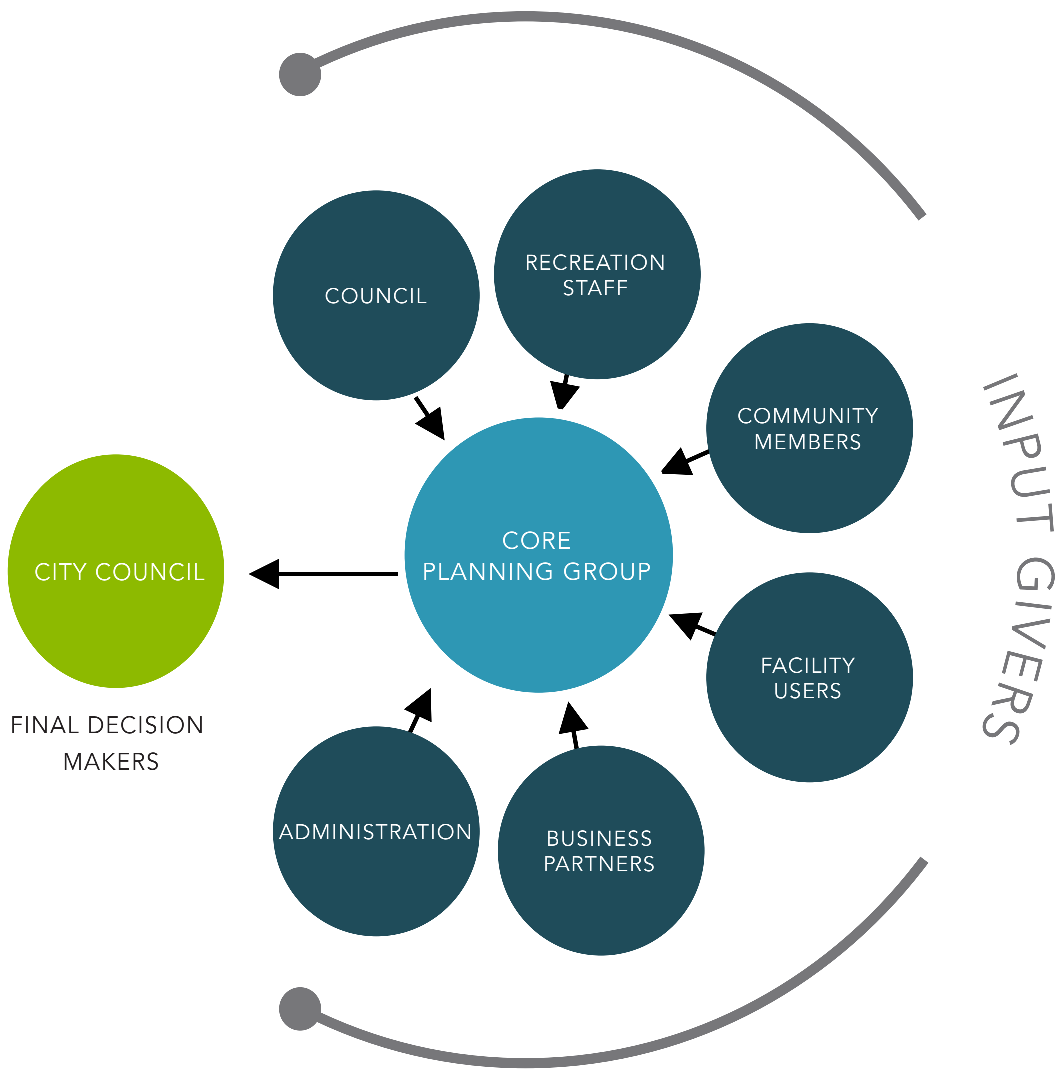
Begin collaboration discussion with the City Council and City Staff regarding expectations, goals, past findings, political issues, etc. to establish a clear understanding of who you are and build open, clear lines of communication.

step 2: core planning group

Wold's expertise in understanding and communicating facility needs will work to empower this group. Our goal, as always, is to bring out your unique values and qualities. We believe very strongly that Wold is the facilitator or "Coach" for this process. We will strive to bring your vision forward, not our own agenda. With Wold there are no cookie cutter approaches. We look to each client, each community, and each stakeholder to help synthesize the vision and outcomes.

