

Northwest Region

The Northwest region includes 12 counties and contains the metropolitan area of Grand Forks and the Red Lake, White Earth and Leech Lake reservations. The region includes roughly 67,650 households, making it the least populated region of the state by more than 25,250 households. By 2035, the population is expected to grow by only 2 percent, gaining approximately 4,000 individuals to a total of 175,380. The annual cost of living in the Northwest is estimated to be \$46,800 for a family of three¹, with housing costs accounting for 20 percent of that annual income.

Top 5 Facts



The percentage of cost burdened renters, or renters spending more than 30 percent of their income on housing grew from 33 percent of households in 2000 to 41 percent in 2017.



With 56 percent of renter households paying more than 30 percent of their income on housing, Grand Forks has the highest rate of renter cost burden of any metropolitan statistical area in the state.



Only 288 single-family units were permitted for construction in the Northwest region in 2017, the lowest number of any region in the state. For multi-family units, only 238 permits were issued.



Half of people of color and Indigenous (POCI) households in the region own their homes, the highest rate of POCI homeownership in the state and the lowest homeownership gap between white and POCI households (28 percent).



In eight of the 12 counties in the Northwest region, median home value increased by more than 40 percent from 2000 to 2017, rising by as much as 55 percent in Pennington County.

¹ Estimate for one full time, one part time worker and one child

Northwest Spotlight: Jail Diversion Pilot Project spurs critical development

It's 2013. You live in Bemidji and you're experiencing a mental health crisis. The nearest facility equipped to provide the support you need is 82 miles away. Without access to resources, your crisis — not a crime — leads you to incarceration.

Too many residents of Minnesota's Northwest region have experienced this reality.

In 2015, a medical service provider to Beltrami County Jail, located in Bemidji, estimated that 70 percent of inmates had a mental health diagnosis. With a lack of appropriate services in the area, many people in crisis were ending up in jail.*

The region's Native communities were feeling the most severe impacts. At the time of the project, Native residents comprised approximately 37 percent of the homeless population in Beltrami County and more than 57 percent of the people in the Beltrami County Jail. But only 20 percent of people in Beltrami County identified as Native.

In 2016, community leaders formed the Jail Diversion Pilot Project in Beltrami County. The project included representatives from social service providers, hospitals, tribes, housing, corrections, and more.

The team identified a critical need for housing with services, explained participant Mary Thompson of Headwaters Regional Development Commission (HRDC). "Often, people experiencing mental health issues don't have anywhere else to go, and they end up in jail or the emergency room," Thompson said. "These places aren't equipped to provide the services people need when they're in crisis."

The project shaped the trajectory of future housing development in the region, including the efforts of HRDC. "Now, we're trying to find creative ways to solve the issues we uncovered during this process," Thompson said. "Conifer Villas in particular is a direct response to that."

Conifer Villas will provide 32 units of supportive housing for individuals experiencing mental health issues. HRDC completed a similar project in 2012 and it filled as soon as it opened. With nearly 100 individuals on the waiting list, the complex had only scratched the surface of the region's deep need for supportive housing. Thompson says HRDC is already planning a third supportive housing complex.

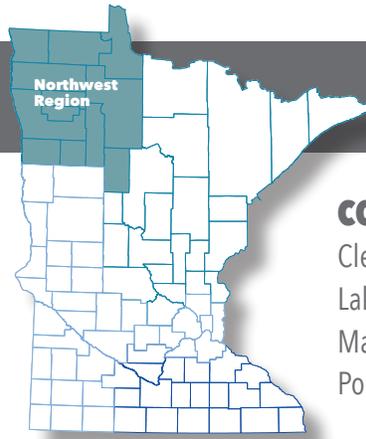
Mary Ringhand, another project participant, sees the region's pressing need for housing with services firsthand as Chief Judge for the Red Lake Tribal Court. "When someone with a mental illness has been in jail for a long time, we reach out to mental health service staff to find out why," Ringhand explained. "They often tell us it's because there isn't housing available for that person."

Ringhand wants to see more culturally-centered housing opportunities and programs to ensure Native community members can heal. An example is Oshki Manidoo in Bemidji. "Many of our tribal nations are in need of healing because of what's gone on, and our people know how to heal each other," Ringhand said.

A lack of access to housing with services can create negative impacts that ripple across generations. Beltrami County Administrator Kay Mack points out that stable housing for a parent can help prevent traumatic stressors for children. "Any efforts we can put into addressing stable housing are efforts and dollars well spent," Mack said.

*Statistics for this piece from a January 2018 Legislative Report by the MN Dept. of Human Services to the Legislature.

NORTHWEST REGION



COUNTIES: Beltrami, Clearwater, Hubbard, Kittson, Lake of the Woods, Mahnomen, Marshall, Norman, Pennington, Polk, Red Lake, Roseau

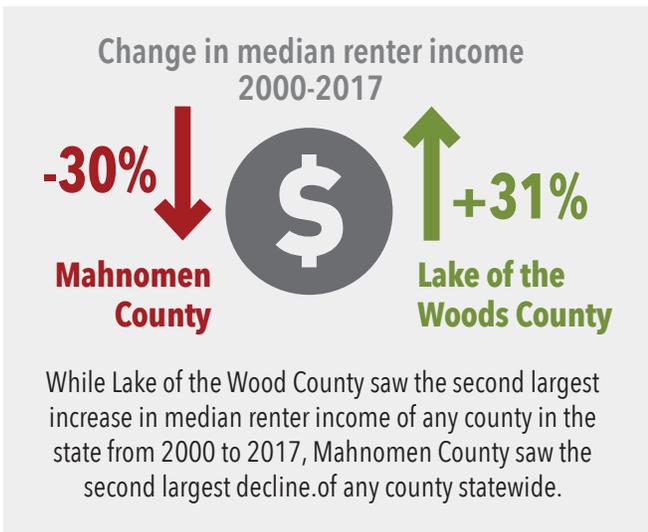
Rental Housing

The Northwest region contains 16,700 renter households, constituting the smallest renter population of any region in the state. Renters make up a quarter of the total households, with 53 percent residing in Beltrami County (which includes the city of Bemidji) or Polk County (which spans the Minnesota side of the Grand Forks Metropolitan Statistical Area).

