



[Return to Table of Contents](#)

## Housing

Data for the Housing section was acquired from several public and private sources, including the Minneapolis Public Housing Authority, Minneapolis Assessor's Office, Department of Regulatory Services, the Division of Inspections and various city agencies.

Basic inventory data, as well as information about housing condition and home purchase prices within the city, were provided by the Minneapolis Assessor's Office.

Contributors to the Housing Principles include the Assessor's Office, Division of Inspections, Minneapolis Public Housing Authority, Minneapolis Neighborhood Revitalization Program, Minneapolis Public Schools, the Office of Information and Technology Services, Minneapolis Community Development Agency, Office of the Mayor, Minneapolis Planning Commission and Minneapolis Planning Department.

The Minneapolis Public Housing Authority provided data on subsidized housing and housing assistance programs.

The Minneapolis Planning Department provided data on apartment rental costs within the city.

Permit files maintained by the Minneapolis Inspections Division were reviewed for new construction and demolition data.

Data sources provided by Northern States Power for housing vacancy and household mobility are no longer available to the city. Therefore, those sections will no longer be included in this chapter.

This chapter can also be found on the city's web site at: [www.ci.minneapolis.mn.us/planning](http://www.ci.minneapolis.mn.us/planning)

**Housing Inventory and Profile**  
**Housing Principles and Achievement Goals**  
**Change in Housing Condition**  
**Construction and Demolition**  
**Home Prices**  
**Rental Cost**  
**Publicly Subsidized Rental Housing**



## Housing Inventory and Profile

The Minneapolis 1999 housing stock consisted of 103,439 residential structures containing 177,569 units. The City Assessor's records include an estimated: 77,660 single family detached homes; 8,193 single attached units (townhouse, condominiums, cooperatives); 25,286 duplex units; 7,575 apartments in structures with three or four units; and 58,855 apartments located in structures having five or more units. The 1999 housing profile shows that 80.4 percent of all residential structures in the city are owner-occupied. Single family detached homes make up the majority of homestead properties, and over three-quarters of the single attached units and one-half of the duplex structures are owner-occupied. The housing profile shows that 21.5 percent of the city's housing units are rated as below average. The City Assessor over the past four years has been work

ing to establish a more standardized condition rating system. The age of residential buildings in the city reflects an older housing supply; 40 percent of the structures were built before 1920 and another 48 percent were built between 1920 and 1959, only 12 percent have been constructed since 1960.

The following tables and maps highlight the city's housing inventory for 1999. The first table shows the total number and percent of residential units by various housing categories for the city as a whole and for each of the city's eleven communities. This inventory table is followed by a citywide housing profile which highlights the 1999 homestead status, condition rating for each housing category and an age profile of residential structures. This inventory is followed by a brief description and a distribution map for each housing category.

MINNEAPOLIS HOUSING INVENTORY, OCTOBER 1999  
By Number and Percent of Units

	Single Family Detached Units	Condo Townhouse Units	Duplex Units	Three/Four Units	Five or More Units	Total Units
Camden	9,913	140	1,178	176	944	12,351
Percent	80.3	1.1	9.5	1.4	7.7	
Northeast	8,424	144	5,222	779	2,717	17,286
Percent	48.7	0.8	30.2	4.5	15.8	
Near North	6,081	223	3,400	734	3,547	13,985
Percent	43.5	1.6	24.3	5.2	25.4	
Central	176	2,844	116	180	13,881	17,197
Percent	1.0	16.5	.7	1.1	80.7	
University	2,400	928	1,402	675	7,796	13,201
Percent	18.2	7.0	10.6	5.1	59.1	
Calhoun-Isles	4,228	1,253	1,894	1,155	9,169	17,699
Percent	23.9	7.1	10.7	6.5	51.8	
Powderhorn	8,340	1,129	4,594	2,175	8,871	25,109
Percent	33.2	4.5	18.3	8.7	35.3	
Phillips	1,159	470	1,864	700	4,266	8,459
Percent	13.7	5.6	22.0	8.3	50.4	
Longfellow	7,803	324	1,826	396	3,103	13,452
Percent	58.0	2.4	13.8	2.8	23.0	
Southwest	15,248	349	2,408	446	3,750	22,201
Percent	68.7	1.6	10.8	2.0	16.9	
Nokomis	13,888	389	1,382	159	811	16,629
Percent	83.5	2.3	8.3	1.0	4.9	
Minneapolis	77,660	8,193	25,286	7,575	58,855	177,569*
Percent	43.7	4.6	14.2	4.3	33.2	

\* City-wide totals do not match the community totals because the inventories were completed on different days.

