

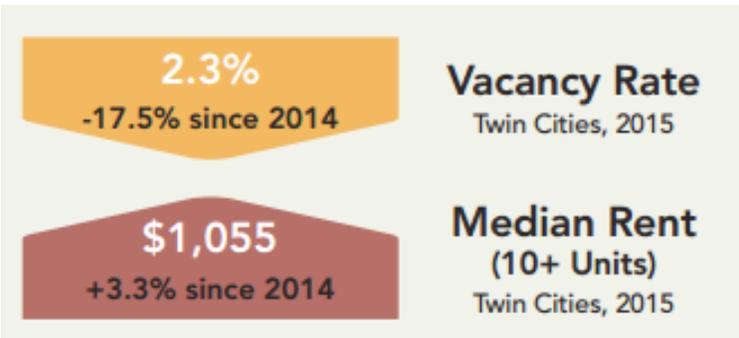
Local Statistics on Affordable Housing

- In the United States, over 18 million households are considered to be very low-income renters. Yet, there are only roughly 11.6 million affordable rental housing units available- a significant supply gap.
- The Twin Cities follow these national trends: there are only 78 affordable and available units of rental housing for every 100 very low-income renter households (National Low-Income Housing Coalition)
- Households should be spending 30% of their income on housing. Yet 78% of Twin Cities Area renters with incomes under 50% area median income (AMI) are now paying more than 30% of their income for housing. Minnesota Housing Partnership reports that Minnesota has the fastest increase in households paying more than half their income for housing of any state.
- A household earning minimum wage (\$9.00/hour) would need to work 89.7 hours per week to “afford” rent in Richfield.

FY 2016 Area Median Income	FY Income Limit Category	Persons In Family			
		1	2	3	4
\$85,800	Low (80%)	\$46,000	\$52,600	\$59,150	\$65,700
	Very Low (50%)	\$30,050	\$34,350	\$38,650	\$42,900
	Extremely Low (30%)	\$18,050	\$20,600	\$23,200	\$25,750

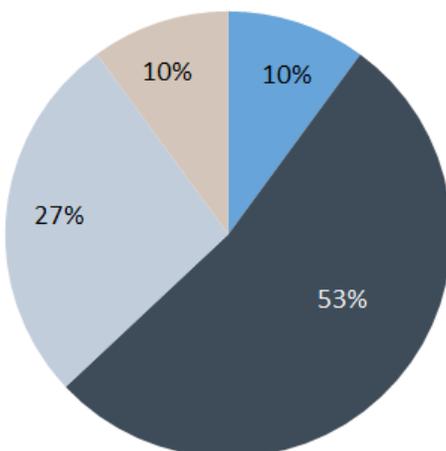
Rents and home sales prices climb while vacancy rates hit all time lows. Apartments that rent for \$1,000 or less in the Twin cities metro have vacancy rates below 2%

Higher rents and lower vacancies mean that it is a challenge to find affordable rentals in the Twin Cities. As demand increases, there is more financial incentive for landlords to increase rent, often impacting the naturally occurring affordable housing market.



Richfield Rental Units + Affordability Levels

- ≤ 30% of AMI
- 31% to 50% of AMI
- 51% to 80% of AMI
- 81% of AMI and up



Effect on Residents Case Study:

Crossroads at Penn to Concierge Apartments

- Crossroads rents ranged from \$710-\$760/month; Concierge rents range from \$999-\$1,219
- 2,230 residents, including 142 students resided at Crossroads at Penn.
- As of December 21, 2016, 669 of the 698 units have been vacated.
- Housing subsidies were no longer accepted at Concierge, impacting 35 Housing Choice Voucher Holders and over 100 GRH holders.
- Existing tenants were required to reapply under restrictive admission standards: Required 625 minimum credit score, 3 times income, social security number, only 2 persons/unit

This is one of many cases we continue to see across Hennepin County

Housing cost burden, or paying 30% or more of income for housing, is a serious problem among seniors. Of the 88,592 senior headed households in Hennepin County, about 65% of renters are cost-burdened.

Renters in Richfield

ACS 2015

Median Household Income (Annual)	\$52,954
Average Monthly Rent Paid	\$1,049
Percent of Renters Spending 30% or more on housing	50.7%
Income Less than \$50,000/yr	46.8%
Population Below 100% of Federal Poverty Guidelines	12.9%
Total Renter Occupied Households	5,567

Mirroring the state trend, the cost of rent continues to rise, while, on average, income is declining, making it increasingly challenging for renters to make ends meet.

HENNEPIN COUNTY



RENTER HOUSEHOLDS

178,580 | 37% of all households

Median rent, 2000: \$900

Median rent, 2015: \$951

↑ rent up 6%

Median renter income, 2000: \$41,589

Median renter income, 2015: \$37,048

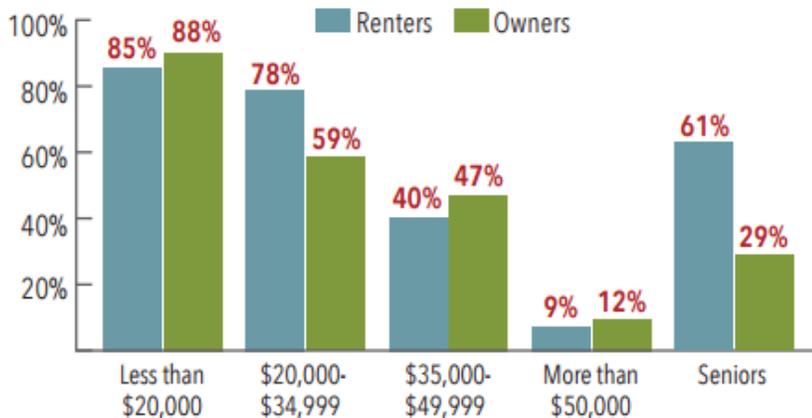
↓ income down -11%

Minnesota Housing Partnership 2017 County Housing Profile

County wide, 144,022 households pay more than 30 percent of their income toward housing costs, putting them at risk of being unable to afford basic needs like groceries, clothes, prescriptions and transportation. This includes 61% of seniors who rent, and more than 88% of owners and 85% of renters who earn less than \$20,000 per year.

COST BURDEN

Percentage of households paying more than 30% of their income toward housing



TOTAL NUMBER of cost burdened households **144,022**

Total # cost burdened RENTER households **83,941**

Total # cost burdened OWNER households **60,081**

Total # cost burdened SENIOR households **35,524**

Minnesota Housing Partnership 2017 County Housing Profile

Average Rent in Richfield- January 2017 rentcafe.com

	All rentals	Studio	1 Bed	2 Beds	3 Beds
Average Rent	\$1,049	\$655	\$975	\$1,100	\$1,350
Year to Year Change	19%	-4%	11%	6%	12%

■ Owner-Occupied Housing Units ■ Renter-occupied housing units

