

An Update Comprehensive Housing Needs Assessment for the City of Roseville, Minnesota

Prepared For:

Roseville Economic Development Authority
Roseville, Minnesota

October 2018



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October 3, 2018

Ms. Jeanne A. Kelsey
Housing and Economic Development Program Manager
Roseville Economic Development Authority
2660 Civic Center Drive
Roseville, MN 55113

Dear Ms. Kelsey:

Attached is the *Comprehensive Housing Needs Analysis for Roseville, Minnesota* conducted by Maxfield Research. The study projects housing demand from 2018 to 2030 and provides recommendations on the amount and type of housing that could be developed in Roseville to satisfy demand from current and future residents.

The study identified the potential for a variety of new housing types in Roseville over the next several years, including for-sale and rental products. Roseville's central location between Downtown Minneapolis and Downtown St. Paul continue to support its residential desirability. Although it is highly developed, additional housing opportunities exist. To meet the current and future housing need of residents and newcomers, in-fill and redevelopment options are becoming a key strategy to accomplishing this objective.

Detailed information regarding recommended development priorities and suggested housing concepts and timeframes can be found in the *Conclusions and Recommendations* section at the end of the report.

We have enjoyed performing this study for you and are available should you have any questions or need additional information.

Sincerely,

MAXFIELD RESEARCH AND CONSULTING LLC

Brian Smith
Sr. Research Associate

Attachment

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Purpose and Scope of Study

Maxfield Research was engaged by the Roseville Economic Development Authority (EDA) to conduct a *Comprehensive Housing Needs Analysis* for the City of Roseville. The Housing Needs Analysis provides recommendations on the amount and types of housing that should be developed to meet the needs of current and future households who choose to reside in the City.

The scope of this study includes: an analysis of the demographic and economic characteristics of the City; a review of the characteristics of the existing housing stock and building permit trends; an analysis of the market conditions for a variety of 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.

Demographic Analysis

- As of the 2010 Census, the City of Roseville had 33,660 people and 14,623 households. Roseville is forecast to add an additional 3,284 people and 1,063 households between 2010 and 2020.
- The population in Roseville is aging and older age cohorts are accounting for a significant percentage of the total population. Seniors (age 65+) account for an estimated 23% of the City's population in 2018, which is a much higher percentage than Ramsey County (15%) and the Metro Area overall (14%).
- Over the next five years, the age 75 to 84 cohort is projected to have the highest growth by percentage and numerically (464 people, or 17%). The growth in this age cohort can be primarily attributed to the baby boom generation aging.
- Roseville has an estimated median household income of \$64,946 in 2018. Overall, non-senior households had a higher median household income (\$77,896) compared to senior households (\$49,895).
- Between 2010 and 2016, homeownership rates are estimated to have decreased from 67.2% to 62.3% in the City of Roseville.
- Approximately 38% of all households in Roseville lived alone in 2016. Married without children households accounted for the second highest percentage at 26%.
- Roseville's unemployment rate of 2.6% as of July 2018 is lower than the State of Minnesota (3.2%) and lower than the Nation (4.1%). Roseville's unemployment rate has been lower than the State of Minnesota in every year from 2000 through 2018.

EXECUTIVE SUMMARY

- The majority of Roseville residents either work in Minneapolis (22%) or St. Paul (19%). Only 10.5% of Roseville residents also work in Roseville.

Housing Characteristics

- The City of Roseville issued permits for the construction of 704 new residential units from 2000 through 2010. Between 2011 and 2017, issued permits resulted in construction of 567 units, or 81 units per year. The majority of units developed has occurred in larger multifamily senior housing developments.
- In total, Roseville is reported to have 15,593 housing units, of which 9,230 are owner-occupied, 5,593 are renter-occupied, and 770 are vacant as of 2016.
- Most owner-occupied housing units in Roseville were built in the 1950s (36%). Development of rental housing units was concentrated in the 1970s (26%).
- Approximately 61% of Roseville homeowners have a mortgage. About 24% of homeowners with mortgages also have a second mortgage or home equity loan. Comparatively, about 64% of homeowners in the United States have a mortgage.
- The median owner-occupied home in Roseville was an estimated \$224,000 in 2016. Most of the owner-occupied housing stock in the City of Roseville is estimated to be valued between \$200,000 and \$249,999 (29%).
- The median contract rent in Roseville was an estimated \$876 in 2016. Approximately 39% of Roseville renters paying cash have monthly rents ranging from \$750 to \$999, 16% had monthly rents ranging from \$500 to \$749, and 32.0% had monthly rents over \$1,000.

Rental Housing Market Analysis

- In order to assess the current market conditions for rental housing in Roseville, Maxfield Research conducted an inventory of subsidized (i.e. housing that is income-restricted to households earning at or below 30% of the Area Median Income), affordable (i.e. housing that is income-restricted between 30% and 80% of the Area Median Income) and market rate (i.e. housing that is not income-restricted) projects located in the City.
- In total, Maxfield Research inventoried 3,575 general occupancy rental units in the City of Roseville. Of these units, 3,098 are market rate, 363 are affordable and 114 are subsidized.
- Vacancy rates for general occupancy rental buildings were 1.3% for market rate; 0.0% for affordable; and 0.0% for subsidized. From an occupancy standpoint (equilibrium at 95% occupancy), vacancies are extremely low and there is pent-up demand for all rental types.

- Of the landlords that would provide a tenant profile, most have remained similar to that of the previous study in which the majority of properties state a mix of ages and household types. Singles, couples and families are all represented as well as younger and older households. Because of the proximity of the University of Northwestern-St. Paul and Bethel University, several properties have college students who reside as roommates.
- Due to the age and positioning of Roseville's rental stock, an estimated half of the total market rate units currently function as affordable housing (i.e. meet the rent guidelines established by HUD). Hence, older market rate properties in the City indirectly meet the need for housing that is affordable to moderate-income households.

Senior Housing Market Analysis

- There are 16 senior housing properties in Roseville with a total of 1,659 units. Combined, the overall vacancy for senior properties in Roseville is 2.5%. Broken down by product type, the vacancy rates are calculated as follows: 0.4% for active adult cooperatives, 0.8% for active adult ownership (condominiums), 0.0% vacancy for subsidized active adult rental, 2.4% vacancy for independent living (congregate) housing, 7.3% for assisted living housing and 5.0% for memory care housing.
- There are six market rate active adult properties in Roseville with 517 units. The properties include four senior cooperatives and two condominiums. *Applewood Pointe of Roseville at Central Park*, a 105-unit senior cooperative, is the newest active adult property and is fully occupied. There are no market rate active adult rentals in Roseville; there are however, two subsidized active adult properties with a combined 228 units.
- Five communities in Roseville offer independent living with optional or included services; these properties have 464 independent units. The newest property is *Cherrywood Pointe of Roseville at Lexington*, which opened in 2017. There are 85 independent living/assisted living units, six enhanced care suites and 24 memory care units.
- There are five communities in Roseville that offer assisted living level services with 307 units and five communities that offer memory care services with 143 units. The vacancy rates for assisted living (7.3%) and memory care (5.0%) were found to be higher than for independent living. The market equilibrium vacancy rate for assisted living and memory care is 7.0%. These rates exclude units at the new *Cherrywood Pointe* property which is still in its initial lease-up period. These higher vacancy rates for assisted living and memory care indicate that there is some softness in the market at these service levels and that some caution should be exercised in adding a significant number of additional units in the short-term.

For-Sale Housing Market Analysis

- The average and median resale prices of homes in Roseville were \$280,788 and \$267,750 respectively as of the end of August 2018. The median sales price over the last 13 years is currently peaking 2018 through August at \$267,750. This is 8% higher than the previous high in 2006 at \$245,000. From 2011 to August 2018, the median sales price increased to \$109,250 (69%) from the lowest point in 2011 of \$158,500.
- An average 385 homes have been sold annually in Roseville since 2005. Considering that Roseville had an estimated supply of 9,230 owned homes as of 2016, this represents an annual turnover rate of 4.2% of owned homes.
- The median list price of homes for sale in Roseville was \$299,950 in September 2018. Based on a median list price of \$299,950, a household would need an estimated income of \$85,700 to \$99,985 based on an industry standard of 3.0 to 3.5 times the median income. An estimated 44% of Roseville non-senior households have annual incomes at or above \$85,700.
- Of the single-family homes listed for sale as of September 2018, none were listed below \$200,000. Nearly half (46%) of the listed single-family homes were priced between \$200,000 and \$299,999. In comparison, 52% of listed multifamily homes were listed below \$200,000. Of those, 24% were priced at \$99,999 or less.

Housing Affordability

- In Roseville, 21% of owner households and 40% of renter households are considered cost-burdened by definition. A portion of households may elect to spend more than 30% of their income on housing to live in a product that suits their needs. In addition, senior households often choose to pay more than 30% of their income on housing because of added services that are included.
- Based on an estimated entry level home price of \$275,000, 50% of all Roseville households and 59% of owner households in Roseville could afford entry level for-sale housing.
- The average one-bedroom monthly rent in Roseville as of 2018 is \$958. An estimated 55% of Roseville's existing renter households could afford the average one-bedroom rent. Only 38% of renter households in Roseville could afford the average three-bedroom rent of \$1,370.

Housing Needs Analysis

- Based on our calculations, demand exists for the following general occupancy product types between 2018 and 2030:
 - o Market rate rental 354 units
 - o Affordable rental 131 units
 - o Subsidized rental 75 units
 - o For-sale multifamily 220 units
 - o For-sale single-family 110 units
- In addition, demand was identified for the following senior housing product types. By 2023, demand for senior housing is forecast for the following:
 - o Active adult ownership 196 units
 - o Active adult market rate rental 138 units
 - o Active adult affordable 38 units
 - o Active adult subsidized 128 units
 - o Independent Living (congregate) 126 units
 - o Assisted living 143 units
 - o Memory care 113 unit

We note there are three additional senior housing developments pending in Roseville which would essentially satisfy the projected senior housing demand over the next five years.

Recommendations and Conclusions

- Housing opportunities sites were identified by the City and Maxfield Research reviewed these sites making recommendations regarding housing product concepts suitable and suggested development timeframes. Several clusters of parcels and/or very large land parcels may be difficult combine for redevelopment and will also likely require additional planning and a public-private partnership for implementation of a new plan.
- Recommended City priorities include the development of market rate rental housing, entry-level townhomes, active adult (55+) rental and consideration of a single-family subdivision that would incorporate small lot, small home development.

Introduction

This section of the report examines factors related to the current and future demand for owned and rented housing in Roseville, Minnesota. It includes an analysis of population and household growth trends and projections, projected age distribution, household income, household types, household tenure, employment growth trends and characteristics, age of housing stock, and recent residential building permit trends for the Roseville Market Area. A review of these characteristics provides insight into the demand for various types of housing in the Market Area.

Market Area Definition

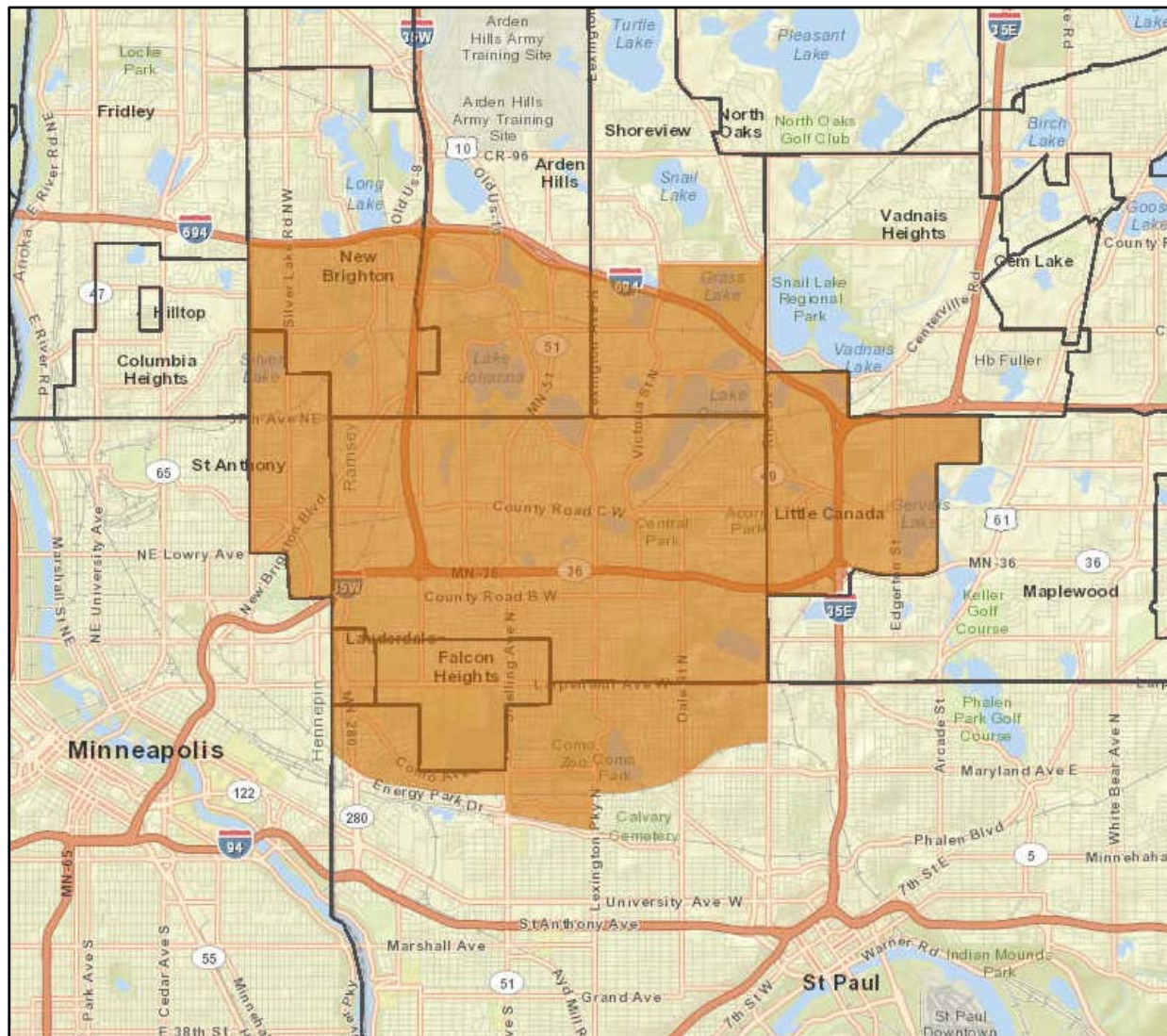
The primary draw area for housing in Roseville is consistent with the previously completed reports which are defined based on traffic patterns, community and school district boundaries, geographic and man-made boundaries, and our general knowledge of the draw areas for various housing product types. We define the draw area, or Market Area, as the City of Roseville and neighboring communities, including Falcon Heights, Lauderdale, Little Canada, St. Anthony, and portions of New Brighton, Arden Hills, Shoreview, and St. Paul. The Market Area includes the following 2010 Census Tracts:

<u>City of Roseville</u>	<u>New Brighton</u>
413.01	411.06
413.02	411.07
414.00	412.00
415.00	
416.01	<u>Arden Hills</u>
416.02	408.02
417.00	408.03
418.00	
	<u>Shoreview</u>
<u>Falcon Heights</u>	407.04
419	
420.01	<u>St. Anthony</u>
	411.03
<u>Lauderdale</u>	201.01
420.02	201.02
<u>Little Canada</u>	<u>St. Paul</u>
421.02	301
421.01	302.01
	302.02
	303.00
	304.00

DEMOGRAPHIC ANALYSIS

The Roseville Market Area is expected to account for 65% to 85% of the total demand for housing in Roseville, depending on the housing product. Additional demand will come from individuals moving from just outside the area, those who return from other locations (particularly young households returning after pursuing their degrees or elderly returning from retirement locations) and seniors who move to be near their adult children living in the Market Area. Demand generated from in and outside of the Market Area is considered in the demand calculations presented later in this analysis.

