Housing Affordability in Anoka County

Housing is considered affordable if it consumes less than 30% of a household’s gross income. At higher levels, families must choose between housing and other basic needs and will struggle to weather financial setbacks. In Minnesota, housing costs continue to consume a large portion of families’ income. For many, extended economic hardship is taking a toll.

<table>
<thead>
<tr>
<th>Household Income</th>
<th>Renters Number of Households Paying 30% or More in Rent</th>
<th>Renters Percent of Households Paying 30% or More in Rent</th>
<th>Home Owners Number of Households Paying 30% or More in Ownership Costs</th>
<th>Home Owners Percent of Households Paying 30% or More in Ownership Costs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than $20,000</td>
<td>4,660</td>
<td>92.7%</td>
<td>4,217</td>
<td>86.2%</td>
</tr>
<tr>
<td>$20,000 – $34,999</td>
<td>3,412</td>
<td>67.8%</td>
<td>3,915</td>
<td>50.3%</td>
</tr>
<tr>
<td>$35,000 – $49,999</td>
<td>1,300</td>
<td>28.0%</td>
<td>7,164</td>
<td>57.2%</td>
</tr>
<tr>
<td>$50,000 and over</td>
<td>321</td>
<td>4.9%</td>
<td>16,115</td>
<td>22.4%</td>
</tr>
<tr>
<td>All Income Levels</td>
<td>9,693</td>
<td>44.5%</td>
<td>31,411</td>
<td>32.4%</td>
</tr>
</tbody>
</table>

The table above shows the number and percent of households at different income levels that pay 30% or more of household income for rental or ownership costs. It illustrates that the burden of housing costs weighs more heavily on lower-income families.¹

Even before the current economic downturn, housing needs were severe. In 2008, 1 in 8 Minnesota households spent at least half of their income on housing, up from 1 in 15 in 2000. Minnesota experienced the fastest increase of extremely cost burdened households of any state in the nation during this time period.²

In 2008, about 82% of Anoka County residents owned their home and 18% were renters. Of these, approximately 32.4% of homeowners and 44.5% of renters in Anoka County spent 30% or more of their household income on housing.³
Lower-income households face extreme affordability challenges.

The chart below compares median earnings across different occupations to the income required to afford housing.⁴

### HOUSING COSTS

In Anoka County, a median-priced home cost $189,000 in 2009, excluding foreclosures. The fair market rent for a two-bedroom apartment was $899 per month in 2010. Since 2001, home prices have decreased by 2%, and the fair market rent has decreased by 2%, after adjusting for inflation.⁵

### INCOME

In Anoka County, a family of four with two full-time wage earners needs to earn a combined annual salary of $62,108 to afford the basic cost of living.⁶ The median household income for Anoka County was $69,981 in 2008.⁷

### JOBS

36% of jobs in Anoka County and counties nearby pay less than the regional wage required to afford basic needs.⁸ In April 2010, the unemployment rate in Anoka County was 7.4%, compared to 9.0% in 2009 and 4.0% in 2005.⁹

### Foreclosures in Minnesota

- From 2005-2009 in Anoka County, there were 7,403 foreclosures. Of these, 2,069 occurred in 2009.¹⁰
- Almost 8% of primary mortgages in Minnesota were delinquent by 60 days or more by early 2010.¹¹
- The most common reason people sought foreclosure counseling in 2009 was loss or reduction of income.¹²

### Homelessness in Minnesota

- On a single day in 2009, 562 people were known to be homeless in the Anoka/Dakota County Region, including 350 children and youth through age 21.¹³
- An estimated 13,100 Minnesotans are homeless on any given night. The number of homeless people identified increased by 25% from 2006 to 2009.¹⁴
- The largest increase in homelessness from 2006 to 2009 was among young adults (18-21). Youth aged 12-21 saw the largest increase in likelihood of being turned away from a shelter.¹⁵

### Extreme Cost Burden

- Approximately 21% of renter households pay at least half of their income on housing in Anoka County.¹⁶
- For homeowner households in Anoka County, 10% pay at least half of their income on housing.¹⁷

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