**MINNEAPOLIS HOUSING INVENTORY AND PROFILE, OCTOBER 1999**

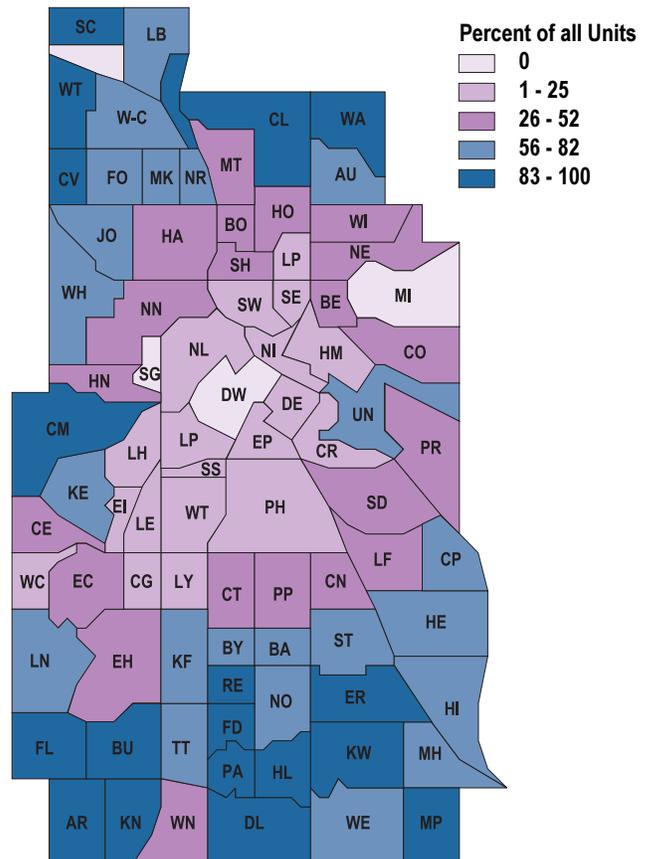
	Single Family Units	Condo, Townhouse Units	Duplex Units	Three/Four Units	Five Or More Units	Total Units
<b>Units</b>						
Number	77,660	8,193	25,286	7,575	58,855	177,569
Percent	43.7	4.6	14.3	4.3	33.2	
<b>Homestead Status*</b>						
Number	68,862	6,530	6,901	740	124	83,157
Percent	88.7	79.7	54.6	35.2	4.4	80.4
<b>Below Average**</b>						
Number	14,228	60	10,816	3,593	9070	37,767
Unknown	266	916	40	12	848	2,082
Percent	18.4%	.8%	42.8	47.5	15.6%	21.5%
<b>Age of Buildings</b>						
Before 1920	27,835	2,283	8,493	1,584	852	41,047
Percent	35.8	27.9	67.2	75.3	30.0	39.7
1920-1959	44,568	610	3,460	384	829	49,851
Percent	57.4	7.4	27.4	18.2	29.2	48.2
1960 to Date	5,257	5,300	690	137	1,157	12,541
Percent	6.8	64.7	5.4	6.51	40.8	12.1
<b>Total Buildings***</b>	77,660	8,193	12,643	2,105	2,838	103,439

\* Calculations are for the number and percent of structures that are homesteads, counting the townhouse, coop and condo category as individual structures.

\*\* Calculations are for the percent of units classified as below average. The unknown category is, therefore, subtracted from the total unit count.

\*\*\* Citywide totals do not match the community totals because the inventories were completed on different days.

**SINGLE FAMILY HOMES AS A PERCENT OF ALL HOUSING UNITS, BY NEIGHBORHOOD, 1999**



**Single Family Detached Housing**

In 1999, the single family detached home remains the dominant residential structure in Minneapolis with 77,660 homes accounting for 43.7 percent of the total stock of housing in the city. The communities of Southwest (15,246), Nokomis (13,888), and Camden (9,913) provide one-half (50.3 percent) of all single family detached homes in the city. Home ownership remains very strong with 88.7 percent of single family detached homes owner-occupied. The housing condition data shows that 18.4 percent of the single family detached homes are considered below average. The age profile for single family detached houses shows that 35.8 percent were built before 1920 and only 6.8 percent have been built since 1960.

The following map indicates the distribution of single family detached housing in the city.

## Single Unit Attached Housing

(Townhouses, Condominiums and Cooperatives)

Single unit attached housing is the newest and fastest growing category in the housing stock. This category creates a classification problem in that each unit is counted as an individual structure even though some units are found in multi-unit buildings as well as townhouses. There are 8,193 single attached units in 1999 accounting for 4.6 percent of all housing units in the city. The four communities of Central, Calhoun-Isles, Powderhorn and University contain almost 75 percent of all single family attached units. Citywide, 79.7 percent of the single family attached units are owner-occupied. The housing condition data show less than one percent are classified as below average by the City Assessor. The condition rating system does not work well for this housing category, primarily because each unit is counted as a separate structure which results in many of the units classified as unknown. The year built profile for single family attached housing units is divided between old and new. Almost two-thirds (64.7 percent) of the single family attached units have been added since 1960, yet another 27.9 percent of the units were built prior to 1920. Most of the recently added units are either large buildings located in the downtown area or lower density townhouse developments located in a residential neighborhood.

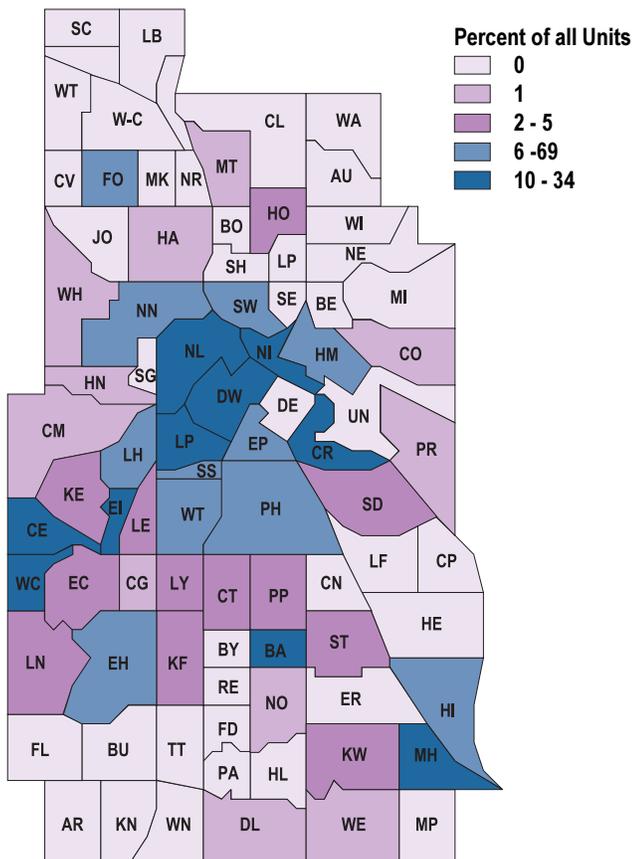
The following map indicates the distribution of single family attached housing in the city.