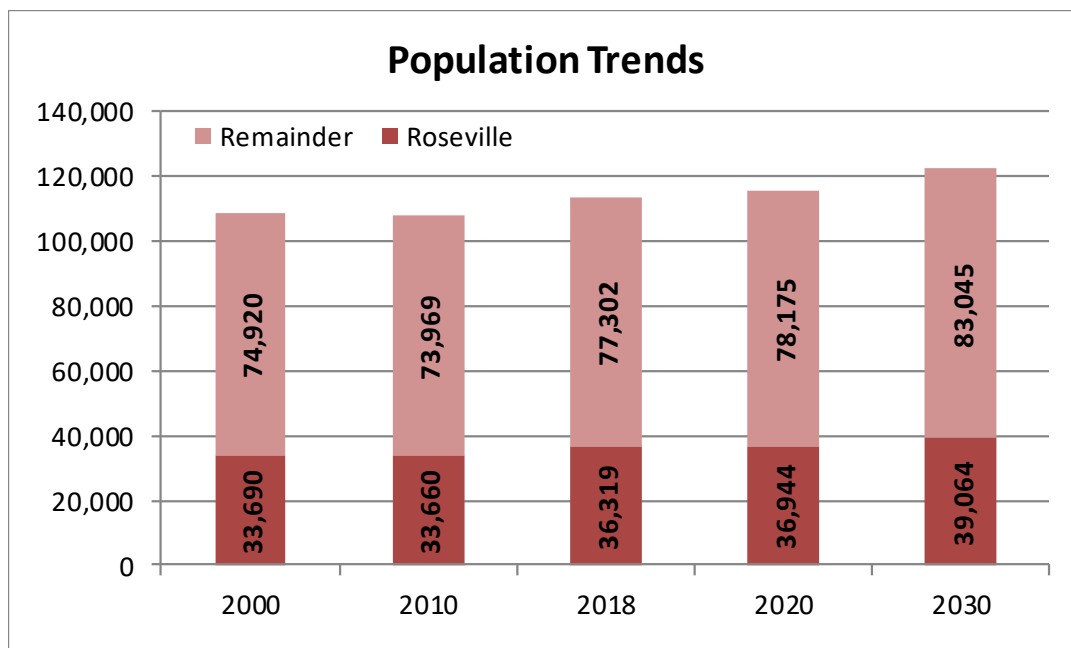
Roseville Market Area



Population and Household Growth Trends

Table A-1 presents population and household growth trends and projections for the Market Area to 2030. The data from 2000 and 2010 is from the U.S. Census. Estimates for 2018 and projections to 2030 are based on information from ESRI (a national demographics service provider) and the Metropolitan Council.

- As of 2010, the Market Area contained 107,629 people and 45,638 households. The City of Roseville comprised 31.0% of the Market Area's population and 31.9% of the Market Area's households.
- Population growth declined during the 2000s due to the housing downturn. Roseville lost 30 people but gained 25 households. Household growth can occur even when there is a population loss due to decreasing household size. Decreasing household size is caused by demographic and social trends such as increased divorce rates, an increasing senior base, and couples' decisions to have fewer children or no children at all.

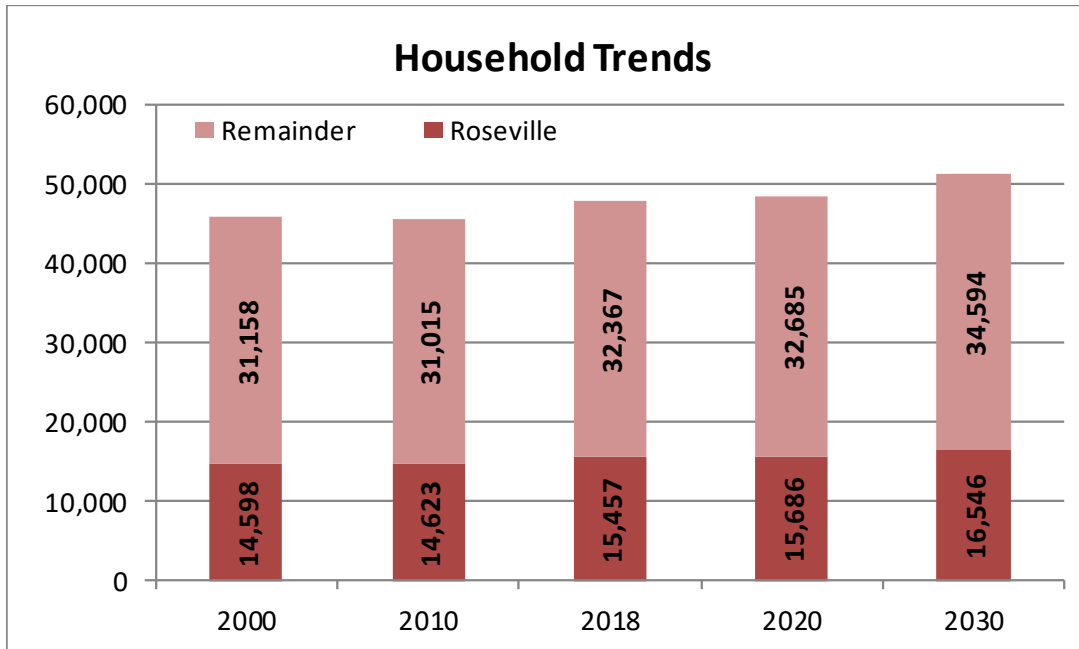


- Household growth trends are typically a more accurate indicator of housing needs than population growth since a household is, by definition, an occupied housing unit. However, additional demand can come from changing demographics of the population base, which results in demand for different housing products.
- The Market Area is mostly fully-developed with very limited land available to accommodate of new housing. Recently however, turnover in existing households is estimated to have increased household sizes. This factor, along with redevelopment and infill development, is projected to increase the population in this current decade and through the next. Between

DEMOGRAPHIC ANALYSIS

2010 and 2020, the Market Area is projected to increase by 7,490 people (7%) and 2,733 households (6%). Population growth is expected to increase at a higher rate due to the larger household size. Average household size in Roseville is anticipated to increase from 2.30 in 2010 to 2.35 by 2020.

- Since households are occupied housing units, a growth of 1,063 households in Roseville between 2010 and 2020 would require an equal number of available housing units to accommodate the new households.



DEMOGRAPHIC ANALYSIS

**TABLE A-1
POPULATION AND HOUSEHOLD GROWTH TRENDS AND PROJECTIONS
ROSEVILLE MARKET AREA
2000 to 2020**

	U.S. Census		Estimate	Forecast		Change					
						2000 to 2010		2010 to 2020		2020 to 2030	
	2000	2010	2018	2020	2030	No.	Pct.	No.	Pct.	No.	Pct.
POPULATION											
Roseville	33,690	33,660	36,319	36,944	39,064	-30	-0.1	3,284	9.8	2,120	5.7
Remainder of the PMA	74,920	73,969	77,302	78,175	83,045	-951	-1.3	4,206	5.7	4,870	6.2
Primary Market Area	108,610	107,629	113,621	115,119	122,109	-981	-0.9	7,490	7.0	6,990	6.1
<i>Ramsey County</i>	<i>511,035</i>	<i>508,640</i>	<i>547,091</i>	<i>549,020</i>	<i>571,410</i>	<i>-2,395</i>	<i>-0.5</i>	<i>40,380</i>	<i>7.9</i>	<i>22,390</i>	<i>4.1</i>
HOUSEHOLDS											
Roseville	14,598	14,623	15,457	15,686	16,546	25	0.2	1,063	7.3	860	5.5
Remainder of the PMA	31,158	31,015	32,367	32,685	34,594	-143	-0.5	1,670	5.4	1,909	5.8
Primary Market Area	45,756	45,638	47,824	48,371	51,140	-118	-0.3	2,733	6.0	2,769	5.7
<i>Ramsey County</i>	<i>201,236</i>	<i>202,691</i>	<i>216,077</i>	<i>220,007</i>	<i>236,490</i>	<i>1,455</i>	<i>0.7</i>	<i>17,316</i>	<i>8.5</i>	<i>16,483</i>	<i>7.5</i>
Sources: U.S. Census Bureau; ESRI; Metropolitan Council; Maxfield Research & Consulting, LLC											

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 A-2 shows the distribution of persons in nine age cohorts for the Market Area in 2000 and 2010 with estimates for 2018 and projections for 2023. The 2000 and 2010 age distributions are from the U.S. Census Bureau. Maxfield Research derived the 2018 estimates and 2023 projections by adjustments made to data obtained from ESRI.

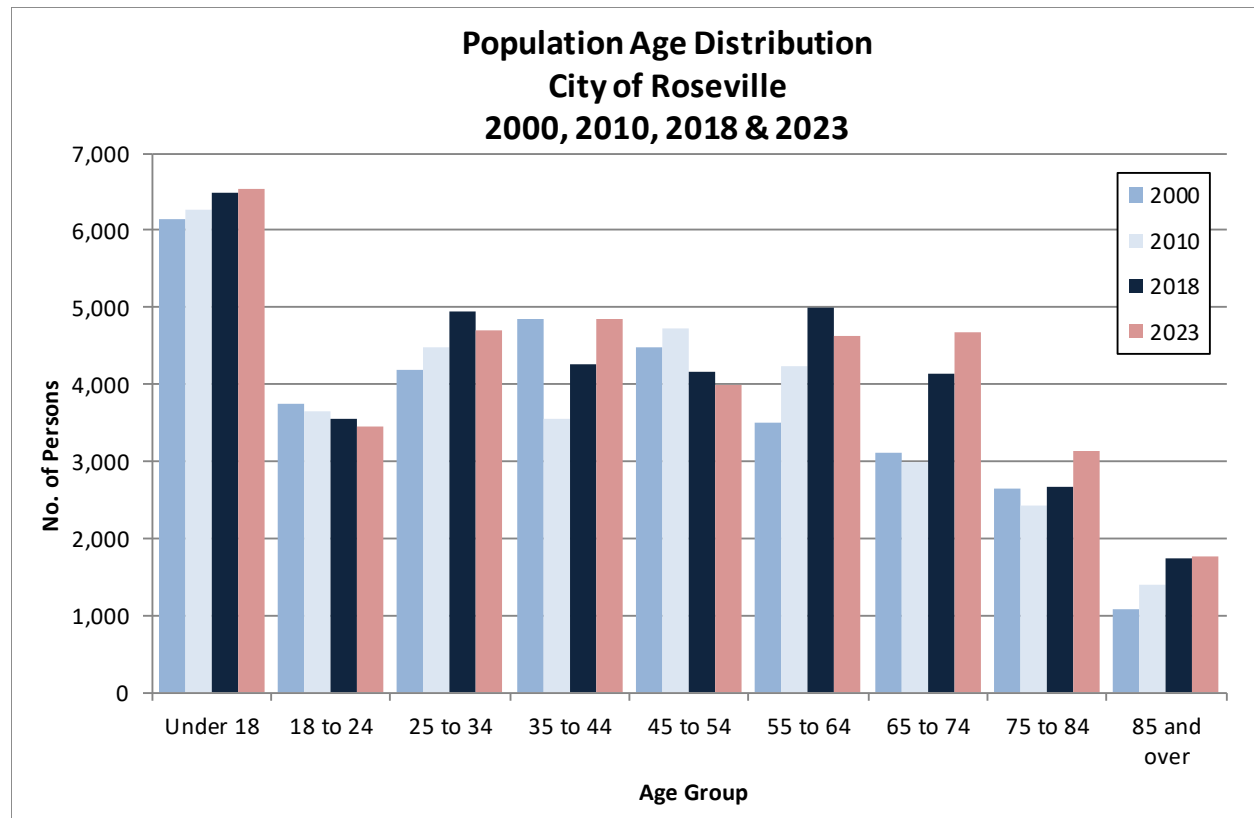
The following are key points from the table.

- Between 2000 and 2010, the age cohorts that experienced the most significant numerical growth in the Market Area were age 55 to 64 (3,662 people) and age 45 to 54 (531 people).
- Mirroring trends observed across the Nation, the aging baby boom generation is substantially impacting the composition of the Market Area's population. Born between 1946 and 1964, these individuals comprised the age groups from roughly 55 to 74 in 2010. As of 2010, baby boomers accounted for an estimated 26% of the Market Area's population. As of 2018, it is estimated that baby boomers account for 23% of the Market Area's population.
- Compared to Ramsey County and the Metro Area at 23% and 25%, respectively, the Market Area had a much lower percentage of children under the age 18 (19% in 2010). Conversely, 16% of the Market Area's population was over the age of 65 in 2010, which was substantially higher than Ramsey County (12%) and the Metro Area (11%).
- As the population in the Market Area continues to age, older adult and senior households will represent an even greater proportion of the population. In 2010, 15.9% of the population base was older than 65; this figure is estimated to have already increased to 19% by 2018 and forecast to increase to 21% by 2023.
- The 65 to 74 age cohort is projected to have the greatest growth to 2023 (numerically) increasing by 1,617 people (14%) while the 75 to 84 age group will experience the largest percentage growth at 21% (1,306 people). The growth in this age cohort can be primarily attributed to the baby boom generation.
- The 35 to 44 age group is the only younger group projected to experience a significant increase in population of 1,582 people (12%) to 2023.
- The social changes that occurred with the aging of the baby boom generation, such as higher divorce rates, higher levels of education, and lower birth rates has led to a greater variety of lifestyles than existed in the past – not only among baby boomers, but also among their parents and children. The increased variety of lifestyles has fueled demand for alternative housing products to the single-family home. Seniors and middle-aged persons

DEMOGRAPHIC ANALYSIS

tend to do more traveling and participate in more activities than previous generations. They increasingly prefer maintenance-free housing that enables them to spend more time on activities outside the home. Seniors over age 75 are the primary market for age-restricted (“senior”) housing, including independent and assisted living.