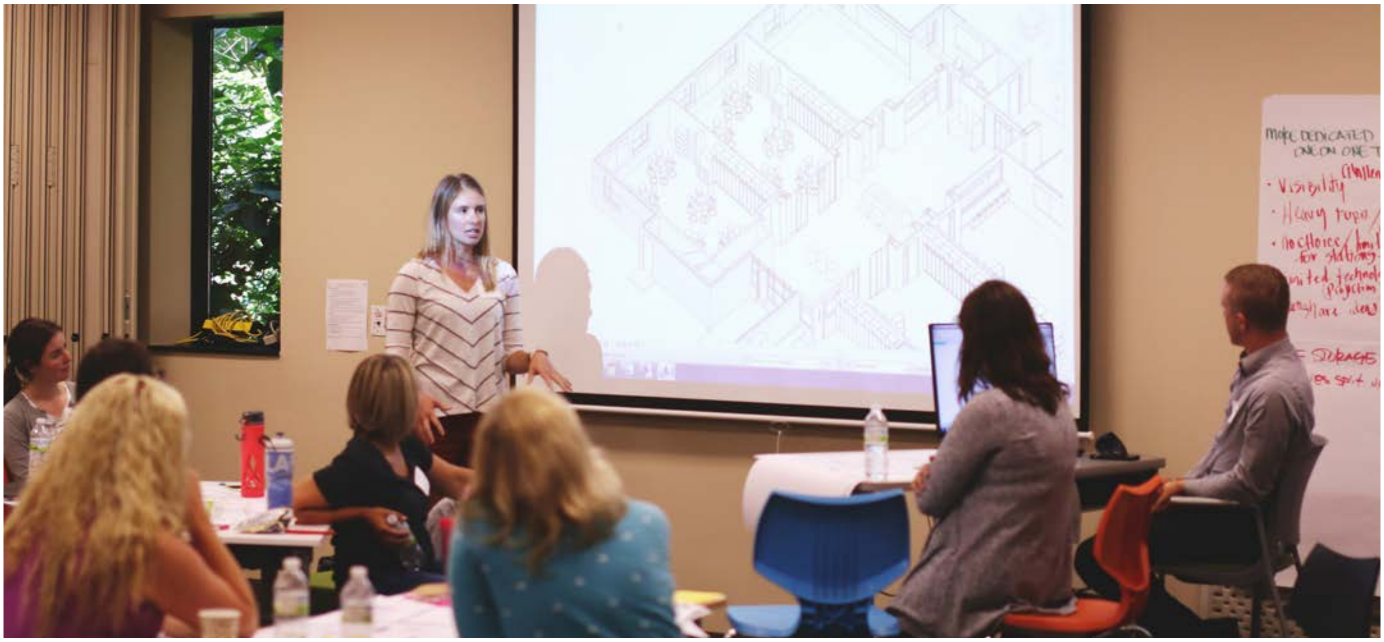
This process will involve many stakeholders from across the community in input sessions on facilities. We will work with you to identify ALL stakeholder groups and find an appropriate process to bring their input to the conversation.

With the stakeholder input in place, the Core Planning Group will prioritize the input, analyze the needs, and synthesize your new vision…all with the full support of Wold's resources.