## Two-Unit Housing

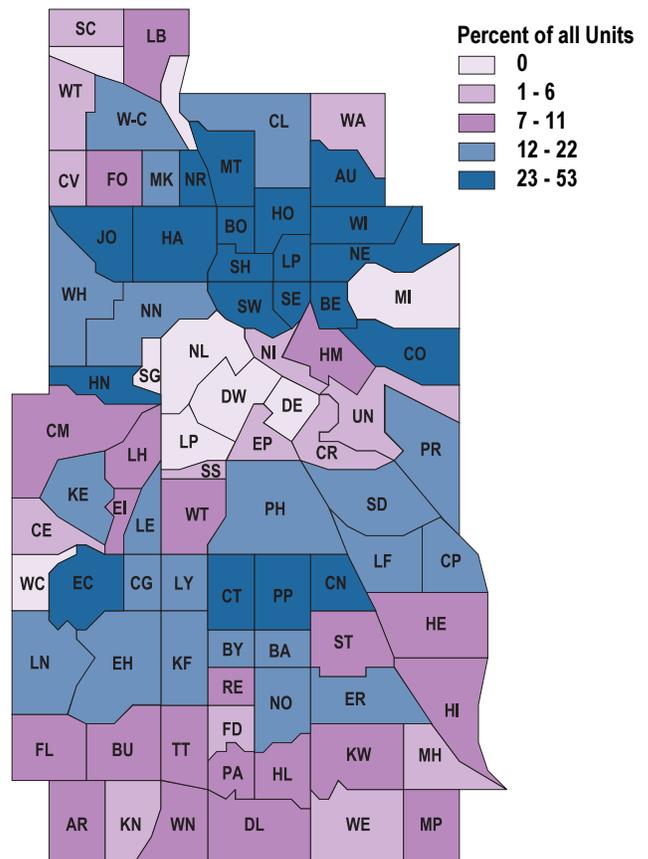
Two-unit residential structures in 1999 make up 14 percent of the city's housing supply and account for 25,286 units. Over 60 percent of the duplex units are located in four communities, Northeast (5,222 units), Powderhorn (4,594 units), Near North (3,400 units) and Southwest (2,408 units). In 1999, the rate of owner-occupancy of duplex structures is 54.6 percent. A full two-thirds (67.0 percent) of the duplex structures were built prior to 1920, making them relatively old. Over forty-two percent of the duplex properties are rated at below average condition. This high percentage of below average ratings reflect, in part, the age of these buildings.

The following map shows the distribution of two-unit housing in the city.

CONDOS, TOWNHOUSES AND CO-OPS AS A PERCENT OF ALL HOUSING UNITS, BY NEIGHBORHOOD, 1999



DUPLEX UNITS AS A PERCENT OF ALL HOUSING UNITS, BY NEIGHBORHOOD, 1999



### Triplex and Fourplex Housing

There are 7,575 dwelling units in residential buildings with three or four units, accounting for 4.3 percent of the city's total housing supply. Almost half (44.0 percent) of the city's small apartment buildings are located in just two communities, Powderhorn with 2,175 units and Calhoun-Isles with 1,155 units. Citywide, 35.2 percent of the small apartment buildings are owner-occupied. Age and condition are significant features for this housing category. Over 75 percent (75.3 percent) of these residential structures were built prior to 1920. The result of aging is that 47.5 percent are rated as below average. This category of housing has also decreased numerically over the last few years in an effort to reduce residential blight in the neighborhoods. Replacement units have generally been in the form of attached units, mainly new townhouse developments located within residential neighborhoods.

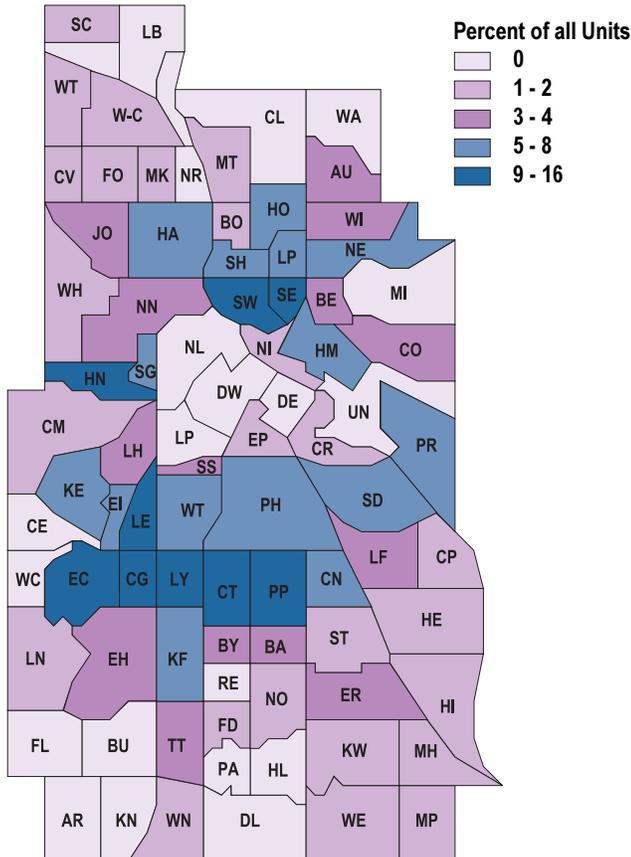
The following map shows the distribution of small apartment buildings by neighborhood.