TABLE A-2 POPULATION AGE DISTRIBUTION ROSEVILLE MARKET AREA 2000 to 2023								
Age	Census		Estimate	Projection	Change			
	2000	2010	2018	2023	2000-2010		2018-2023	
	No.	No.	No.	No.	No.	Pct.	No.	Pct.
Roseville								
Under 18	6,141	6,255	6,486	6,541	114	1.9	55	0.9
18 to 24	3,741	3,642	3,539	3,447	-99	-2.6	-92	-2.6
25 to 34	4,177	4,472	4,951	4,700	295	7.1	-251	-5.1
35 to 44	4,836	3,545	4,265	4,842	-1,291	-26.7	578	13.5
45 to 54	4,473	4,734	4,159	3,992	261	5.8	-167	-4.0
55 to 64	3,494	4,227	5,001	4,628	733	21.0	-373	-7.5
65 to 74	3,112	2,976	4,145	4,679	-136	-4.4	534	12.9
75 to 84	2,651	2,424	2,659	3,122	-227	-8.6	464	17.4
85 and over	1,065	1,385	1,740	1,753	320	30.0	13	0.8
Subtotal	33,690	33,660	36,944	37,705	-30	-0.1	761	2.1
Remainder of Market Area								
Under 18	15,336	14,320	14,622	14,719	-1,016	-6.6	98	0.7
18 to 24	10,441	10,204	9,406	9,314	-237	-2.3	-92	-1.0
25 to 34	11,728	11,790	12,733	12,292	62	0.5	-441	-3.5
35 to 44	11,266	8,450	9,354	10,359	-2,816	-25.0	1,004	10.7
45 to 54	9,776	10,046	8,752	8,294	270	2.8	-458	-5.2
55 to 64	5,907	8,836	10,019	9,316	2,929	49.6	-702	-7.0
65 to 74	4,529	4,734	7,184	8,267	205	4.5	1,083	15.1
75 to 84	3,979	3,501	3,692	4,534	-478	-12.0	842	22.8
85 and over	1,958	2,088	2,415	2,383	130	6.6	-32	-1.3
Subtotal	74,920	73,969	78,175	79,478	-951	-1.3	1,303	1.7
Market Area Total								
Under 18	21,477	20,575	21,107	21,260	-902	-4.2	153	0.7
18 to 24	14,182	13,846	12,945	12,761	-336	-2.4	-184	-1.4
25 to 34	15,905	16,262	17,683	16,992	357	2.2	-691	-3.9
35 to 44	16,102	11,995	13,619	15,201	-4,107	-25.5	1,582	11.6
45 to 54	14,249	14,780	12,911	12,287	531	3.7	-624	-4.8
55 to 64	9,401	13,063	15,020	13,945	3,662	39.0	-1,075	-7.2
65 to 74	7,641	7,710	11,329	12,946	69	0.9	1,617	14.3
75 to 84	6,630	5,925	6,350	7,656	-705	-10.6	1,306	20.6
85 and over	3,023	3,473	4,155	4,136	450	14.9	-19	-0.4
Total	108,610	107,629	115,119	117,183	-981	-0.9	2,064	1.8
Sources: U.S. Census Bureau; ESRI; Maxfield Research & Consulting, LLC								



Household Income by Age of Householder

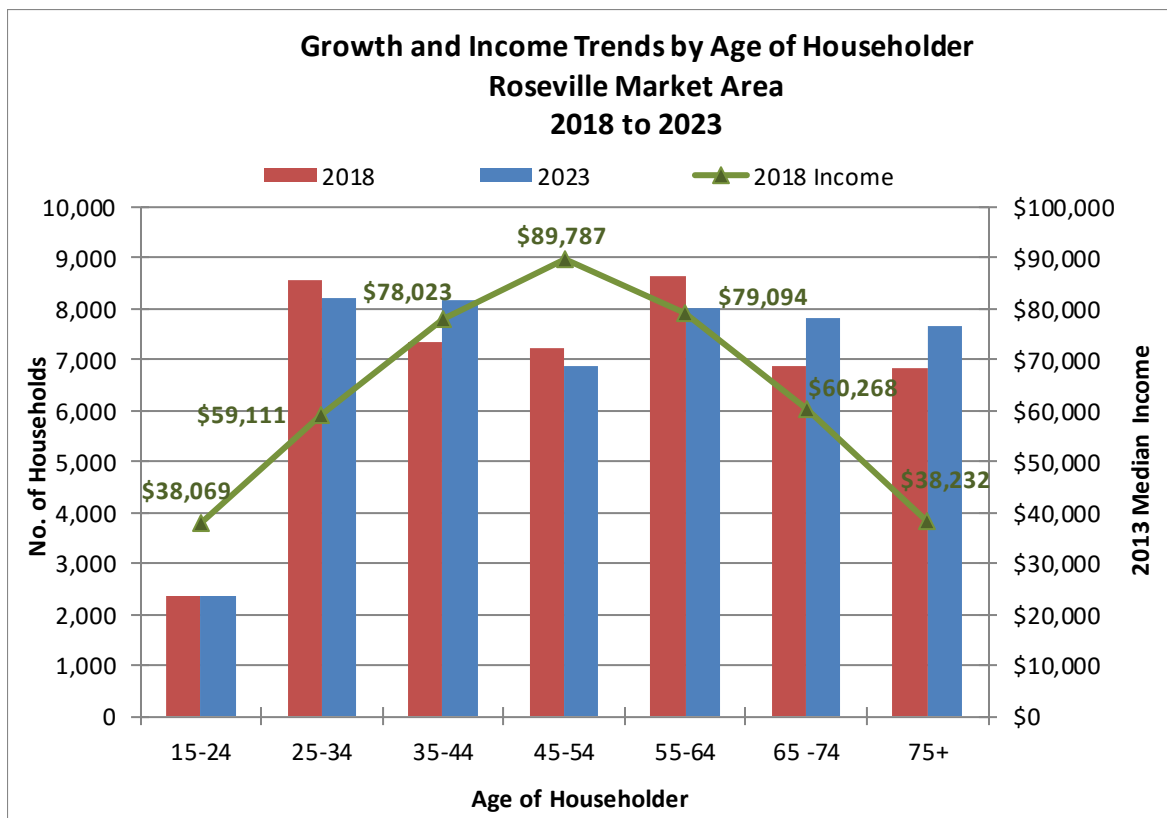
The estimated distribution of household incomes in Roseville and the Market Area for 2018 and 2023 are shown in Tables A-3 and A-4. The data was estimated by Maxfield Research based on income trends provided by ESRI. The data helps ascertain the demand for different housing products based on the size of the market at specific cost levels.

The Department of Housing and Urban Development defines affordable housing costs as 30% of a household's adjusted gross income. For example, a household with an income of \$50,000 per year would be able to afford a monthly housing cost of about \$1,250. 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.

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. Thus, a \$50,000 income would translate to an affordable single-family home of \$150,000 to \$175,000. The higher end of this range assumes that the person has adequate funds for down payment and closing costs, but also does not include savings or equity in an existing home which would allow them to purchase a higher priced home.

DEMOGRAPHIC ANALYSIS

- Roseville has an estimated median household income of \$64,946 in 2018, which is slightly higher than the median household income in the Market Area (\$62,702). Both Roseville and the Market Area have higher median household incomes than in Ramsey County (\$59,221) but lower than the Metro Area (\$75,657) in 2018.
- With a household income of \$62,702, a non-senior household (median household income under age 65) could afford a monthly housing cost of about \$1,568, based on an allocation of 30% of income toward housing. A senior household with an income of \$38,232 (the median household income of seniors 75+ in the Market Area) could afford a monthly housing cost of \$1,274, based on an allocation of 40% of income toward housing.



Non-Senior Households

- In 2018, 14% of the non-senior (under age 65) households in the Market Area have incomes under \$25,000 (4,884 households). All these households would be eligible for subsidized rental housing. Another 9% of the Market Area's non-senior households have incomes between \$25,000 and \$35,000 (2,964 households). Many of these households could afford "affordable" or older market rate rentals. If housing costs absorb 30% of income, households with incomes of \$25,000 to \$35,000 could afford to pay \$625 to \$875 per month. Average monthly rents for one-bedroom units in Roseville are \$958 (shown in Table D-3 in the *Rental Market Analysis* section).

DEMOGRAPHIC ANALYSIS

- Median incomes for households in the Market Area peak at \$89,787 for the 45 to 54 age group in 2018. Households in this age group are in their peak earning years. Most households (66%) in this age group are homeowners. By 2018, the median income for the 45 to 54 age group is projected to increase to \$103,025, a 15% increase.
- The median resale price of homes in Roseville was \$243,000 through 2017 (see Table F-1). The income required to afford a home at this price would be about \$69,430 to \$81,000, 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). In 2018, an estimated 53% (13,528 households) of the Market Area's non-senior households had incomes greater than \$69,430.
- Incomes are expected to increase by 15% between 2018 and 2023 in the Market Area for a median income of \$81,960 for non-senior households. This equates to an increase of 3% annually, above the annual inflation rate.

Senior Households

- The oldest householders are likely to have lower incomes in 2018. In the Market Area, 7% of households ages 65 to 74 have incomes below \$15,000, compared to 12% of households ages 75 and over. Many of these low-income older senior households rely solely on social security benefits. 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 2018 median incomes for Market Area householders age 65 to 74 and 75+ are \$60,268, and \$38,232, respectively.
- Generally, senior households with incomes greater than \$35,000 can afford market rate senior housing. Based on a 40% allocation of income for housing, this translates to monthly rents of at least \$1,165. About 8,855 senior households in the Market Area (56.3% of senior households) have incomes above \$35,000 in 2018.
- Seniors who are able and willing to pay 80% or more of their income on assisted living housing would need an annual income of \$40,000 to afford monthly rents of \$3,000, which is about the beginning monthly rent for assisted living projects in the Market Area. There are an estimated 3,355 older senior (ages 75 and over) households with incomes greater than \$40,000 in 2018. Seniors age 75 and over are the primary market for assisted living housing.
- The median income for seniors age 65+ in the Market Area is \$49,290 in 2018. It is projected to increase by \$6,730 (14%) to \$56,021 by 2018.

DEMOGRAPHIC ANALYSIS

TABLE A-3 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER CITY OF ROSEVILLE (Number of Households) 2018 & 2023								
	Total	Age of Householder						
		Under 25	25-34	35-44	45-54	55-64	65 -74	75+
2018								
Less than \$15,000	1,182	94	163	124	107	189	173	332
\$15,000 to \$24,999	1,336	71	192	115	93	179	195	490
\$25,000 to \$34,999	1,307	62	203	149	110	168	189	425
\$35,000 to \$49,999	2,176	97	331	268	238	300	352	590
\$50,000 to \$74,999	2,539	134	418	330	315	426	456	460
\$75,000 to \$99,999	2,134	49	357	346	346	443	366	226
\$100,000 to \$149,999	2,840	52	463	549	585	610	356	225
\$150,000 to \$199,999	984	9	123	156	235	249	148	64
\$200,000+	959	5	71	174	227	243	154	85
Total	15,457	574	2,323	2,211	2,254	2,807	2,390	2,897
Median Income	\$64,946	\$42,967	\$64,003	\$81,990	\$92,768	\$81,364	\$63,267	\$38,860
2023								
Less than \$15,000	975	84	125	109	69	129	147	312
\$15,000 to \$24,999	1,139	59	146	90	64	131	175	474
\$25,000 to \$34,999	1,150	53	161	132	75	125	188	416
\$35,000 to \$49,999	2,016	90	282	244	187	233	357	623
\$50,000 to \$74,999	2,502	136	379	342	267	363	493	522
\$75,000 to \$99,999	2,252	53	355	393	326	420	418	287
\$100,000 to \$149,999	3,478	66	529	741	655	657	491	339
\$150,000 to \$199,999	1,202	9	146	214	258	274	205	96
\$200,000+	1,198	6	88	241	258	265	217	123
Total	15,912	556	2,211	2,506	2,159	2,597	2,691	3,192
Median Income	\$76,453	\$48,222	\$75,638	\$95,395	\$104,108	\$92,441	\$73,962	\$43,160
Change - 2018 to 2023								
Less than \$15,000	-207	-10	-38	-15	-38	-60	-26	-20
\$15,000 to \$24,999	-197	-12	-46	-25	-29	-48	-20	-16
\$25,000 to \$34,999	-157	-9	-42	-17	-35	-43	-1	-9
\$35,000 to \$49,999	-160	-7	-49	-24	-51	-67	5	33
\$50,000 to \$74,999	-37	2	-39	12	-48	-63	37	62
\$75,000 to \$99,999	118	4	-2	47	-20	-23	52	61
\$100,000 to \$149,999	638	14	66	192	70	47	135	114
\$150,000 to \$199,999	218	-0	23	58	23	25	57	32
\$200,000+	239	1	17	67	31	22	63	38
Total	455	-18	-112	295	-95	-210	301	295
Median Income	\$11,507	\$5,255	\$11,635	\$13,405	\$11,340	\$11,077	\$10,695	\$4,300
Sources: ESRI; Maxfield Research & Consulting, LLC								