LONG-RANGE PLANNING

STEPS 3 AND 4:



step 3: objective data gathering

In order for any meaningful conversation to begin with any stakeholders, accurate and objective data must be gathered to create a baseline to work from. These become the facts to help everyone understand where you are today and become a filter to better understand individual perspectives. This is critical in order to create a foundation for dialogue between different input givers by establishing common ground (objective data) before discussing prioritization (subjective opinion). These would include many different components such as:

- Population Projections
- Demographics Information
- Current Community Assets
- Infrastructure
- Operational Expenses
- Staffing
- Technology Infrastructure and Plan
- Safety and Security Analysis

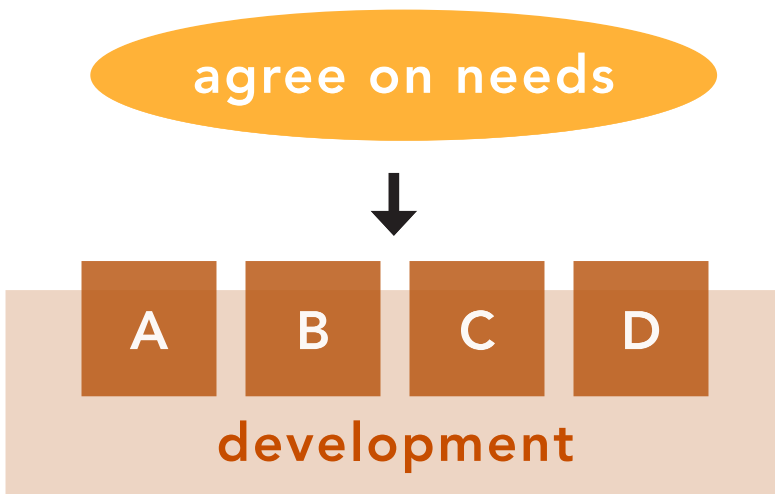
step 4: subjective data input

With data ready for consideration, we can actively engage multiple stakeholders to solicit their input in multiple areas. Our process would focus on a particular area of need by reviewing the data, adding stakeholders, and developing criteria for resolution based on this discussion.

An important part of this process is that participant will have representation from a broad cross section of the community as opposed to meeting only with a particular group. Our role as facilitators is to first present the data and then through a questioning process draw out different perspectives for the planning group to consider. We know that individuals often are only prepared to discuss their area of interest or focus, but that may not be in alignment with another person's views. Community Centers are used by a multitude of groups and need to address many needs. This process requires individuals to work together and develop **Consensus on Criteria** to arrive at a solution. This develops ownership of approach, respects and values difference of opinions, and allows for the discussion to focus on needs first – not solutions.

LONG-RANGE PLANNING

STEPS 5 AND 6:



step 5: agree on needs

It is important to **stop** at this point in the process and confirm that the information studied and developed to date is accurate, comprehensive, and most importantly agreed upon. This gives time to reflect on the problem, as well as an opportunity to add to the data through questions and feedback. The outcome of this step is a common agreement on the needs and criteria to be resolved before any solutions are ever determined.

step 6: options development

With Criteria defined we can begin working with options in developing the Long Range Plan. The committee will review potential solutions in relation to the established criteria, prioritize options from multiple perspectives and develop recommendations for consideration.

LONG-RANGE PLANNING

STEPS 7 AND 8:

step 7: evaluate options

The outcome is to provide information on what has been studied to date and clarity around how the decisions have been made. This becomes another opportunity for us to gather questions and feedback from the community to ensure that a critical item hasn't been missed. It also furthers the commitment to the process and ownership in the final recommendation.

step 8: final recommendation

With all changes and modifications made the final Long Range Plan is presented to the City Council. This also serves to inform the public of the outcome of the process. This step becomes the transition from development into implementation and marks the transition into the next phase of the process.