Since 2000, change in renter median income varied significantly across the region. While Lake of the Woods County has seen a steep rise in renter income, growing by 31 percent (the second largest gain in the state), the majority of counties saw a decline in income. In particular, Mahnomen County renter income declined by 30 percent over that same time period, ranking second to worst in the state for loss in annual earned income.

Median rent remains modest in most counties in the region; five counties in the region are among the 10 counties with the lowest rent in the state. Red Lake County has the lowest median gross rent of any county at \$495 in 2017.

The percentage of cost-burdened renters, or renters spending more than 30 percent of their income on housing, grew from 33 percent of households in 2000 to 41 percent in 2017. In the region there are approximately 5,330 extremely low-income renter households that earn less than 30 percent of area median income.



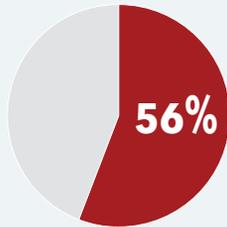
COUNTY	2017 Median Rent
Red Lake County	\$495
Wilkin County	\$496
Big Stone County	\$498
Kittson County	\$554
Norman County	\$555
Lac qui Parle County	\$560
Marshall County	\$565
Mahnomen County	\$567
Grant County	\$580
Faribault County	\$585

Median rent remains modest in many counties in the region, with five among the 10 with the lowest rents

CITY SPOTLIGHT: Grand Forks

The Northwest region contains the Grand Forks MSA, which spans Polk County, Minnesota and Grand Forks County, North Dakota. The city contains the highest percentage of cost burdened renters of all other MSA core cities in Minnesota, affecting 56 percent of all renter households. Renter median income has declined by 16 percent since 2000 in the city and, at \$19,200, median renter income in East Grand Forks is the lowest of all MSA core cities. Median gross rent in Grand Forks has risen 10 percent since 2000 to \$721 in 2017.

With 56 percent of renter households paying more than 30 percent of their income on housing, Grand Forks has the highest rate of renter cost burden of any MSA in the state.



Homeownership

There are more than 50,920 homeowner households in the region, accounting for 75 percent of all households. Since 2000, the median home value across the region has increased from 11 percent in Mahnommen County to 55 percent in Pennington and Red Lake counties. In eight of the 12 counties in the region, median home value increased more than 40 percent from 2000 to 2017. The Northwest region includes four (Red Lake, Pennington, Polk, and Beltrami) of the top 10

counties that experienced the highest change in home value.

Overall median owner income saw gains across most of the region, growing by as much as 41 percent and 24 percent in Marshall and Red Lake counties. However, owner income steeply declined in one county — Mahnommen — falling by the highest percentage in the state with a 28 percent decline.

The Northwest region has the highest percentage of people of color and Indigenous (POCI) households who own their home at 50 percent, and has the smallest homeownership gap in the state (28 percent) between white and POCI households

Senior Housing

in 2017, the Northwest region was home to 3,830 senior renter households and more than 15,260 senior owner households. More than half (52 percent) of renter and 23 percent of owner households paid more than 30 percent of their income on housing. While Red Lake County ranked third and second in the state for the lowest rates of senior renter and owner cost burden, Lake of the Woods topped the state for the highest percent of cost burdened senior owners (33 percent), and fourth for senior renter cost burden (65 percent). With the region expected to gain 14,954 seniors by 2035, a 48 percent increase, there is a critical need to focus on housing access and affordability for the growing senior population.



In eight of 12 counties in the region, median home value **increased more than 40 percent** from 2000 to 2017.

White households	78%
POCI households	50%

The region has the **highest rate of homeownership** for people of color and Indigenous households

Housing Development and Subsidized Housing

In the Northwest region, just 288 new single-family homes were permitted for construction in 2017 — the lowest amount of any region in the state. In 2017, only 238 new multi-family units were permitted for construction and, of these units, nearly half were in Beltrami County. Seven of the 12 counties saw no development of multi-family units. The region also contains the fewest units of subsidized housing of any region, with just 3,284 units in 2017.

Housing Affordability by Occupation

In 2017, monthly income for the median renter household ranged from \$1,788 in Clearwater County to \$2,564 in Marshall County. With that income, households can spend just \$555 to \$761 per month on housing without exceeding 30 percent of their income. However, rent for a modest two-bedroom

apartment ranges from \$697 to \$966 — meaning the median-income renter can afford a two-bedroom apartment in only half of the region’s 12 counties.

In the Northwest region, the top five jobs are registered nurses, heavy and tractor-trailer truck drivers, teacher assistants, retail salespersons, and food preparation and serving workers. For teacher assistants, retail salespersons, and food preparation workers, median annual income ranges from \$21,433 to \$33,872, leaving these workers just \$536 to \$847 per month to spend on housing.

Of these occupations, just registered nurses and tractor-trailer drivers are able to afford a modest two-bedroom apartment in all counties. To own a median-value home, households must earn at least \$21,540 (in Kittson County) to as much as \$54,810 (in Hubbard County). Given the projected growth in four of these jobs, the cost to rent or own a home will continue to be out of reach for a growing portion of the region’s workforce.

WAGES AND HOUSING AFFORDABILITY IN POLK COUNTY