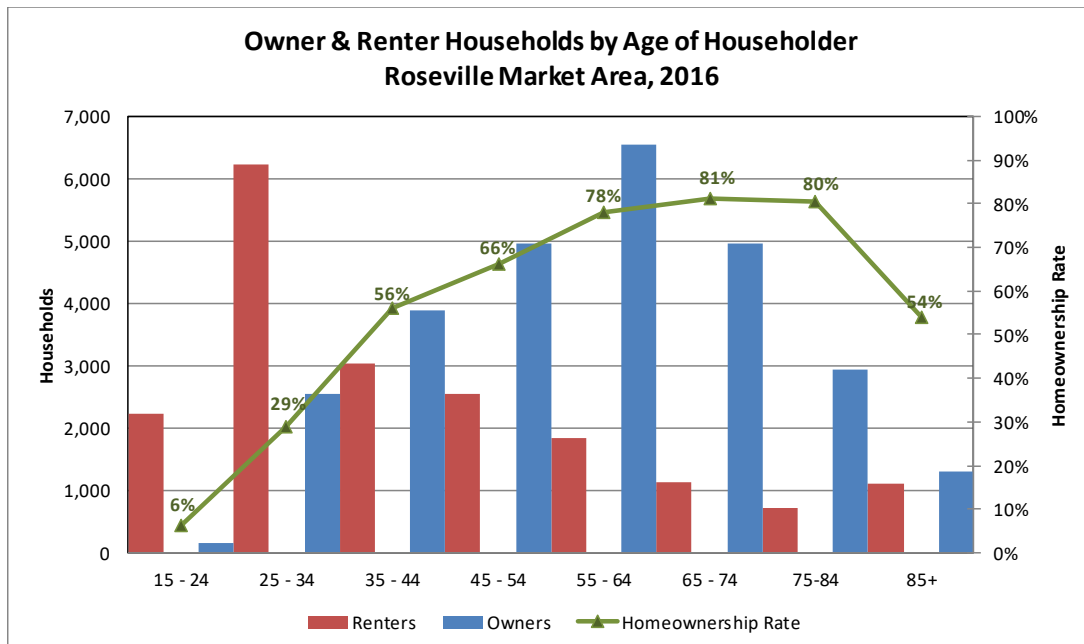
DEMOGRAPHIC ANALYSIS

TABLE A-4 HOUSEHOLD INCOME BY AGE OF HOUSEHOLDER ROSEVILLE MARKET AREA (Number of Households) 2018 & 2023								
	Total	Age of Householder						
		Under 25	25-34	35-44	45-54	55-64	65 -74	75+
2018								
Less than \$15,000	3,708	400	631	436	366	591	494	790
\$15,000 to \$24,999	4,334	331	755	416	323	594	655	1,260
\$25,000 to \$34,999	4,617	337	945	616	445	620	654	999
\$35,000 to \$49,999	6,361	420	1,205	879	742	895	947	1,272
\$50,000 to \$74,999	8,164	455	1,610	1,160	1,072	1,365	1,351	1,152
\$75,000 to \$99,999	6,193	202	1,234	1,060	1,000	1,218	946	533
\$100,000 to \$149,999	7,908	151	1,384	1,571	1,657	1,703	967	477
\$150,000 to \$199,999	3,539	45	490	628	873	863	456	185
\$200,000+	2,999	25	300	582	732	790	408	162
Total	47,824	2,366	8,553	7,348	7,211	8,638	6,879	6,829
Median Income	\$62,702	\$38,069	\$59,111	\$78,023	\$89,787	\$79,094	\$60,268	\$38,232
2023								
Less than \$15,000	3,103	366	495	396	252	409	427	758
\$15,000 to \$24,999	3,755	291	588	334	226	452	607	1,256
\$25,000 to \$34,999	4,148	314	780	567	323	482	661	1,021
\$35,000 to \$49,999	6,005	416	1,069	826	601	719	990	1,384
\$50,000 to \$74,999	8,021	464	1,472	1,195	914	1,171	1,472	1,334
\$75,000 to \$99,999	6,516	227	1,235	1,182	938	1,147	1,103	685
\$100,000 to \$149,999	9,586	197	1,614	2,059	1,823	1,833	1,340	722
\$150,000 to \$199,999	4,286	54	586	831	957	949	635	275
\$200,000+	3,725	29	380	791	837	859	592	236
Total	49,145	2,357	8,220	8,181	6,869	8,019	7,828	7,670
Median Income	\$73,028	\$41,176	\$68,379	\$89,670	\$103,025	\$90,347	\$69,418	\$42,347
Change - 2018 to 2023								
Less than \$15,000	-606	-34	-136	-40	-114	-182	-67	-32
\$15,000 to \$24,999	-580	-40	-166	-82	-97	-142	-48	-4
\$25,000 to \$34,999	-469	-24	-165	-49	-123	-138	7	22
\$35,000 to \$49,999	-356	-4	-136	-53	-141	-176	43	111
\$50,000 to \$74,999	-143	9	-138	35	-158	-194	121	182
\$75,000 to \$99,999	323	25	1	122	-63	-71	157	152
\$100,000 to \$149,999	1,678	47	230	487	166	130	373	245
\$150,000 to \$199,999	748	9	97	203	84	86	180	90
\$200,000+	726	4	80	209	105	69	184	74
Total	1,321	-9	-333	833	-342	-619	949	841
Median Income	\$10,326	\$3,107	\$9,268	\$11,647	\$13,238	\$11,253	\$9,150	\$4,115
Sources: ESRI; Maxfield Research & Consulting, LLC								

Tenure by Age of Householder

Table A-5 shows the number of owner and renter households in the Market Area by age group in 2010 and 2016. This data is useful in determining demand for certain types of housing since housing preferences change throughout an individual's life cycle.

- In 2010, 62.1% of all households in the Market Area owned their housing. By 2016, that percentage is estimated to have decreased to 59.1%. The housing market downturn during the late 2000s shifted household trends that continues to today.
- Roseville had higher homeownership rates than the Remainder of the Market Area in all age cohorts in 2010. Overall, 67.2% were homeowners in Roseville compared to 59.7% in the Remainder of the Market Area. By 2016, its estimated that this gap will decrease as homeowners in Roseville decline to 62.7% while the Remainder of the Market Area will fall only to 57.7%.
- As households progress through their life cycle, housing needs change. The proportion of renter households decreases significantly as households age out of their young-adult years. However, by the time households reach their senior years, rental housing often becomes a more viable option than homeownership, reducing the responsibility of maintenance and a financial commitment.



- In 2016, an estimated 93.7% of the Market Area's households under age 25 rented their housing, compared to 71.0% of households between the ages of 25 and 34. Householders between 35 and 64 were homeowners, with no more than 44% of the householders in each 10-year age cohort renting their housing.

DEMOGRAPHIC ANALYSIS

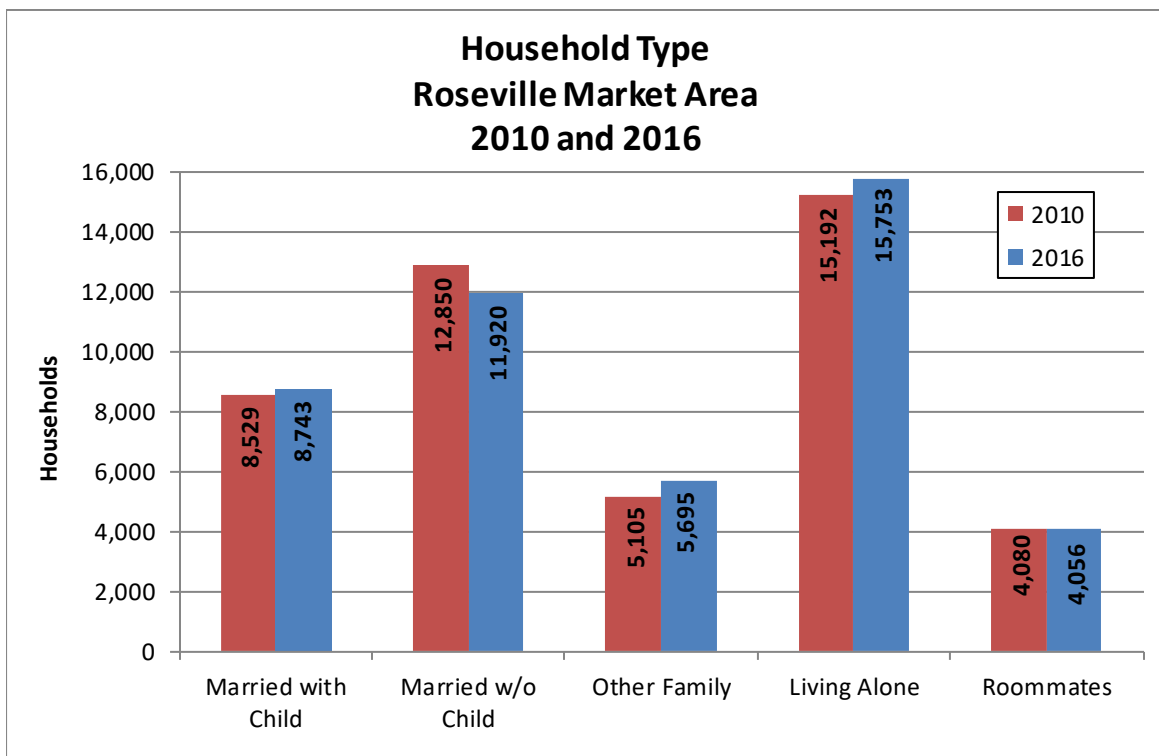
**TABLE A-5
TENURE BY AGE OF HOUSEHOLDER
ROSEVILLE MARKET AREA
2010 & 2016**

Age		City of Roseville				Remainder of Market Area				Market Area Total			
		2010		2016		2010		2016		2010		2016	
		No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
15-24	Own	58	9.1	42	6.6	138	6.7	109	6.2	196	7.3	151	6.3
	Rent	577	90.9	591	93.4	1,916	93.3	1,638	93.8	2,493	92.7	2,229	93.7
	Total	635	100.0	633	100.0	2,054	100.0	1,747	100.0	2,689	100.0	2,380	100.0
25-34	Own	863	38.6	848	33.5	1,904	31.6	1,696	27.2	2,767	33.5	2,544	29.0
	Rent	1,373	61.4	1,686	66.5	4,118	68.4	4,542	72.8	5,491	66.5	6,228	71.0
	Total	2,236	100.0	2,534	100.0	6,022	100.0	6,238	100.0	8,258	100.0	8,772	100.0
35-44	Own	1,222	62.3	1,016	56.9	2,867	59.4	2,871	55.8	4,089	60.3	3,887	56.1
	Rent	738	37.7	770	43.1	1,957	40.6	2,274	44.2	2,695	39.7	3,044	43.9
	Total	1,960	100.0	1,786	100.0	4,824	100.0	5,145	100.0	6,784	100.0	6,931	100.0
45-54	Own	2,092	76.5	1,628	64.7	4,268	71.8	3,333	66.9	6,360	73.3	4,961	66.1
	Rent	643	23.5	890	35.3	1,676	28.2	1,652	33.1	2,319	26.7	2,542	33.9
	Total	2,735	100.0	2,518	100.0	5,944	100.0	4,985	100.0	8,679	100.0	7,503	100.0
55-64	Own	2,053	81.1	2,041	77.2	4,269	79.2	4,514	78.3	6,322	79.8	6,555	78.0
	Rent	478	18.9	602	22.8	1,119	20.8	1,248	21.7	1,597	20.2	1,850	22.0
	Total	2,531	100.0	2,643	100.0	5,388	100.0	5,762	100.0	7,919	100.0	8,405	100.0
65-74	Own	1,596	86.9	1,754	83.0	2,525	81.9	3,203	80.4	4,121	83.7	4,957	81.3
	Rent	241	13.1	360	17.0	559	18.1	780	19.6	800	16.3	1,140	18.7
	Total	1,837	100.0	2,114	100.0	3,084	100.0	3,983	100.0	4,921	100.0	6,097	100.0
75-84	Own	1,363	82.3	1,261	87.0	1,816	76.2	1,688	76.1	3,179	78.7	2,949	80.4
	Rent	294	17.7	189	13.0	566	23.8	531	23.9	860	21.3	720	19.6
	Total	1,657	100.0	1,450	100.0	2,382	100.0	2,219	100.0	4,039	100.0	3,669	100.0
85+	Own	584	56.6	640	55.9	742	56.3	657	51.9	1,326	56.4	1,297	53.8
	Rent	448	43.4	505	44.1	575	43.7	608	48.1	1,023	43.6	1,113	46.2
	Total	1,032	100.0	1,145	100.0	1,317	100.0	1,265	100.0	2,349	100.0	2,410	100.0
TOTAL	Own	9,831	67.2	9,230	62.3	18,529	59.7	18,071	57.7	28,360	62.1	27,301	59.1
	Rent	4,792	32.8	5,593	37.7	12,486	40.3	13,273	42.3	17,278	37.9	18,866	40.9
	Total	14,623	100.0	14,823	100.0	31,015	100.0	31,344	100.0	45,638	100.0	46,167	100.0
Sources: U.S. Census Bureau; American Community Survey (2012-2016); Maxfield Research & Consulting, LLC													

Household Type

Table A-6 shows a breakdown of the type of households present in the Market Area in 2010 and 2016. The data is useful in assessing housing demand since the household composition often dictates the type of housing needed and preferred.

- Between 2010 and 2016, the Market Area is estimated to have experienced a decrease in Married Families without children and Roommate households while other household types increased. Married families with children experienced the largest numerical decrease (-930 households or -7%). The decrease in households married with children can be attributed to couples waiting longer to have children and baby boomers aging into their empty nester years.
- Other Households are estimated have experienced the highest percentage increase of 590 households (12%). Other families include single-parents and unmarried couples with children.
- The Market Area also had a significant increase in Households Living Alone (a gain of 561 households, or 4%). This could indicate an aging senior population as well as a preference for younger people wanting to live alone.



DEMOGRAPHIC ANALYSIS

**TABLE A-6
HOUSEHOLD TYPE
ROSEVILLE MARKET AREA
2010 & 2016**

	Total HH's		Family Households						Non-Family Households			
			Married w/o Child		Married w/ Child		Other *		Living Alone		Roommates	
	2010	2016	2010	2016	2010	2016	2010	2016	2010	2016	2010	2016
Number of Households												
Roseville	14,623	14,823	4,370	3,880	2,358	2,760	1,678	1,421	5,160	5,663	1,057	1,099
Rem. of Market Area	45,638	31,344	12,462	8,040	7,583	5,983	5,901	4,274	15,669	10,090	4,023	2,957
Market Area Total	60,261	46,167	12,850	11,920	8,529	8,743	5,105	5,695	15,192	15,753	4,080	4,056
Percent of Total												
Roseville	100.0	100.0	29.9	26.2	16.1	18.6	11.5	9.6	35.3	38.2	7.2	7.4
Rem. of Market Area	100.0	100.0	27.3	25.7	16.6	19.1	12.9	13.6	34.3	32.2	8.8	9.4
Market Area Total	100.0	100.0	21.3	25.8	14.2	18.9	8.5	12.3	25.2	34.1	6.8	8.8
Change												
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Roseville	200	1.4	-490	-11.2	402	17.0	-257	-15.3	503	9.7	42	4.0
Rem. of Market Area	-14,294	-31.3	-4,422	-35.5	-1,600	-21.1	-1,627	-27.6	-5,579	-35.6	-1,066	-26.5
Market Area Total	-14,094	-23.4	-930	-7.2	214	2.5	590	11.6	561	3.7	-24	-0.6
* Single-parent families, unmarried couples with children.												
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC												

Employment Trends

Employment characteristics are an important component in assessing housing needs in any given market area. These trends are important to consider since job growth can generally fuel household and population growth as people generally desire to live near where they work. Long commute times and the redevelopment of core cities have encouraged households to move closer to major employment centers.

Employment Growth

Table B-1 shows employment growth trends and projections from 2000 to 2030 based on the most recent information available (Quarterly Census of Employment and Wages – QCEW) from the Minnesota Department of Employment and Economic Development (DEED) and the Metropolitan Council. Data for 2000, 2010, and 2017 represents the annual average employment for that year while 2018 data is from the 1st Quarter. The 2020 and 2030 forecasts are from the Metropolitan Council.

- In 2010, there were 39,211 jobs in Roseville, 333,043 jobs in Ramsey County and 1,607,916 jobs in the Metro Area. In light of the economic recession, by 2010 employment declined 10.5% (-4,107 jobs) in Roseville, 5.3% (-17,510 jobs) in Ramsey County, and 3.9% (-63,303 jobs) in the Metro Area.
- Data from the Quarterly Census of Employment and Wages indicates that Roseville gained 3,881 jobs (11%) between 2010 and 2017. During that time, the number of jobs increased 5% in Ramsey County and 13% in the Metro Area. Much of the Market Area job growth between 2010 and 2017 occurred in the Education and Health Services sector.
- Solid job growth is expected between 2010 and 2020. Roseville is projected to experience a 6% gain (2,001 jobs) during the decade while Ramsey County employment is also expected to increase by 13%. Employment in the Metro Area is projected to expand by 19%.
- Typically, households prefer to live near work for convenience. This preference is particularly true among renters. Young adults entering the work force, a primary target market for rental housing, often place great value on living near employment, education, shopping, and entertainment. With Downtown Minneapolis and Downtown St. Paul a relatively easy drive or transit ride away from Roseville, renters in the area have convenient access to a wide variety of jobs throughout the Metro Area.