### Five or More Unit Housing

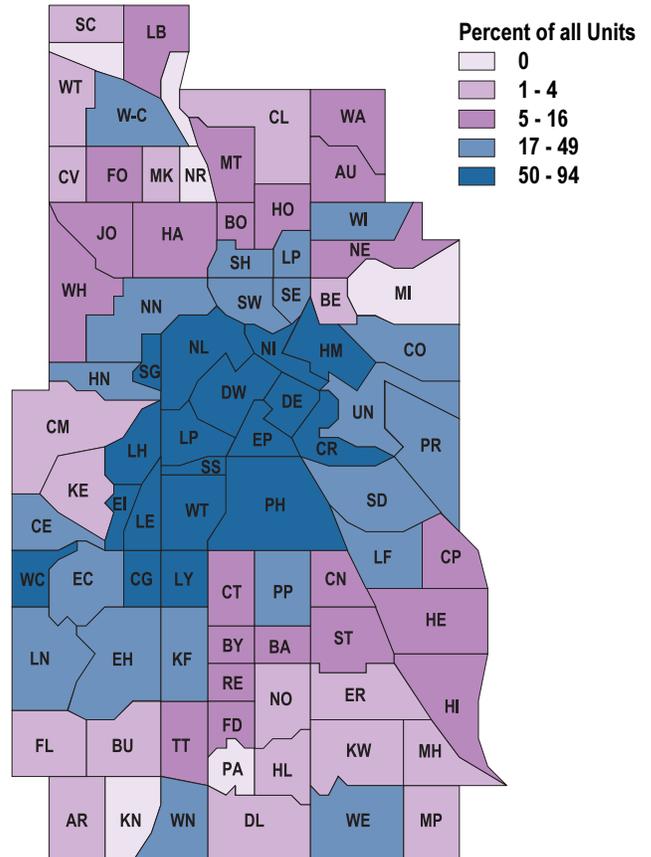
There are 58,855 apartment units located in 2,839 residential buildings which contain five or more units. The apartment category supplies one-third of all housing units in the city. Two-thirds of the city's apartment units in larger buildings are located in four communities surrounding the downtown central business district: Central (13,881 units); Calhoun-Isles (9,169 units); Powderhorn (8,871 units); and University (7,796 units). The housing condition data show 15.6 percent of the apartment units located in larger buildings are classified as below average. The age profile for this residential category shows that 40.8 percent of the city's apartments have been added since 1960. Most of the recently added units are either large buildings located in or near the downtown area, or lower density townhouse developments located in a lower density residential neighborhood. In addition, 30 percent of this housing category includes many older apartment buildings constructed prior to 1920. These older buildings are often in poor condition and need serious reinvestment to make them competitive with newer, more modern apartment buildings.

The following map indicates the density of apartment units located in each neighborhood.

**UNITS LOCATED IN THREE AND FOUR UNIT BUILDINGS AS A PERCENT OF ALL HOUSING UNITS, BY NEIGHBORHOOD, 1999**



**UNITS LOCATED IN FIVE OR MORE UNIT BUILDINGS AS A PERCENT OF ALL HOUSING UNITS, BY NEIGHBORHOOD, 1999**





# Housing Principles and Achievement Goals

Mayor Sayles Belton initiated the current housing discussion in her 1995 State of the City message. By mid-year, the Mayor had held several meetings to discuss the content of a citywide housing policy statement. The City Council agreed to support a resolution containing four housing principles. The City Planning Commission has been charged with the responsibility to coordinate the study efforts of the working group and to provide liaison with the elected officials.

The four housing principles were adopted July 6, 1995 and are summarized below in short form. The

full resolution contains more specific direction for policy and strategy development.

- The variety of housing types throughout the city, its communities, and the metropolitan area shall be increased, giving prospective buyers and renters greater choice in where they live.
- The management, quality and balance of subsidized housing throughout the City and the Metro area shall be improved.
- Housing markets that are already strong shall be preserved and strengthened.
- The quality of Minneapolis housing stock shall be improved.

## DATA ELEMENT: TOTAL NUMBER OF OWNER-OCCUPIED RESIDENTIAL STRUCTURES

Data Element Description	Trend Data (Actual)				Baseline Data	Achievement		Achievement Goals		
	1993	1994	1995	1996		1997	1998	2000	2005	2010
Total Residential Homestead	82,909	85,279	84,518	84,352	84,518	85,234	85,264	86,208	88,743	N/A
Single Family Detached	67,188	68,701	68,153	69,764	68,153	69,052	69,146	69,516	71,560	N/A
Single Family Attached	8,213	8,665	8,722	6,931	8,722	8,104	8,056	8,896	9,158	N/A
Duplex /Triplex	7,171	7,472	7,220	7,153	7,220	7,372	7,524	7,364	7,581	N/A
Apartments	337	441	423	504	423	533	538	432	444	N/A

Data Source: City Assessor's records

## DATA ELEMENT: AGGREGATE MARKET VALUES OF RESIDENTIAL PROPERTIES (IN MILLIONS OF DOLLARS)

Data Element Description	Trend Data (Actual)				Baseline Data	Achievement		Achievement Goals		
	1993	1994	1995	1996		1997	1998	2000	2005	2010
Total Residential Value	8,660	8,740	8,800	9,095	8,800	9,775	10,530	10,100	11,900	N/A
All Residential Non-Apartment	7,480	7,610	7,700	7,930	7,700	8,600	9,218	9,000	10,700	N/A
All Residential Apartment	1,180	1,130	1,100	1,166	1,100	1,175	1,312	1,100	1,200	N/A

Data Source: City Assessor's records

## DATA ELEMENT: VALUE OF COMPLETED PERMITS FOR ALL RESIDENTIAL PROPERTY (IN MILLIONS OF DOLLARS)

Data Element Description	Trend Data (Actual)				Baseline Data	Achievement		Achievement Goals		
	1993	1994	1995	1996		1997	1998	2000	2005	2010
Total Residential Value	104	240	173	134	161	143	183	209	258	N/A
Single Family	76	180	124	110	119	118	149	153	189	N/A
Duplex	10	43	12	9	19	9	13	25	30	N/A
Triplex	1	2	2	1	2	1	1	3	3	N/A
Multi Family	16	16	35	14	21	15	20	27	34	N/A

Data Source: Property management system & Inspections

## DATA ELEMENT: VALUE OF COMPLETED PERMITS FOR ALL EXISTING RESIDENTIAL PROPERTY (IN MILLIONS OF DOLLARS)

Data Element Description	Trend Data (Actual)				Baseline Data	Achievement		Achievement Goals		
	1993	1994	1995	1996		1997	1998	2000	2005	2010
Total Residential Value	90	189	148	105	135	121	157	174	214	N/A
Single Family	68	136	101	82	98	96	123	128	157	N/A
Duplex	8	41	9	9	17	9	13	22	27	N/A
Triplex	1	1	1	1	1	1	1	1	1	N/A
Multi Family	12	12	35	13	18	15	20	23	29	N/A

Data Source: Property management system & Inspections



In order to determine success in implementing the defined Housing Principles, it was necessary to identify key indicators that are easily measurable with statistics that are readily available. We can then note historical trends, establish baseline data, and develop achievement goals which will allow us to develop strategies to influence the successful outcome of the Housing Principles. The following impact measures will be monitored over time to identify the city's success in implementing its housing principles.