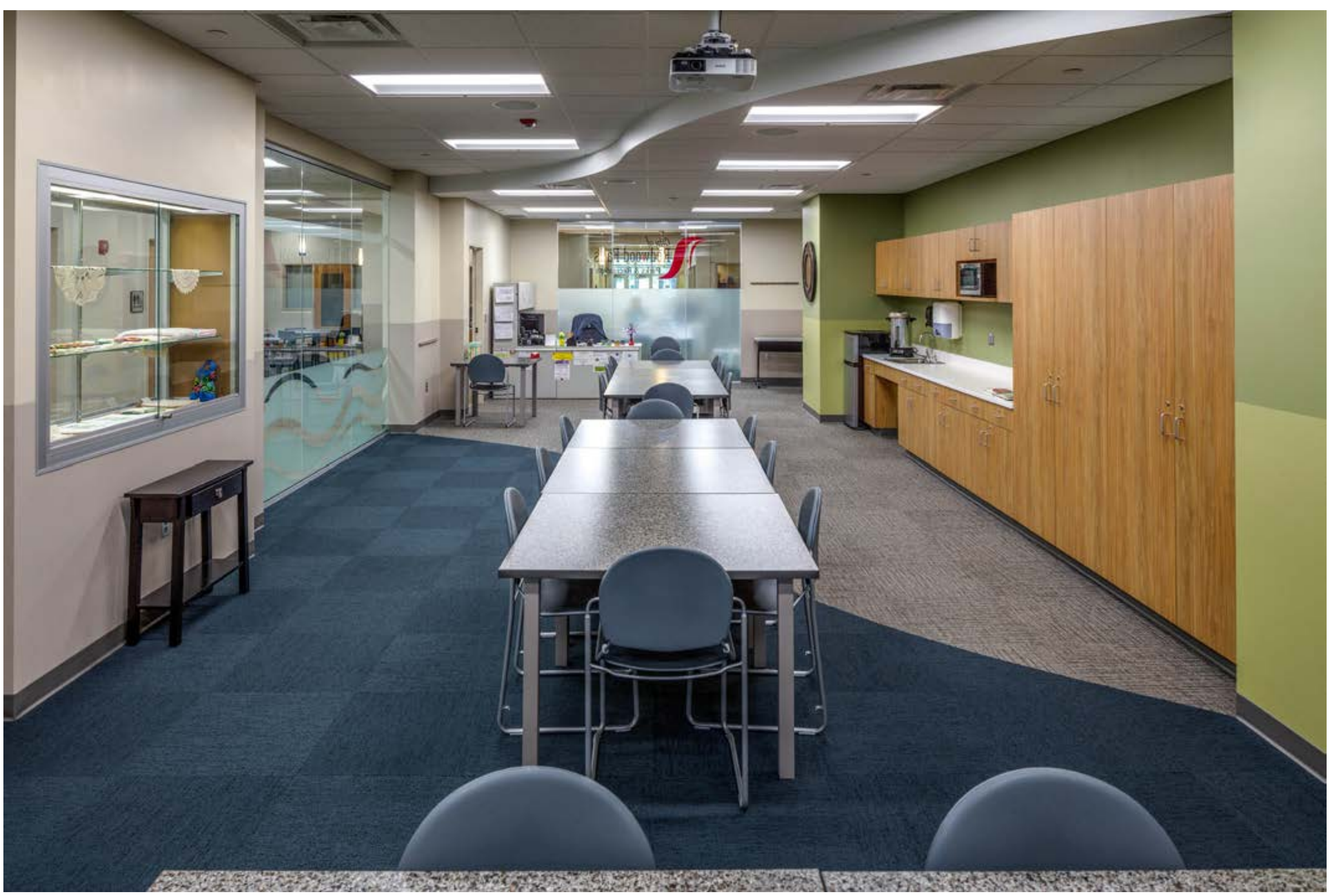
COMMUNICATIONS

During this phase, we have found that citizens and staff members should be responsible for primary citizen contact to continue the emphasis on a community-based decision.

We will team with the City to help communicate and bring awareness to the entire City. Typical communication tools used to inform the community include: peers selling peers, a simple fact-based approach, and reaffirmation of the "why."

our role in helping inform the public

- Creation of public relations materials
- Development of key information points for dissemination
- Participation at public meetings and smaller gatherings
- Co-present Facility Solutions and budgets to the public, as required
- Conceptual renderings or perspectives of the proposed solution(s)
- Detailed estimate of the projection costs
- Facility walk-throughs to see issues first-hand
- Answer any questions/concerns as necessary



COST MANAGEMENT PROCESS

KEEPING IN CLOSE CONTACT WITH THE CONSTRUCTION COMMUNITY HELPS US RESPOND TO ADJUST PROJECT ESTIMATES. IT IS OUR GOAL TO DESIGN PROJECTS TO MATCH THE BUDGET, GETTING THE LARGEST WORK SCOPE THE BUDGET ALLOWS.