EMPLOYMENT TRENDS

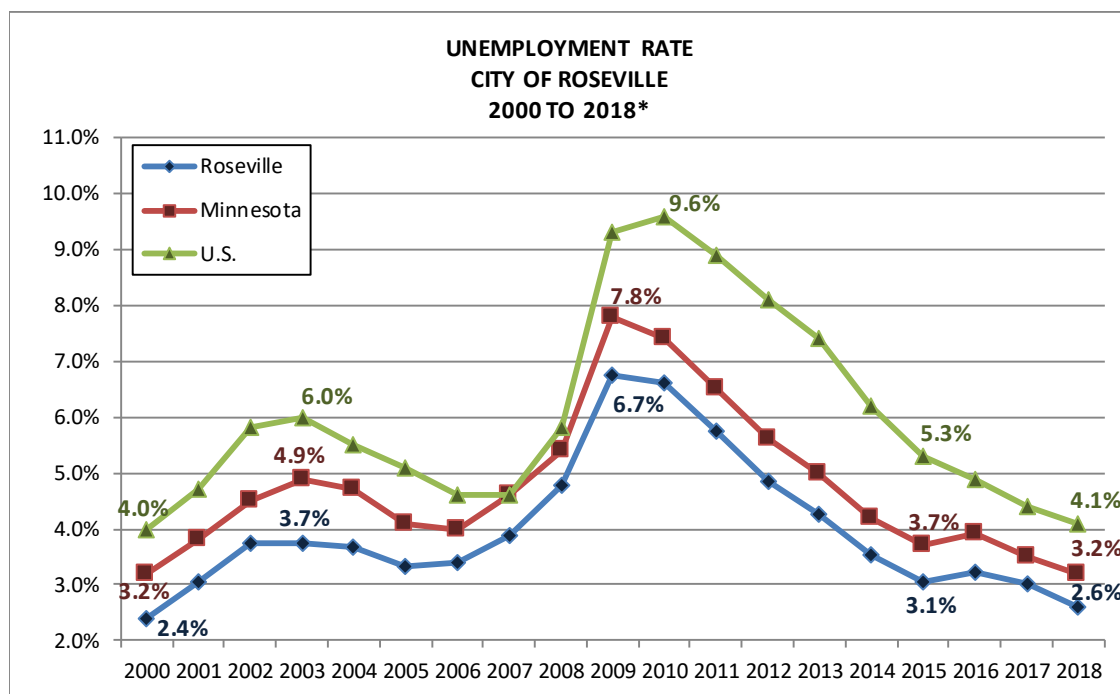
**TABLE B-1
EMPLOYMENT GROWTH TRENDS AND PROJECTIONS
ROSEVILLE MARKET AREA
2000-2030**

	Employment						Change					
	Actual				Forecast		2000-2010		2010-2020		2020-2030	
	2000	2010	2017	2018*	2020	2030	No.	Pct.	No.	Pct.	No.	Pct.
Roseville	39,612	35,299	39,180	40,038	37,300	38,300	-4,313	-10.9%	2,001	5.7%	1,000	2.7%
Arden Hills	12,231	12,311	11,175	10,681	15,000	16,300	80	0.7%	2,689	21.8%	1,300	8.7%
Falcon Heights	4,467	5,590	5,211	5,242	5,800	6,100	1,123	25.1%	210	3.8%	300	5.2%
Lauderdale	357	706	904	853	790	830	349	97.8%	84	11.9%	40	5.1%
Little Canada	5,864	5,648	6,395	5,586	7,000	7,600	-216	-3.7%	1,352	23.9%	600	8.6%
New Brighton	10,830	9,166	9,898	9,757	11,000	11,800	-1,664	-15.4%	1,834	20.0%	800	7.3%
Shoreview	9,849	11,731	11,710	11,131	13,200	14,100	1,882	19.1%	1,469	12.5%	900	6.8%
St. Paul	197,909	174,395	182,359	180,125	194,700	204,100	-23,514	-11.9%	20,305	11.6%	9,400	4.8%
St. Anthony	3,324	2,916	3,566	3,629	3,500	3,630	-408	-12.3%	584	20.0%	130	3.7%
Ramsey County	333,042	315,533	332,051	328,872	356,130	375,220	-17,509	-5.3%	40,597	12.9%	19,090	5.4%
Twin Cities Metro Area	1,600,741	1,537,041	1,737,627	1,727,863	1,828,000	1,910,000	-63,700	-4.0%	290,959	18.9%	82,000	4.5%
Note: Twin Cities Metro Area represents the 7-County planning region												
* Data is for 1st Quarter 2018												
Sources: MN Dept of Employment and Economic Development; Metropolitan Council; Maxfield Research & Consulting, LLC												

Resident Labor Force

Table B-2 presents resident employment data for Roseville from 2000 through July 2018. 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 of these individuals necessarily work in the City. The data is from the Minnesota Department of Employment and Economic Development.

- Resident employment in Roseville decreased by 2,050 people between 2000 and 2010 (-11%). The number of individuals in the labor market also decreased, but at a lower rate than resident employment. This resulted in an increase in unemployment from 2.4% (2000) to 6.6% (2010).
- From 2010 through 2017, resident employment and the labor force has recovered, increasing by over 1,800 people (11%) and 1,200 people (6%), respectively.
- Roseville's unemployment rate has been consistently lower than the State of Minnesota in every year from 2000 through 2017.
- The unemployment rate in Roseville increased to a high of 6.6% in 2010. However, every year since, the unemployment rate has fallen and is currently at 2.6% (July 2018). These are indicators that the economy has recovered.



EMPLOYMENT TRENDS

**TABLE B-2
RESIDENT EMPLOYMENT (ANNUAL AVERAGE)
CITY OF ROSEVILLE
2000 through 2018***

Year	Total Labor Force	Total Employed	Total Unemployed	Unemployment Rate	Minnesota Unemployment Rate	U.S. Unemployment Rate
2000	19,447	18,980	467	2.4%	3.2%	4.0%
2001	19,285	18,697	588	3.0%	3.8%	4.7%
2002	18,981	18,271	710	3.7%	4.5%	5.8%
2003	18,621	17,927	694	3.7%	4.9%	6.0%
2004	18,463	17,782	681	3.7%	4.7%	5.5%
2005	18,079	17,480	599	3.3%	4.1%	5.1%
2006	17,884	17,276	608	3.4%	4.0%	4.6%
2007	18,140	17,437	703	3.9%	4.6%	4.6%
2008	18,317	17,439	878	4.8%	5.4%	5.8%
2009	18,194	16,969	1,225	6.7%	7.8%	9.3%
2010	18,136	16,935	1,201	6.6%	7.4%	9.6%
2011	18,239	17,192	1,047	5.7%	6.5%	8.9%
2012	18,415	17,525	890	4.8%	5.6%	8.1%
2013	18,547	17,755	792	4.3%	5.0%	7.4%
2014	18,662	18,001	661	3.5%	4.2%	6.2%
2015	18,689	18,118	571	3.1%	3.7%	5.3%
2016	18,920	18,308	612	3.2%	3.9%	4.9%
2017	19,335	18,749	586	3.0%	3.5%	4.4%
2018*	19,950	19,432	518	2.6%	3.2%	4.1%
Change 2000-17	-112	-231	119	0.6%	0.3%	0.4%
* Data through July 2018.						
Sources: Minnesota Workforce Center; Maxfield Research & Consulting, LLC						

Covered Employment by Industry

Table B-3 presents covered employment in the City from 2000 through 2017. Covered employment data is calculated as an annual average and *reveals the number of jobs in the City*, which are covered by unemployment insurance. Most farm jobs, self-employed persons, and some other types of jobs are not covered by unemployment insurance and are not included in the table. The data is from the Minnesota Department of Employment and Economic Development.

- A comparison of Tables B-2 and B-3 show that in 2017, the number of jobs (36,503) was significantly higher than the number of employed persons (19,432) in Roseville. This indicates that there is a large in-migration of non-resident workers into Roseville.
- The Trade, Transportation, and Utilities Sector accounted for 28% of the City's jobs in 2017, which is a far greater percentage than most cities in the State. Statewide, Trade, Transportation, and Utilities jobs account for only 19.3% of all jobs. The City has a large Retail Trade

EMPLOYMENT TRENDS

industry due to Rosedale Center (a regional shopping mall) and several other major retail centers.

- Between 2000 and 2017, the total number of jobs decreased by 960, an 2.6% decrease. Manufacturing lost the greatest number of jobs (-3,289 jobs or -63%) between 2000 and 2017, followed by Trade, Transportation, and Utilities (-2,929 jobs or -22%). The Education and Health Sector grew the fastest both by rate (62%) and numerically (3,084).
- There were five other sectors that experienced growth which include in order of numerical growth: Leisure and Hospitality which added 758 jobs (21%), Financial Services which added 643 jobs (40%), and Public Administration which added 433 jobs (76%).

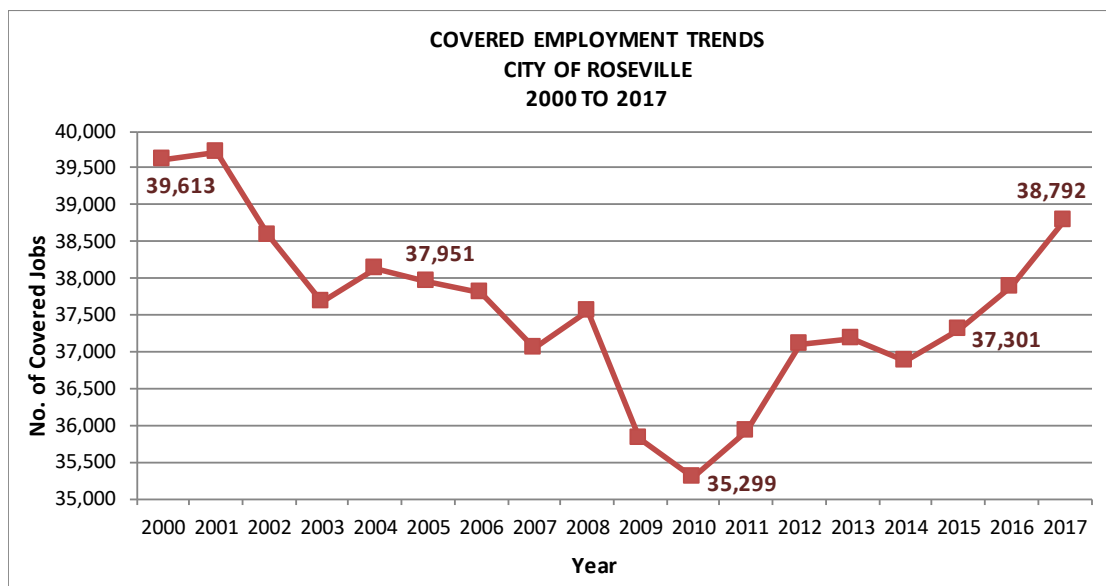


TABLE B-3 COVERED EMPLOYMENT TRENDS CITY OF ROSEVILLE 2000, 2005, 2015, 2017* North American Industrial Classification System (NAICS)												
Industry	Average Number of Employees					Change		% of Total				
	2000	2005	2010	2015	2017*	No.	Pct.	2000	2005	2010	2015	2017*
Natural Resources & Mining	0	0	0	0	0	0	0.0	0.0%	0.0%	0.0%	0.0%	0.0%
Construction	0	0	0	0	0	0	0.0	0.0%	0.0%	0.0%	0.0%	0.0%
Manufacturing	5,189	3,498	2,037	2,156	1,900	-3,289	-63.4	13.9%	9.7%	6.1%	6.1%	5.2%
Trade, Transportation, and Utilities	13,201	11,675	9,907	10,452	10,272	-2,929	-22.2	35.2%	32.4%	29.7%	29.8%	28.1%
Information	853	925	663	1,040	1,112	259	30.4	2.3%	2.6%	2.0%	3.0%	3.0%
Financial Services	1,612	2,066	1,843	2,020	2,255	643	39.9	4.3%	5.7%	5.5%	5.8%	6.2%
Professional and Business Services	6,456	6,056	6,281	5,392	6,636	180	2.8	17.2%	16.8%	18.8%	15.4%	18.2%
Education and Health Services	4,951	5,867	6,762	7,721	8,035	3,084	62.3	13.2%	16.3%	20.3%	22.0%	22.0%
Leisure and Hospitality	3,565	4,389	4,105	4,368	4,323	758	21.3	9.5%	12.2%	12.3%	12.5%	11.8%
Other Services	1,063	1,018	880	959	964	-99	-9.3	2.8%	2.8%	2.6%	2.7%	2.6%
Public Administration	573	486	892	974	1,006	433	75.6	1.5%	1.4%	2.7%	2.8%	2.8%
Totals	37,463	35,980	33,370	35,082	36,503	-960	-2.6	100%	100%	100%	100%	100%
* 1st Quarter 2017												
Source: Minnesota Workforce Center												

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 B-4 highlights the commuting patterns of workers in Roseville in 2015 (the most recent data available), based on Employer-Household Dynamics data from the U.S. Census Bureau. Similarly, Table B-5 highlights commuting patterns of all Ramsey County workers.

TABLE B-4 ROSEVILLE COMMUTING PATTERNS 2015			
Place of Residence	Place of Employment	Count	Percent
Place of Residence for Workers Commuting to Roseville			
St. Paul	Roseville	4,310	11.7%
Minneapolis	Roseville	3,528	9.5%
Roseville	Roseville	1,877	5.1%
Blaine	Roseville	1,065	2.9%
Coon Rapids	Roseville	819	2.2%
Brooklyn Park	Roseville	815	2.2%
Shoreview	Roseville	785	2.1%
Maplewood	Roseville	778	2.1%
New Brighton	Roseville	689	1.9%
Woodbury	Roseville	667	1.8%
All Other Locations	Roseville	21,625	58.5%
Rem. Of Metro	Roseville	16,465	44.6%
Outstate MN	Roseville	5,160	14.0%
Other State	Roseville	1,160	3.1%
		36,958	100.0%
Place of Employment for Roseville Residents			
Roseville	Minneapolis	3,879	21.7%
Roseville	St. Paul	3,332	18.6%
Roseville	Roseville	1,877	10.5%
Roseville	Bloomington	543	3.0%
Roseville	Shoreview	360	2.0%
Roseville	Arden Hills	353	2.0%
Roseville	Eagan	336	1.9%
Roseville	Maplewood	325	1.8%
Roseville	Little Canada	287	1.6%
Roseville	Edina	283	1.6%
Roseville	All Other Locations	6,297	35.2%
Roseville	Rem. Of Metro	5,415	30.3%
Roseville	Outstate MN	882	2.4%
Roseville	Other State	289	0.8%
		17,872	100.0%
Sources: US Census Bureau; Maxfield Research & Consulting, LLC			

EMPLOYMENT TRENDS

- Most Roseville residents either work in Minneapolis (22%) or St. Paul (19%). Only 10.5% of Roseville residents also work in Roseville.