- **Residential Homestead Status**

The residential homestead status relates to the Housing Principle that speaks of preserving and strengthening housing markets. A high level of owner-occupancy in a neighborhood can be directly related to investment in properties and appreciation of their values.

- **Residential Property Values**

Increasing property values are critical to achieving Housing Principles Three and Four which relate to strengthening housing markets and improving the quality of the city's housing stock. As the housing stock ages, it is important that owners maintain their property and that they can be confident that making improvements to their property is economically justified. Homes represent the largest single investment that most people make. Their confidence that the investment will be increasing in value over time is essential in achieving the Housing Principles.

The outcome measures for increased real estate investment through completed residential permits relate directly to the city's Housing Principles in that they demonstrate a willingness on the part of owners to invest in their property. This investment indicates a commitment to stay and a belief that there will be a return on that investment when the property is sold. Increased investment will lead to still further investment as more structures are properly maintained and also improved. Increased residential permit activity will indicate whether we are preserving and strengthening our housing market. The third chart, on the previous page, shows the dollar valuation for permits issued for all housing, including new construction permits, while the fourth chart shows the dollar valuation for permits issued only for existing housing, excluding new construction permits.

**The City Assessor's Office has the responsibility for maintaining property descriptions on all parcels in the city as a basis for estimating their market values for tax purposes. The condition rating is a qualitative factor that is one of the variables used in valuing properties. With the implementation of an automated valuation system, a comprehensive review was made of all condition ratings. The result of that review is that during 1996 and 1999 all properties were viewed from at least the exterior, and the condition ratings updated. It had been an extended period of time since a similar project was done on a citywide basis.**

**Therefore, the appropriate "base line" information would appear in 1997, encompassing 77 of the city's residential neighborhoods, and the 1998 assessment year which included all residential properties. Caution should be used in making conclusions about trends that have occurred up until the base year due to the possibility of using outdated information in years 1996 and earlier.**

**The 1999 property management files show that 21.5 percent of all Minneapolis housing units were located in structures classified below average. In 1999, the Minneapolis housing inventory based on the City Assessor's regular assessment of all city residential structures, saw a continued change in condition rating as shown in the following table.**

The following table shows the change in housing conditions for each housing category over the past four years. The number of single family detached units classified below average increased to 18.4 percent. The 1999 data show 14,228 single family detached units were classified below average, compared to 13,865 in 1998.

Over one-third (42.8 percent) of all units in duplex structures are currently rated below average. The number of units classified below average increased to 10,816 in 1999.

Small apartment buildings with three or four units also have a large percentage of below average units, at 47.5 percent in 1999. This represents a significant increase over the 1995 figure, again showing the city's emphasis on improving its classification system.

Apartment buildings with five or more units contribute 9,070 below average units, which is 15.6 percent for this housing category. The 1999 data show a six percent reduction in units rated as below average condition compared to 1998 figures. This reduction reflects, in part, the new units added to the city's multi-family inventory.

Minneapolis housing condition is based on the Minneapolis City Assessor's regular assessment of all

residential structures in the city. The definitions used for the new categories are listed below. Generally, the need for rehabilitation is associated with parcels classified as Condition 6 or higher. As the condition rating system becomes more standardized, the City Assessor's Office will be able to adjust and refine their definitions to help identify the type and extent of rehabilitation that may be necessary within each condition classification.

The table below provides a comparison of the estimated number of units identified in each housing category as average or above, below average, those without a classification and the percent rated below average, for the years 1996 through 1999.

**HOUSING CONDITION 1996 - 1999**

**Single Family Detached Units**

Condition	1996	1997	1998	1999
Average or Above	65,726	63,705	63,487	63,166
Below Average	11,268	13,469	13,865	14,228
Unknown	466	279	296	266
Percent Below Average	4.6%	17.5%	17.9%	18.4%

**Single Family Attached Units  
(Condominium, Cooperative and Townhouse Units)**

	1996	1997	1998	1999
Average or Above	6,836	6,913	7,072	7,217
Below Average	36	46	41	60
Unknown	3,271	1,107	970	916
Percent Below Average	.5%	.7%	.6%	.8%

**Units in Two Unit Structures**

	1996	1997	1998	1999
Average or Above	17,382	15,890	15,664	14,430
Below Average	7,918	9,208	9,222	10,816
Unknown	72	42	42	40
Percent Below Average	31.3%	36.7%	37.1%	42.8%

**Units in Three and Four Unit Structures**

	1996	1997	1998	1999
Average or Above	4,841	4,566	4,340	3,970
Below Average	2,841	3,211	3,485	3,593
Unknown	12	12	12	12
Percent Below Average	37.0%	41.3%	44.7%	47.5%

**Units in Five and More Unit Structures**

	1996	1997	1998	1999
Average or Above	48,449	47,992	47,546	48,937
Below Average	8,232	9,311	9,644	9,070
Unknown	1,027	810	1,113	848
Percent Below Average	14.5%	16.3%	16.9%	15.6%

**Units in All Structures**

	1996	1997	1998	1999
Average or Above	143,234	138,966	138,085	137,720
Below Average	30,295	35,245	36,257	37,767
Unknown	4,844	2,250	2,433	2,082
Percent Below Average	17.5%	20.2%	20.8%	21.5%
Total Number of Units	178,373	176,461	176,775	177,569

**The Condition Rating System**

The following definitions of the condition rating classifications were adapted from the former classification system.

**Condition 1, Excellent; Condition 2, Very Good; Condition 3, Good**

The top three classifications represent a well built house with no observable maintenance requirements. Everything is in perfect condition.

**Condition 4, Average Plus**

This classification represents houses with no observable defects in structure and only minor maintenance requirements such as small plaster or stucco cracks. Minor wear and tear on woodwork and cabinets may be noticeable, and it may need some paint or shingles, but no maintenance items have yet been deferred to the point where permanent damage exists.

**Condition 5, Average**

This is the midway range in the condition category and represents the largest grouping. The assumption is that the average structure is in satisfactory condition and is a desirable property as living or working quarters. The maintenance requirements are being satisfactorily covered and the buildings are perfectly salable "as is". No major defects or maintenance requirements are observable, but a considerable number of minor items can be seen. Many items such as the roof, plumbing, heating, windows, cabinet work and exterior are showing some deterioration but are still reliable and not in need of immediate replacement.