Our reputation relies upon accurate cost estimation and budget management. Our successful methodology approaches budget management as an ongoing task.

We believe that the first 20% of the decisions made affect 80% of overall cost. With public funding involved, we understand the importance of quality estimating from the beginning of the planning and programming phase in assuring cost control and project success when design and construction phases begin.

Consulting cost estimators, trend analysis, and internal cost estimators ensure an effective cost benefit analysis starting at the study/pre-planning stage and continuing through all the project phases. The public sector clients we serve require this level of attention in order to effectively manage the public funds involved in the process. We maintain a long-term relationship with our consultant, Loeffler Cost Estimating, who runs detailed cost estimates on the proposed solutions to confirm budget accuracy. This data, coupled with Loeffler's knowledge of local costs, labor base, and other economic trends, will be used as a tool to make decisions, and to ensure your projects are within budget.

trends

We maintain a file of regional building projects that gets updated quarterly. We have the ability to average gross costs for each specification and relate that cost to a particular building type in the public sector market.

staff

Our staff will complete detailed material take-offs and cost estimates at intermittent phases. These estimates are checked against the regional trends.

experts

We always strive to improve and learn from our bidding experiences. Factors include the often volatile nature of purchasing materials; for example, when the price of copper goes up, so too does electrical wiring and plumbing piping; as steel prices increase, structural steel, sprinkler and heating pipe, and sheet metal ductwork are all affected. Fluctuations in crude oil prices change pricing for construction heating, bituminous, and roofing. As a result of these moving parts, we are continually reviewing these trends, talking with contractors, and adjusting our numbers based on our most recently bid projects.

5 | FEE

FEE STRUCTURE

structure of fee

Wold provides a comprehensive package of professional design and management services for each of our clients. All noted consultant services are included in our basic fee. We look at each business relationship as long term and, therefore, strive to earn our commissions through sustained performance and client satisfaction.

Our firm has been serving the Minnesota communities for over 50 years. We understand what it takes to provide the service you deserve. We understand the effort needed for project success. Our fee structure represents Wold's commitment to exceeding your expectations. We do not deliver our services à la carte, nor do we nickel and dime our clients for assistance calls. You will not receive surprise invoices for the extra site visit or the additional user group meeting. Our fee is fixed, and we are consistent with the fees we present to our client base. We owe it to our clients to provide full-service success; the price for success shouldn't change, and our efforts to succeed don't either.

project fees

Our fee proposal is based on a percentage of the construction budget. Our fixed fee would include all services to execute architecture and engineering for your project within the agreed upon scope. We do not charge additional fees for construction change orders. These are part of our basic services.

fee schedule

Facility Assessment Services..................................	$5,000
Planning & Programming Services.......................	$8,000
Community Engagement Meetings......................	$2,000
Long-range Planning Services...............................	$15,000

(Should the city choose to proceed with implementation of design services with Wold based upon the outcome of the long-range plan, we will credit 50% of this fee back to you).

typical fee percentages:

New Building...6.0% x Construction Cost
Simple Additions...7.0% x Construction Cost
Remodeling & Additions...7.5% x Construction Cost
"Gut Job" Renovations...8.5% x Construction Cost
(plus actual reimbursables)

Assuming a Total Project Cost of $10,000,000 for a new facility, we would assume a construction cost of approximately $8,000,000, leaving $2,000,000 for fees, furniture, & equipment and contingencies.

reimbursables

Reimbursables include mileage, miscellaneous printing, telephone, fax, etc. These are billed as they are accrued with no additional markup. Plan Review Fees, Testing Services, and Bid Set Printing are tax-free, and as such would be direct pass-through costs as incurred and are not included in the above. We would be happy to fix reimbursable costs as part of our fee once the project scope is determined if you would prefer.

minnesota | colorado | illinois | tennessee