TABLE B-5 RAMSEY COUNTY COMMUTING PATTERNS 2015			
Place of Residence	Employment	Count	Percent
Place of Residence for Workers Commuting to Ramsey County			
Ramsey	Ramsey	113,399	34.0%
Hennepin	Ramsey	64,924	19.5%
Washington	Ramsey	41,898	12.6%
Anoka	Ramsey	33,115	9.9%
Dakota	Ramsey	31,631	9.5%
St. Croix	Ramsey	6,303	1.9%
Chisago	Ramsey	5,225	1.6%
Scott	Ramsey	3,880	1.2%
Wright	Ramsey	3,113	0.9%
Sherburne	Ramsey	2,580	0.8%
All Other Counties	Ramsey	27,139	8.1%
Rem. of MN	Ramsey	14,413	4.3%
Wisconsin	Ramsey	11,245	3.4%
Illinois	Ramsey	165	0.0%
Iowa	Ramsey	262	0.1%
Other State	Ramsey	1,054	0.3%
		333,207	100.0%
Place of Employment for Ramsey County Workers			
Ramsey	Ramsey	113,399	43.2%
Ramsey	Hennepin	91,824	35.0%
Ramsey	Dakota	18,541	7.1%
Ramsey	Washington	13,552	5.2%
Ramsey	Anoka	10,971	4.2%
Ramsey	Scott	1,109	0.4%
Ramsey	St. Louis	1,082	0.4%
Ramsey	Stearns	917	0.3%
Ramsey	Carver	832	0.3%
Ramsey	St Croix	809	0.3%
Ramsey	All Other Counties	9,514	3.6%
Ramsey	Rem. of MN	5,620	2.1%
Ramsey	Wisconsin	1,808	0.7%
Ramsey	Iowa	274	0.1%
Ramsey	Illinois	302	0.1%
Ramsey	Other State	1,510	0.6%
		262,550	100.0%
Sources: US Census Bureau; Maxfield Research & Consulting, LLC			

EMPLOYMENT TRENDS

- About 95% of the jobs in Roseville in 2015 were filled by people living outside of the City. Most of these people lived in St. Paul, Minneapolis, Blaine, Coon Rapids, Brooklyn Park, and Shoreview.
- Approximately 43% of Ramsey County residents are also employed in Ramsey County. About 95% of Ramsey County workers commute within the seven-county Metro Area.

Existing Business Mix by Industry Sector

Table B-6 presents business data as compiled from ESRI in 2018. The business inventory database is compiled from multiple sources; including directory resources from the yellow and white pages, annual reports, 10ks, SEC filings, government data, U.S. Postal Service, business trade directories, newspapers, etc. The data is characterized based on the six-digit North American Industry Classification System (NAICS). The NAICS is the standard used by Federal statistical agencies in classifying business establishments for collecting, analyzing, and publishing statistical data related to the U.S. business economy.

TABLE B-6 BUSINESS SUMMARY - BY INDUSTRY SECTOR CITY OF ROSEVILLE 2018				
Business/Industry	Businesses		Employees	
	Number	Pct	Number	Pct
INDUSTRY SECTOR (Based on NAICS Codes)				
Agriculture, Forestry, Fishing and Hunting	2	0.1%	4	0.0%
Mining	2	0.1%	7	0.0%
Utilities	1	0.0%	30	0.1%
Construction	94	4.6%	1,056	3.0%
Manufacturing	69	3.4%	1,864	5.3%
Wholesale Trade	98	4.8%	1,840	5.2%
Retail Trade	348	17.1%	6,795	19.2%
Transportation & Warehousing	57	2.8%	1,587	4.5%
Information	61	3.0%	1,469	4.2%
Finance & Insurance	127	6.2%	964	2.7%
Real Estate, Rental & Leasing	112	5.5%	746	2.1%
Professional, Scientific & Tech Services	235	11.5%	2,214	6.3%
Management of Companies & Enterprises	5	0.2%	25	0.1%
Admin & Support & Waste Management & Remediation Services	66	3.2%	1,541	4.4%
Educational Services	39	1.9%	2,024	5.7%
Health Care & Social Assistance	225	11.0%	4,781	13.5%
Arts, Entertainment & Recreation	32	1.6%	422	1.2%
Accommodation & Food Services	130	6.4%	3,570	10.1%
Other Services (except Public Administration)	210	10.3%	2,374	6.7%
Public Administration	25	1.2%	2,035	5.7%
Unclassified Establishments	101	5.0%	44	0.1%
Total	2,039	100.0%	35,392	100.0%
Note: Industry sectors are based on NAICS code classifications (North American Industry Classification System)				
Sources: ESRI, Maxfield Research & Consulting, LLC				

EMPLOYMENT TRENDS

- There are an estimated 2,040 businesses with 35,392 employees in Roseville. Retail Trade is the largest industry sector (348 businesses) and has the highest number of employees (6,795). The City has a large Retail Trade sector due to Rosedale Center (a regional shopping mall) and the additional retail concentration that has developed around the Mall.
- Health Care & Social Assistance has the second highest number of employees at 4,781. Jobs at the North Memorial Urgent Care and Children's Roseville Clinic account for some of the Health Care & Social Assistance employees.

Major Employers

Table B-7 shows the major employers in Roseville in 2018 based on data provided by the City of Roseville.

- The Roseville Independent School District 623 is the largest employer in Roseville with an estimated 900 employees. The District operates six elementary schools, Spanish immersion school, K-8 school, K-6 inter-district integration magnet school, middle school, alternative high school, 9-12 high school, and adult learning center.
- The State of Minnesota has offices for the Department of Transportation, State Lottery, and Department of Education in Roseville. Combined, there are 1,150 employees in Roseville.
- The University of Northwestern-St. Paul is a private Christian college and employs approximately 800 people. Student enrollment is approximately 3,335 students in 2018.
- Other large employers in Roseville include: Presbyterian Homes and Services, which provides long-term care, senior housing and home health services to the elderly with 884 employees based on Roseville; Veritas, a computer software manufacturer with 480 employees; Macy's which operates two locations with 400 employees; Bethel University with 377 employees; the City of Roseville with 369 employees; Walmart with 350 employees; FedEx Freight with 350 employees and Old Dutch Foods with 315 Employees.

EMPLOYMENT TRENDS

**TABLE B-7
MAJOR EMPLOYERS
CITY OF ROSEVILLE
2018**

Name of Company	Product/Service	Total No. Employees
Roseville Area Schools	Schools	900
Presbyterian Homes and Services	Long Term Care/Home Health/Sr Housing	884
University of Northwestern-St. Paul	Colleges and Universities	800
Minnesota Department of Transportation	State Government	600
Veritas	Computer Software Manufacturers	480
Minnesota Department of Education	State Government	400
Macy's	Department Store	400
Bethel University	Colleges and Universities	377
City of Roseville	State Government	369
Walmart	Department Store	350
FedEx Freight	Parcel Delivery Services	350
Old Dutch Foods	Food Manufacturing	315
Berger Transfer & Storage	Moving Company	280
McGough Construction	Construction Management	275
JCPenny	Department Store	250
Asmodee North America	Third Party Sales and Distribution	250
McKesson Technology	Pharmaceutical and Surgical Supplier	210
Hoglund Chwialkowski & Mrozik	Law Firm	200
Stantec	Community Planning Firm	200
Lunds & Byerly's	Grocery Store	200
Mind Ware Holdings	Childrens Toy Designer & Manufacturer	200
Fair Isaac Corporation	Credit Score Data Analytics	195
Eaglecrest	Senior Retirement Community	175
CPI Card Group	Financial, Commercial, & ID Card Provider	170
Golden Living Center	Assisted Living Facility	170
Hawkins, Inc.	Chemical Manufacturer and Distributor	165
Kohl's	Department Store	155
Cub Foods	Grocery Store	153
State Lottery	State Governement	150
Bimbo Bakery	Baked Goods	150
Target	Department Store	150
Amano McGann Inc	Parking Device Manufacturer	100
Total		10,023
Sources: City of Roseville; Maxfield Research & Consulting, LLC		

Introduction

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing functions as a building block for neighborhoods and goods and services. A portion of the housing market analysis for Roseville and the Market Area includes reviewing data on the age of the existing housing supply; examining residential building trends since 2000 and reviewing housing data from the American Community Survey that relates to the Roseville area.

Residential Construction Trends 2000 to Present

Maxfield Research obtained data from the U.S. Census Bureau on the number of building permits issued for new housing units in Roseville from 2000 through May 2018. Table C-1 displays permits issued for owner- and renter-occupied housing units. Permits include single-family and multifamily units. The following are key points about housing development since 2000.

- Roseville issued permits for the construction of 704 new residential units from 2000 through 2010. That equates to 64 units annually since 2000. There were 501 units permitted from 2011 through 2017 for an average of 72 units annually over the period.
- By 2006, Roseville had issued 94% of the overall permitted units for the last decade (2000 to 2010). Over the 2000 to 2006 period, residential construction averaged about 94 units per year. However, beginning in 2007, the start of the Great Recession, building permits declined rapidly and from 2007 through 2010, the average was only 11 units per year.
- Multifamily development has been scattered since 2000. Nearly all the multifamily housing development has been age-restricted (55+ and 62+). Since 2010, multifamily development has been concentrated in 2011 and 2016, with the construction of 178 and 197 units, respectively. In 2011, *Applewood Pointe*, a 48-unit senior cooperative, *Cherrywood Pointe*, an 74-unit senior housing development, and *Sienna Green*, a 50-unit affordable rental property were built. During 2016, *Applewood Pointe*, a 105-unit senior cooperative and *Cherrywood Pointe*, a 115-unit senior service-enriched development were constructed.

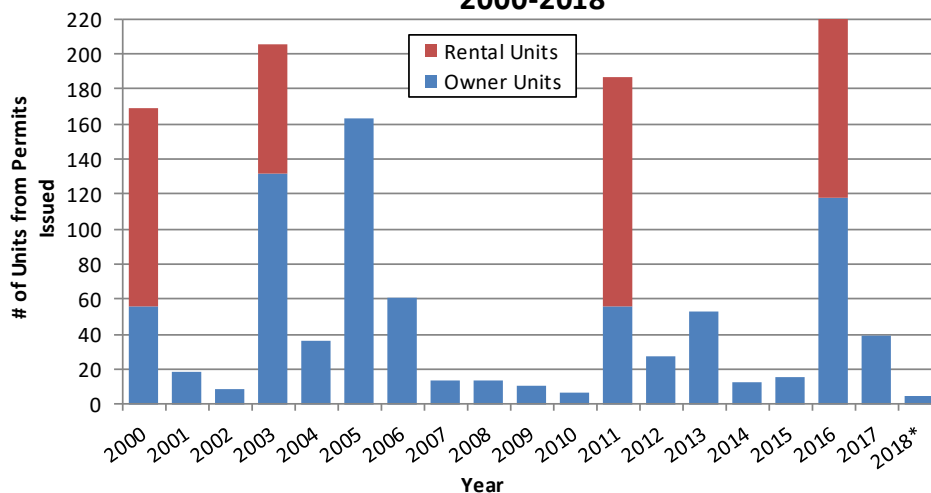
TABLE C-1
RESIDENTIAL CONSTRUCTION
CITY OF ROSEVILLE
ANNUAL BUILDING PERMITS ISSUED
2000 to 2018

Year	Permits Issued		
	Total Permits	Owner Units	Rental Units
2000	29	56	113
2001	18	18	0
2002	8	8	0
2003	42	132	74
2004	36	36	0
2005	31	163	0
2006	20	61	0
2007	13	13	0
2008	13	13	0
2009	10	10	0
2010	7	7	0
2011	12	56	131
2012	27	27	0
2013	13	53	0
2014	12	12	0
2015	15	15	0
2016	15	118	116
2017	39	39	0
2018*	5	5	0
Total	365	842	434

* Through June 2018

Sources: City of Roseville; Maxfield Research & Consulting, LLC

Residential New Construction (Total Units)
City of Roseville
2000-2018



Residential Land Supply

The City of Roseville is estimated to contain 8,860 total acres according to the Comprehensive Plan (2008). Approximately 38% of the City's existing land (3,339 acres) is residential with the majority being single-family detached residences (88%). Multifamily housing constituted 3.1% (279 acres) of the existing land use at the time of the Comprehensive Plan.

According to information supplied by the City of Roseville in September 2018, there are 76 vacant parcels with a total of 88.81 acres. Table C-2 summarizes vacant land by zoning district.

TABLE C-2 VACANT LAND SUMMARY CITY OF ROSEVILLE September 2018			
Zoning District Information	Number of Parcels	Total Acreage	Acreage Range Low - High
Residential Districts			
LDR Low Density Residential District (<5/acre)	30	11.83	0.13 - 3.35
MDR Medium Density Residential District (5-12/acre)	16	4.77	0.23 - 1.23
HDR High Density Residential District (12+/acre)	13	18.51	0.06 - 8.25
<i>Subtotal</i>	<u>59</u>	<u>35.11</u>	<u>0.06 - 8.25</u>
Mixed Use Districts			
CMU Community Mixed Use District	7	31.70	0.72 - 7.27
<i>Subtotal</i>	<u>7</u>	<u>31.70</u>	<u>0.72 - 7.27</u>
Commercial Districts			
NB Neighborhood Business District	3	1.69	0.29 - 0.91
CB Community Business District	2	0.94	0.30 - 0.64
RB Regional Business District	2	3.21	1.31 - 1.91
<i>Subtotal</i>	<u>7</u>	<u>5.84</u>	<u>0.29 - 1.91</u>
Employment Districts			
O/BP Office/Business District	1	11.42	1.42 - 1.42
I Industrial District	1	2.60	2.60 - 2.60
<i>Subtotal</i>	<u>2</u>	<u>14.02</u>	<u>1.42 - 2.60</u>
Public / Institutional			
INS Institutional District	1	2.14	2.14 - 2.14
<i>Subtotal</i>	<u>1</u>	<u>2.14</u>	<u>2.14 - 2.14</u>
TOTAL VACANT LAND	76	88.81	0.06 - 8.25

Sources: City of Roseville; Maxfield Research & Consulting, LLC

There are 13 vacant parcels that are currently zoned for high density uses (12+ units per acre).

Additionally, multifamily housing development may occur in the Mixed-Use Districts, which totals 31.70 acres, or by rezoning land that would be attractive for development of multifamily housing.

Townhomes and/or twin homes would most likely be located in Medium Density Residential Districts. There are 16 vacant parcels with 4.77 acres available. Some larger parcels in Low Density Residential Districts could also potentially be considered for townhomes or twin homes.