**Condition 6, Average Minus**

**Condition 7, Fair**

These classifications represent houses that have considerable deferred maintenance, with permanent damage to structural items, such as roofline sagging or cracks in basement foundation beginning to show. Windows, window frames and sills may be deteriorating from water in the wood. Floors and roof may have some sag. Plaster may have some water stains or damage. The foundation has cracks, but no major settling. Considerable wear and tear on woodwork and cabinets may be noticeable and cabinets should probably be replaced. Heating and plumbing are beginning to show considerable wear and may be unreliable.

**Condition 8, Poor**

The last two classifications represent houses which show considerable damage to major structural items. The foundation has large cracks and settling may be substantial. Substantial settling may be noticeable in floors, with doors and windows no longer square. Rotting wood, large plaster and stucco cracks may be observable in several places. Heating and plumbing is unreliable. House is still habitable, but probably beyond the present occupant's capacity to restore it or even maintain it.



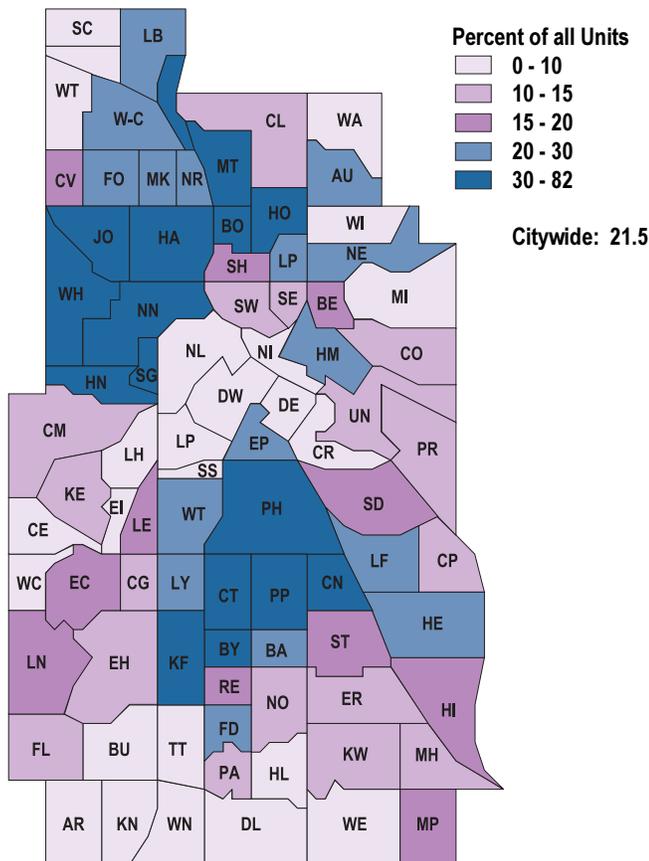
## Construction and Demolition

### Condition 9, Bad

These houses are condemned and uninhabitable.

The following map shows the percentage of all housing units in each neighborhood rated below average at year end 1999.

PERCENT OF ALL HOUSING UNITS RATED BELOW AVERAGE, BY NEIGHBORHOOD, 1999  
(Condition Rating 6 - 9)



New residential construction permits were issued for 357 housing units during 1998. The University Housing Project was issued a new construction permit for 199 units. This large addition, however, was not sufficient to offset the large increase in wrecking permits issued during 1998. Wrecking permits were issued for 745 residential units in 1998. The demolition of Sumner-Field Public Housing units was initiated at the end of 1998 and contributed significantly to this large increase. Increased demolition activity was also the result of Public Works flood mitigation projects and the Public School's development of three new school buildings. Over one-half (56 percent) of the demolition permits were issued to remove single family, duplex and smaller apartment buildings.

Construction permit data indicate a proposed addition of 357 housing units during 1998. The addition of 199 units in the University Housing apartment building project contributed the most to this positive figure. New residential construction permits were issued to build 83 single family detached homes and 27 townhouse units, plus 30 units in smaller apartment structures. Notice that the 1997 full year data has been included in this year's chart. Last year's Housing Chapter only included the first half data.

Residential wrecking permits were issued for the removal of 745 residential units during 1998. This sets a new five-year high for demolition permits. Three public actions contributed to this significant increase in demolitions: the initial demolition of the Sumner-Field public housing units; the public works flood mitigation program which involved six pond areas; and the Public School construction of three new schools. The largest demolition permit was issued to remove multi-family housing units owned by the Public Housing Authority. Wrecking permits were also issued for 197 single family detached structures and the removal of 224 duplex and smaller apartment buildings with three or four units.

### CONSTRUCTION/DEMOLITION, YEAR END 1994 - 1998

#### Construction Permits

(Units Added)	1994	1995	1996	1997	1998
Single Family	113	88	79	97	83
Townhouse	3	21	-	18	27
2,3,4-unit	6	2	4	17	30
5+ unit Rental	98	69	44	395	217
Condominium	20	-	-	-	-
Total Units Added	220	200	127	527	357

#### Demolition Permits (Units Removed)

Single Family	153	149	147	121	197
2,3,4-unit	358	296	204	158	224
5+ unit	92	110	73	211	324
Total Units Removed	603	555	424	490	745

Net Change in Units -383 -355 -297 +37 -388



## Home Prices

Home sales data for the first quarter of 1999 remain strong showing an increase in both average and median single family detached home sale prices for the city. The sales market for existing single family homes continues fairly strong compared to the 1998 very active housing market. Minneapolis' sales volume and prices remained firm and all communities saw increased prices. The strong economy, high employment rate and relatively lower mortgage interest rates each contributed to the robust home sale market within the city. The average sale price for a single family detached home was \$119,447 dollars. Single family detached home sales volume moved down slightly to 784 sales during the first quarter of 1999.

Home sale prices presented in this section represent a sample of detached single family home sales within Minneapolis. Prices reflect sales occurring during the first quarter of the past four years. Sales data represent unverified and unadjusted prices reported on certificates of value submitted to the Hennepin County Property Taxation Department.