American Community Survey

The American Community Survey (“ACS”) is an ongoing statistical survey administered by the U.S. Census Bureau that is sent to approximately 3 million addresses annually. The survey gathers data previously contained only in the long form of the decennial census. As a result, the survey is ongoing and provides a more “up-to-date” portrait of demographic, economic, social, and household characteristics every year, not just every ten years. The most recent ACS highlights data collected between 2012 and 2016. It should be noted that all ACS surveys are subject to sampling error and uncertainty. The ACS reports margins of errors (MOEs) with estimates for most standard census geographies. The MOE is shown by reliability from low, medium to high. Due to the MOE, 2016 ACS data may have inconsistencies with previous 2010 Census data. Tables C-5 to C-9 show key data for Roseville and the Market Area.

Housing Units by Occupancy Status & Tenure

Tenure is a key variable that analyzes the propensity for householders to rent or own their housing unit. Tenure is an integral statistic used by numerous governmental agencies and private sector industries to assess neighborhood stability. Table C-3 shows historic trends from 2010 and 2016.

- The number of housing units is estimated to have decreased slightly by 167 units over the period, most of the decline occurred among owner-occupied units (-1,059 units, -4%). Consequently, the percentage of renter-occupied housing units is estimated to have increased by 8%, or 1,588 housing units.
- The gap of Roseville’s owner-occupied to renter-occupied unit ratio is estimated to have shrunk over the period.
- According to data from the American Community Survey, about 4.3% of the Market Area’s housing stock was vacant in 2016. However, the Census’ definition of vacant housing units includes: units that have been rented or sold, but not yet occupied, seasonal housing (vacation or second homes), housing for migrant workers, and even boarded-up housing. Thus, the U.S. Census vacancy figures are not always a true indicator of adequate housing available for new households wishing to move into the area. Based on data in Table C-4, approximately 33% of the vacant units were for rent and 11% were for sale.

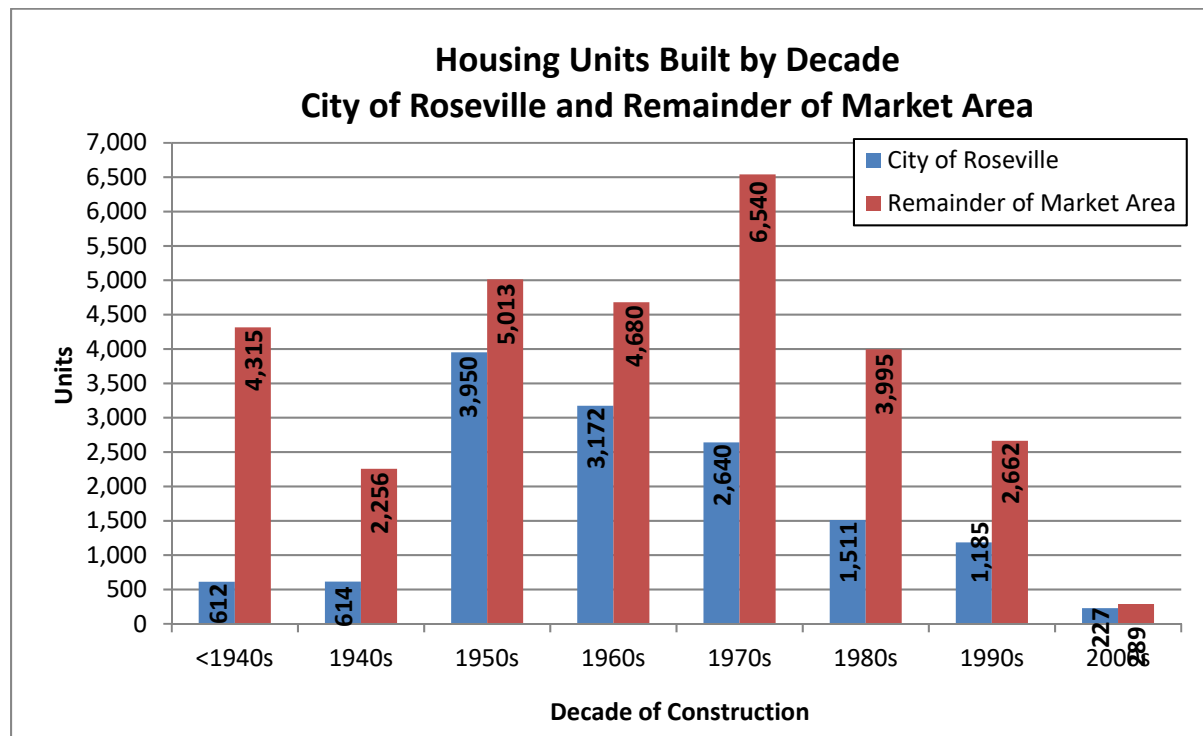
TABLE C-3 HOUSING UNITS BY OCCUPANCY STATUS & TENURE ROSEVILLE MARKET AREA 2010 to 2016						
Year/Occupancy	ROSEVILLE		REMAINDER		MARKET AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
2016						
Owner Occupied	9,230	59.2	18,071	55.3	27,301	56.6
Renter Occupied	5,593	35.9	13,273	40.6	18,866	39.1
Vacant	770	4.9	1,310	4.0	2,080	4.3
Total	15,593	100.0	32,654	100.0	48,247	100.0
2010						
Owner Occupied	9,831	63.5	18,529	56.3	28,360	58.6
Renter Occupied	4,792	30.9	12,486	37.9	17,278	35.7
Vacant	867	5.6	1,909	5.8	2,776	5.7
Total	15,490	100.0	32,924	100.0	48,414	100.0
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC						

TABLE C-4 VACANCY STATUS ROSEVILLE MARKET AREA 2016						
Vacancy Status	ROSEVILLE		REMAINDER		MARKET AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
For Rent	278	36.1	400	30.5	678	32.6
Rented, Not Occupied	9	1.2	255	19.5	264	12.7
For Sale Only	117	15.2	120	9.2	237	11.4
Sold, Not Occupied	102	13.2	90	6.9	192	9.2
For Seasonal, Recreational U	111	14.4	78	6.0	189	9.1
For Migratory Workers	0	0.0	0	0.0	0	0.0
Other Vacant	153	19.9	367	28.0	520	25.0
Total Vacant	770	100.0	1,310	100.0	2,080	100.0
Sources: U.S. Census Bureau; Maxfield Research & Consulting, LLC						

Age of Housing Stock

The following graph shows the age distribution of the housing stock based on data from the U.S. Census Bureau and the American Community Survey. Table C-5 includes the number of housing units built in the Market Area, prior to 1940 and during each decade since.

- In total, the Market Area is estimated to have 46,167 housing units, of which roughly 59% are owner-occupied and 41% are renter-occupied.
- The greatest percentage of homes in Roseville were built in the 1950s, which comprised 28.4% of the entire housing stock in the City. As a comparison, the greatest percentage of homes in the Remainder of the Market Area was built in the 1970s (20.9%).
- Rental units are newer than owner-occupied units in the Market Area. The median year built for owner-occupied housing was 1961 compared to 1977 for rental units.



HOUSING CHARACTERISTICS

TABLE C-5
AGE OF HOUSING STOCK
ROSEVILLE MARKET AREA
2016

			Year Unit Built																		
	Total Units	Med. Yr. Built	<1940		1940s		1950s		1960s		1970s		1980s		1990s		2000s		2010+		
			No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	
CITY OF ROSEVILLE																					
Owner-Occupied	9,230	1962	462	5.0	449	4.9	3,312	35.9	2,049	22.2	1,169	12.7	511	5.5	609	6.6	570	6.2	99	1.1	
Renter-Occupied	5,593	1976	150	2.7	165	3.0	638	11.4	1,123	20.1	1,471	26.3	1,000	17.9	576	10.3	342	6.1	128	2.3	
Total	13,911	1967	612	4.4	614	4.4	3,950	28.4	3,172	22.8	2,640	19.0	1,511	10.9	1,185	8.5	912	6.6	227	1.6	
REMAINDER OF MARKET AREA																					
Owner-Occupied	18,071	1964	3,488	19.3	1,805	10.0	3,797	21.0	2,695	14.9	2,359	13.1	1,933	10.7	1,139	6.3	742	4.1	113	0.6	
Renter-Occupied	13,273	1976	827	6.2	451	3.4	1,216	9.2	1,985	15.0	4,181	31.5	2,062	15.5	1,523	11.5	852	6.4	176	1.3	
Total	31,344	1969	4,315	13.8	2,256	7.2	5,013	16.0	4,680	14.9	6,540	20.9	3,995	12.7	2,662	8.5	1,594	5.1	289	0.9	
MARKET AREA TOTAL																					
Owner-Occupied	27,301	1961	3,950	14.5	2,254	8.3	7,109	26.0	4,744	17.4	3,528	12.9	2,444	9.0	1,748	6.4	1,312	4.8	212	0.8	
Renter-Occupied	18,866	1975	977	5.2	616	3.3	1,854	9.8	3,108	16.5	5,652	30.0	3,062	16.2	2,099	11.1	1,194	6.3	304	1.6	
Total	46,167	1657	4,927	10.7	2,870	6.2	8,963	19.4	7,852	17.0	9,180	19.9	5,506	11.9	3,847	8.3	2,506	5.4	516	1.1	
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC																					

Housing Units by Structure and Occupancy or (Housing Stock by Structure Type)

Table C-6 shows the housing stock in the Market Area by type of structure and tenure based on the 2016 ACS.

- The dominant housing type in the Market Area is the single-family detached home, representing an estimated 82% of all owner-occupied housing units and 9% of renter-occupied housing units as of 2016.
- Most of the housing units with five or more units are renter-occupied. Approximately 80% of housing with five or more units is renter-occupied. About 29% of all renter-occupied units in the Market Area with five or more units are in Roseville.
- The Market Area has several one-unit attached and detached homes that are rented, accounting for 14% of all rental units. The number of one-unit attached and detached rented units account for 38% of all one-unit rental properties in the Market Area.

TABLE C-6 HOUSING UNITS BY STRUCTURE & TENURE ROSEVILLE MARKET AREA 2016												
Units in Structure	ROSEVILLE				REMAINDER				MARKET AREA TOTAL			
	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.	Owner-Occupied	Pct.	Renter-Occupied	Pct.
1, detached	7,356	79.7%	607	10.9%	14,955	82.8%	1,027	8%	22,311	81.7%	1,634	8.7%
1, attached	695	7.5%	412	7.4%	995	5.5%	664	5%	1,690	6.2%	1,076	5.7%
2	51	0.6%	82	1.5%	145	0.8%	357	3%	196	0.7%	439	2.3%
3 to 4	13	0.1%	47	0.8%	34	0.2%	441	3%	47	0.2%	488	2.6%
5 to 9	34	0.4%	193	3.5%	143	0.8%	700	5%	177	0.6%	893	4.7%
10 to 19	27	0.3%	1,002	17.9%	48	0.3%	2,139	16%	75	0.3%	3,141	16.6%
20 to 49	361	3.9%	1,313	23.5%	326	1.8%	4,135	31%	687	2.5%	5,448	28.9%
50 or more	568	6.2%	1,887	33.7%	746	4.1%	3,662	28%	1,314	4.8%	5,549	29.4%
Mobile home	109	1.2%	50	0.9%	679	3.8%	148	1%	788	2.9%	198	1.0%
Boat, RV, van, etc.	16	0.2%	0	0.0%	0	0.0%	0	0%	16	0.1%	0	0.0%
Total	9,230	100%	5,593	100%	18,071	100%	13,273	100%	27,301	100%	18,866	100%

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

Owner-Occupied Housing Units by Mortgage Status

Table C-7 shows mortgage status and average values from the American Community Survey for 2016 (5-Year). Mortgage status provides information on the cost of homeownership when analyzed in conjunction with mortgage payment data. A mortgage refers to all forms of debt where the property is pledged as security for repayment of debt. A first mortgage has priority claim over any other mortgage or if it is the only mortgage. A second (and sometimes third) mortgage is called a "junior mortgage," a home equity line of credit (HELOC) would also fall into

HOUSING CHARACTERISTICS

this category. Finally, a housing unit without a mortgage is owned free and clear and is debt free.

- Approximately 61% of Roseville homeowners and 66% of homeowners in the Remainder of the Market Area had a mortgage. About 14% of homeowners with mortgages in Roseville also had a second mortgage and/or home equity loan. Comparatively, about 64% of homeowners in the United States had a mortgage in 2016.
- The median value for homes with a mortgage for Roseville homeowners was approximately \$230,000. By comparison, the same value in the U.S. was about \$203,900, or 11% lower than Roseville.

TABLE C-7 OWNER-OCCUPIED HOUSING UNITS BY MORTGAGE STATUS ROSEVILLE MARKET AREA 2016						
Mortgage Status	ROSEVILLE		REMAINDER		MARKET AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
Housing units without a mortgage	3,607	39.1	6,188	34.2	9,795	35.9
Housing units with a mortgage/debt	5,623	60.9	11,883	65.8	17,506	64.1
<i>Second mortgage only</i>	1066	11.5	2,601	14.4	3,667	13.4
<i>Home equity loan only</i>	263	2.8	651	3.6	914	3.3
<i>Both second mortgage and equity loan</i>	803	8.7	1,950	10.8	2,753	10.1
<i>No second mortgage or equity loan</i>	55	0.6	49	0.3	104	0.4
Total	9,230	100.0	18,071	100.0	27,301	100.0
Average Value by Mortgage Status						
Housing units with a mortgage	\$230,000		\$235,074		\$234,895	
Housing units without a mortgage	\$212,100		\$204,794		\$209,838	
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC						

Owner-Occupied Housing Units by Value

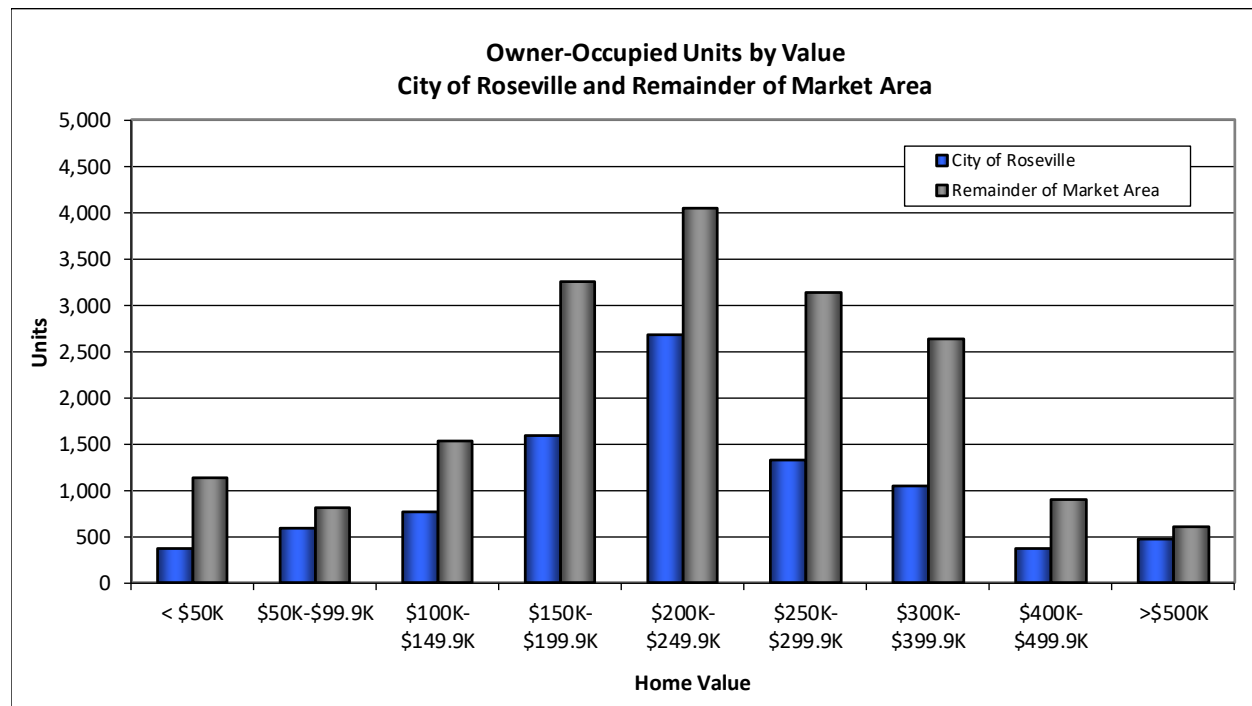
Table C-8 presents data on housing values summarized by nine price ranges. Housing value refers to the estimated price point the property would sell if the property were for sale. For single-family and townhome properties, value includes both the land and the structure. For condominium units, value refers to only the unit.