The average sale price of a Minneapolis single family detached home sold during the first quarter of 1999 was \$119,447. This reflects a 9.2 percent increase

and is the fourth consecutive year that Minneapolis' average sales price exceeded \$100,000. The median sale price for a single family detached home increased by 9.8 percent to \$97,750 in the first quarter of 1999. The high prices continue to reflect the relatively low mortgage interest rates. The volume of single family detached home sales decreased slightly to 784 sales for the first quarter of 1999.

Community data show that the median sale price ranged from \$62,450 for the Near North Community to more than \$300,000 in the Calhoun-Isles Community. Three communities reported a median sale price at or above the \$97,750 citywide median. Five communities reported lower than citywide median sale prices. Three communities reported an insufficient number of detached single family sales for reporting purposes.

### FIRST QUARTER SINGLE FAMILY HOME SALES 1996 - 1999

	1996	1997	1998	1999
Median Price*	\$79,900	\$82,148	\$89,000	\$97,750
Average Price*	\$101,250	\$107,123	\$109,425	119,447
Number of Reported Sales	801	838	867	784

### FIRST QUARTER SINGLE FAMILY HOME SALE PRICES BY COMMUNITY 1996 - 1999\*

Community	Average Price				Median Price			
	1996	1997	1998	1999	1996	1997	1998	1999
Camden	\$59,695	\$62,660	\$67,708	\$74,079	\$59,900	\$60,000	\$67,950	\$74,900
Northeast	73,650	75,434	78,900	89,646	75,250	78,450	79,500	89,900
Near North	45,492	53,917	59,133	60,254	44,974	49,900	54,950	62,450
Central**	NA	NA	NA	NA	NA	NA	NA	NA
University**	NA	NA	NA	NA	NA	NA	NA	NA
Calhoun-Isles	266,808	332,937	225,520	335,317	245,900	216,250	186,000	300,000
Powderhorn	67,067	64,839	71,615	78,968	67,000	65,000	72,590	75,000
Phillips**	NA	NA	NA	NA	NA	NA	NA	NA
Longfellow	82,934	80,796	85,353	107,966	72,500	75,900	81,950	85,353
Southwest	142,511	161,861	161,914	170,180	124,200	127,500	138,375	152,200
Nokomis	94,328	95,229	103,120	115,567	90,200	92,000	95,000	109,950

\* All figures reflect current dollars unadjusted for inflation.

\*\*These communities reported an insufficient number of single family home sales.



## Rental Costs

Average apartment rents continued upward during the first half of 1999. Average rent for a Minneapolis apartment moved up to \$606 dollars, an increase of 13.1 percent for the first half of 1999. Rental survey data show rental costs increased for all unit types. Small studio/efficiency apartments indicate a 13.1 percent increase. One bedroom apartments increased by 13.9 percentage points. Large apartments with two or more bedrooms moved 9.7 percent higher than the first half of 1998. Median rental costs increased to \$575, a 16.2 percent increase over the 1998 first half median

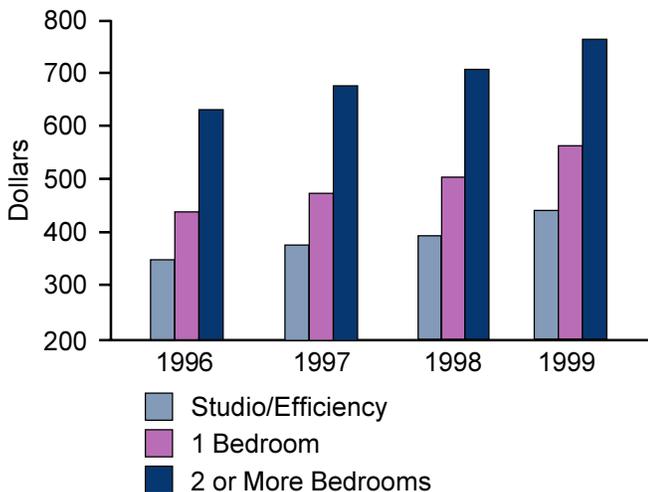
Apartment rental costs are measured using a sample survey of advertisements taken from the Sunday editions of the Minneapolis Star Tribune. Rents are reported for studio/efficiency, one bedroom, and two or more bedroom apartments. Numbers reported reflect rents during the first six months of 1999. Sample size in this report is about 15 percent of the total.

The average advertised rent for Minneapolis apartments increased to \$606 dollars, a 13.1 percent increase from the first half of 1998. Average rents ranged from \$441 for a studio/efficiency unit to \$572 for a one bedroom unit, and \$772 for units with two or more bedrooms. Median rental costs moved up to \$575 in the first half of 1999. Affordability, housing condition and neighborhood livability remain top concerns for most renters, particularly for families with children who have very limited income and, therefore, very limited choice of housing.

### FIRST HALF AVERAGE APARTMENT RENTS, 1996 - 1999

Apartment Type	1996	1997	1998	1999
All Apartments	\$477	\$507	\$536	\$606
Studio/Efficiency	351	381	390	441
One Bedroom	440	476	502	572
Two or More Bedrooms	629	674	704	772
Median All Apartments	445	475	495	575

AVERAGE MINNEAPOLIS APARTMENT RENT, 1996 - 1999  
(Mid-Year Survey Data)



## Publicly Subsidized Rental Housing

The mission of the Minneapolis Public Housing Authority (MPHA) is to provide well-managed, high-quality housing for eligible families and individuals; to increase the supply of affordable rental housing in the metropolitan area; and to assist public housing residents in realizing their personal goals for economic independence and self-sufficiency. In 1999, MPHA provided good, affordable housing for nearly 20,000 men, women and children through its public housing, Section 8 rental assistance and homeownership programs.

In early 1999, the U. S. Department of Housing and Urban Development designated MPHA for the second consecutive year to be one of the country's highest rated housing authorities based on the agency's outstanding performance in 1998. MPHA earned an overall score of 97 out of a possible 100 points in its annual evaluation of its overall operations, earning it the coveted "High Performer" status in the public housing industry nationwide.

An inventory of publicly owned housing in Minneapolis reveals that the Minneapolis Public Housing Authority owns and manages 5,769 public housing units throughout Minneapolis. There are 4,855 units in 40 high-rise, mid-rise and low-rise apartment buildings. Also, there are 184 townhome apartments in the Glendale family development in Prospect Park near the University of Minnesota, and 730 scattered-site, single family homes.

The Minneapolis Public Housing Authority administered some 3,600 Section 8 certificates and vouchers during 1999. MPHA opened its Section 8 waiting list for three days at the end of August in 1998 for the first time in six years. More than 6,600 applications were requested, and more than 4,000 new applications for Section 8 rent assistance were returned to MPHA. The agency now has 4,211 families on its Section 8 waiting list.

The agency also played a leading role in preserving affordable housing in two large privately owned apartment complexes last year - Oak Grove Towers and Rivergate - when the building's owners opted out of their Section 8 contract with HUD by prepaying their mortgages. MPHA stepped forward and agreed to administer tenant-based Section 8 assistance in the form of "enhanced" Section 8 vouchers, maintaining 306 apartments as affordable housing for residents.

The Minneapolis Public Housing Authority accepted 3,680 new applications for housing during its fiscal year 1999 (Oct. 1, 1998 - Sept. 30, 1999) and signed 979 new leases. At the end of September 1999, 2,627 individuals and families were on the agency's public housing waiting list.

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**In light of the affordable housing crunch in Minneapolis and the Twin Cities, MPHA is doing its job to ensure that what housing is available is utilized as fully as possible. As of September 1999, MPHA had maintained 99% occupancy of all of its available units for 45 straight months.**

### **Home Ownership**

The Minneapolis Public Housing Authority continued to provide home ownership opportunities to eligible public housing and Section 8 families, while increasing home ownership throughout the city. MPHA initiated its Home Ownership Made Easy (HOME) Program in January 1993. Since that time, more than 600 families have participated in home ownership educational counseling, and 105 families have become first-time homeowners by purchasing their own homes.

At the request of Mayor Sharon Sayles Belton, the Minneapolis Public Housing Authority developed a national demonstration program to utilize Section 8 rent assistance funding from HUD to assist 50 current Minneapolis Section 8 families in becoming home owners. HUD approved the program in 1998, making MPHA the first and only housing authority in the country to offer such an innovative approach. The program, Moving Home, was introduced in September 1998, with 135 families becoming the first to get on this new path to achieving home ownership.

### **Capital Improvements**

The Department of Housing and Urban Development (HUD) introduced a Comprehensive Grant Program in 1992 through which funding for capital and management improvements could be provided to housing authorities across the country. This funding has enabled the Minneapolis Public Housing Authority to embark on the most ambitious and comprehensive modernization of public housing in the city's history. Since initiating its Comprehensive Grant Program, Minneapolis has received \$122 million in capital and management improvements funding for projects throughout the city.

More than \$98 million in capital improvements have already been completed throughout the city - including the renovation of all 40 highrise buildings and the rehabilitation of 532 scattered-site homes. MPHA's capital improvements program is impacting dozens of neighborhoods throughout Minneapolis.

### **Other Key Accomplishments**

MPHA now has seven of its apartment buildings (with more than 1,400 apartments) reserved for older adults, with four sites that offer assisted living programs for elderly and frail adults. In 1999, MPHA earned three National Awards of Merit from the National Association of Housing and Redevelopment Officials (NAHRO). These awards were presented to MPHA for its energy management and conservation program, the design of the Minnetonka Mills replacement housing develop-

ment and for the partnerships created to deliver replacement housing units in suburban communities. MPHA earned a \$1.6 million Public Housing Drug Elimination Program Grant from HUD to fund the agency's security and drug prevention activities.

### **Expanding Metropolitan Housing Opportunities**

A class action lawsuit was filed in the summer of 1992 against the Minneapolis Public Housing Authority, the City of Minneapolis, Minneapolis Community Development Agency and HUD alleging racial discrimination in the administration of public housing and Section 8 rental assistance programs in Minneapolis. The plaintiffs and defendants reached a settlement in January, 1995 which was approved by the Federal Court in Minneapolis in April, 1995.

The following is a brief recap of the key components of that settlement in light of the progress achieved through the implementation of that settlement:

- Some 120 replacement public housing units completed and occupied by the end of 1999 and early 2000.
- All 88 replacement scattered-site units in nonconcentrated Minneapolis neighborhoods secured by the end of 1999 and early 2000.
- The HousingLink, the metro area's first clearing-house on affordable housing, now in full operation.
- Development teams hired for the near northside renewal with redevelopment activities in full swing by mid-fall 1999. The master plan to be completed by the spring of 2000 – construction to begin later in the year.
- Successful relocation of all families from Sumner-Olson and Glenwood-Lyndale completed with nearly one-fifth of these families becoming first-time homeowners.

**TOTAL PUBLICLY SUBSIDIZED RENTAL HOUSING 1999**  
(Publicly owned and Subsidized, as of December 1999)

	Publicly owned		Subsidized		Total	
	Family/General Occupancy	Elderly/General Occupancy	Family/General Occupancy	Elderly/Special Needs	Family/General Occupancy	Elderly/Special Needs
Camden	0	251	0	6	0	257
Northeast	0	943	17	4	17	947
Near North	0	644	588	8	588	652
Central	0	964	608	1,006	608	1,970
University	182	539	884	205	1,066	744
Calhoun-Isles	0	0	16	0	16	0
Phillips	0	664	334	568	334	1,232
Powderhorn	0	533	341	14	341	547
Longfellow	0	317	676	302	676	619
Southwest	0	0	12	4	12	4
Nokomis	0	0	30	36	30	36
Scattered Site	730	0	0	0	730	0
(Section 8)	0	0	3,600	0	3,600	0
Sub Total	912	4,855	7,106	2,153	8,018	7,008
<b>Total Publicly owned</b>		<b>5,767</b>				
<b>Total Subsidized</b>				<b>9,259</b>		
<b>TOTAL</b>						<b>15,026</b>