- The largest percentage of the owner-occupied housing stock in Roseville was estimated to be valued between \$200,000 and \$249,999 (29%). Roughly 60% of the owner-occupied housing stock had values between \$150,000 to \$299,999.

HOUSING CHARACTERISTICS

- The median owner-occupied home in Roseville was \$224,200 or \$4,712 less than the Remainder of the Market Area median home value (\$228,712). However, approximately 64% of homes in Roseville and the Remainder of the Market Area were valued at \$200,000 or greater.

TABLE C-8 OWNER-OCCUPIED UNITS BY VALUE ROSEVILLE MARKET AREA 2016						
Home Value	ROSEVILLE		REMAINDER		MARKET AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
Less than \$50,000	372	4.0	1,140	6.3	1,512	5.5
\$50,000-\$99,999	596	6.5	810	4.5	1,406	5.1
\$100,000-\$149,999	770	8.3	1,535	8.5	2,305	8.4
\$150,000-\$199,999	1,594	17.3	3,250	18.0	4,844	17.7
\$200,000-\$249,999	2,675	29.0	4,048	22.4	6,723	24.6
\$250,000-\$299,999	1,330	14.4	3,140	17.4	4,470	16.4
\$300,000-\$399,999	1,041	11.3	2,642	14.6	3,683	13.5
\$400,000-\$499,999	373	4.0	900	5.0	1,273	4.7
Greater than \$500,000	479	5.2	606	3.4	1,085	4.0
Total	9,230	100.0	18,071	100.0	27,301	100.0
Median Home Value	\$224,000		\$222,121		\$228,744	
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC						



Renter-Occupied Units by Contract Rent

Table C-9 presents information on the monthly housing costs for renters called contract rent (also known as asking rent). Contract rent is the monthly rent agreed to regardless of any utilities, furnishings, fees, or services that may be included.

- The estimated median contract rent in Roseville and the Remainder of the Market Area was \$876 and \$864, respectively. Based on a 30% allocation of income to housing, a household in Roseville would need an income of about \$35,040 to afford an average monthly rent of \$876.
- Approximately 39% of Roseville renters paying cash had monthly rents ranging from \$750 to \$999, 16% had monthly rents ranging from \$500 to \$749, and 32% had monthly rents of \$1,000 or more. That accounts for 87% of cash rent renters in Roseville of which 71% pay rents over \$750.
- Housing units without payment of rent (“no cash rent”) made up only 3% of Roseville renters. Typically, units may be owned by a relative or friend who lives elsewhere and who allow occupancy without charge. Other sources may include caretakers or ministers who may occupy a residence without charge.

TABLE C-9 RENTER-OCCUPIED UNITS BY CONTRACT RENT ROSEVILLE MARKET AREA 2016						
Contract Rent	ROSEVILLE		REMAINDER		MARKET AREA	
	No.	Pct.	No.	Pct.	Pct.	Pct.
No Cash Rent	188	3.4	285	2.1	473	2.5
Cash Rent	5,405	96.6	12,988	97.9	18,393	97.5
\$0 to \$249	213	3.8	222	1.7	435	2.3
\$250-\$499	307	5.5	446	3.4	753	4.0
\$500-\$749	913	16.3	3,019	22.7	3,932	20.8
\$750-\$999	2,161	38.6	6,007	45.3	8,168	43.3
\$1,000+	1,811	32.4	3,294	24.8	5,105	27.1
Total	5,593	100.0	13,273	100.0	18,866	100.0
Median Contract Rent	\$876		\$864		\$889	
Sources: U.S. Census Bureau - American Community Survey; Maxfield Research & Consulting, LLC						

Introduction

Maxfield Research identified and surveyed larger rental properties of eight or more units in Roseville.

For purposes of the analysis, rental properties into two groups, general occupancy and senior (age restricted). All senior properties are included in the *Senior Housing Analysis* section of this report. General occupancy rental properties are divided into three groups, market rate (those without income restrictions), affordable, (those receiving tax credits or other assistance to keep rents affordable), and subsidized (those with income restrictions based on 30% allocation of income to housing).

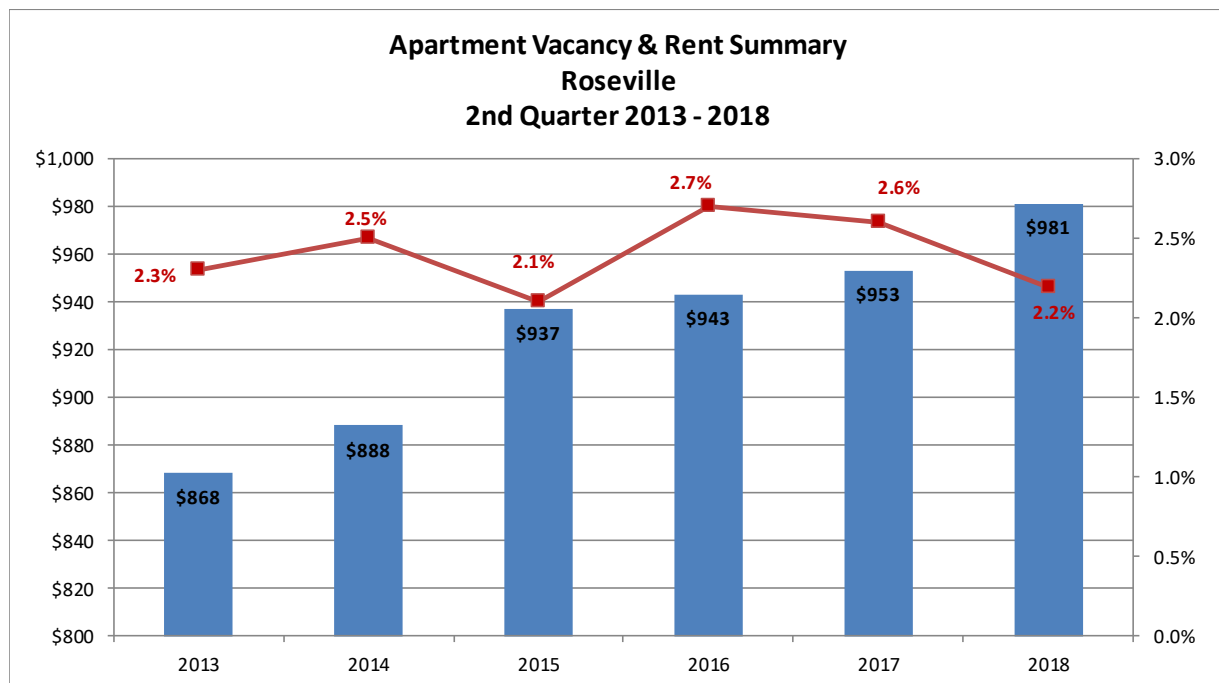
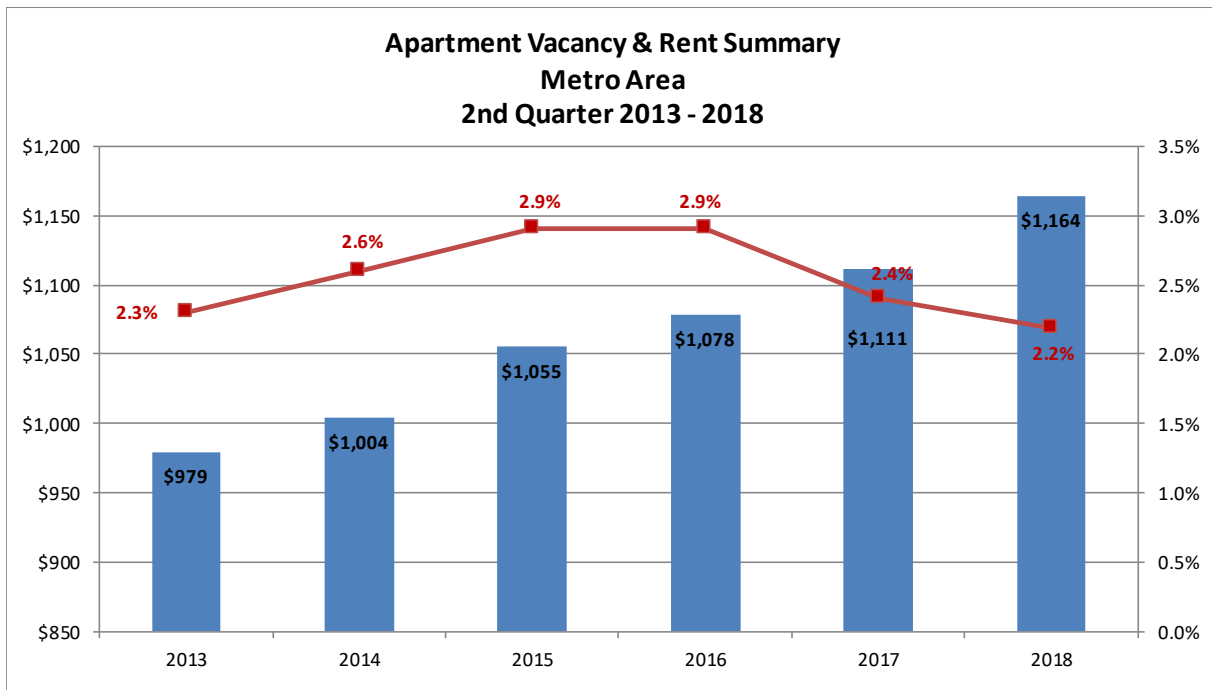
Historic Market Performance

While Roseville has its own housing demand, much of the housing growth is tied to the health of the Twin Cities Metro Area as a whole. The graph on the following page displays vacancy rate trends and average rent increases from 2nd Quarter 2013 through 2018. Data is from Marquette Advisors, Inc., which compiles apartment trends quarterly.

- The vacancy rates in Roseville over the period have been extremely low ranging from a low of 2.1% to 2.7% which is well below the recommended market equilibrium of 5.0%. The entire Twin Cities Metro Area has also experienced very low vacancy rates of 2.2% to 2.9% during the same period.
- Due to the uncertainty of the housing market after the Great Recession when it became more difficult to qualify for mortgage loans, more households turned to rental housing. Although the market has recovered and qualifying for a mortgage is less stringent, the rental market remains exceptionally strong and continues to exhibit significant pent-up demand due to a lack of for-sale inventory, strong employment growth and limited new rental development at moderate price points.
- Although the vacancy rate has fluctuated in Roseville and the Twin Cities, vacancy rates have remained under 3% for more than two years.
- Due to the decrease in vacancy rates, the average rent in Roseville and the Metro Area has increased. Average rents have risen every year since 2013 from \$868 to \$981 (13% growth) in Roseville and from \$979 to \$1,164 (19% growth) in the Twin Cities.
- The vacancy rate in Roseville was similar to the Metro Area over the period and has remained on par with or slightly lower than the Metro Area.

RENTAL MARKET ANALYSIS

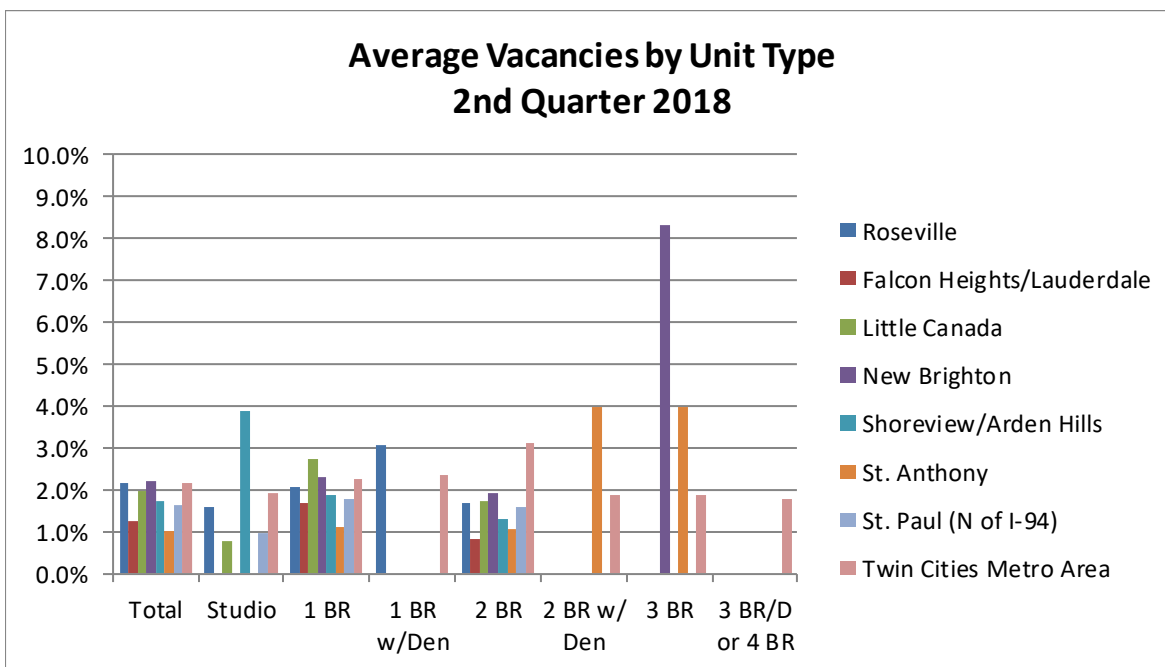
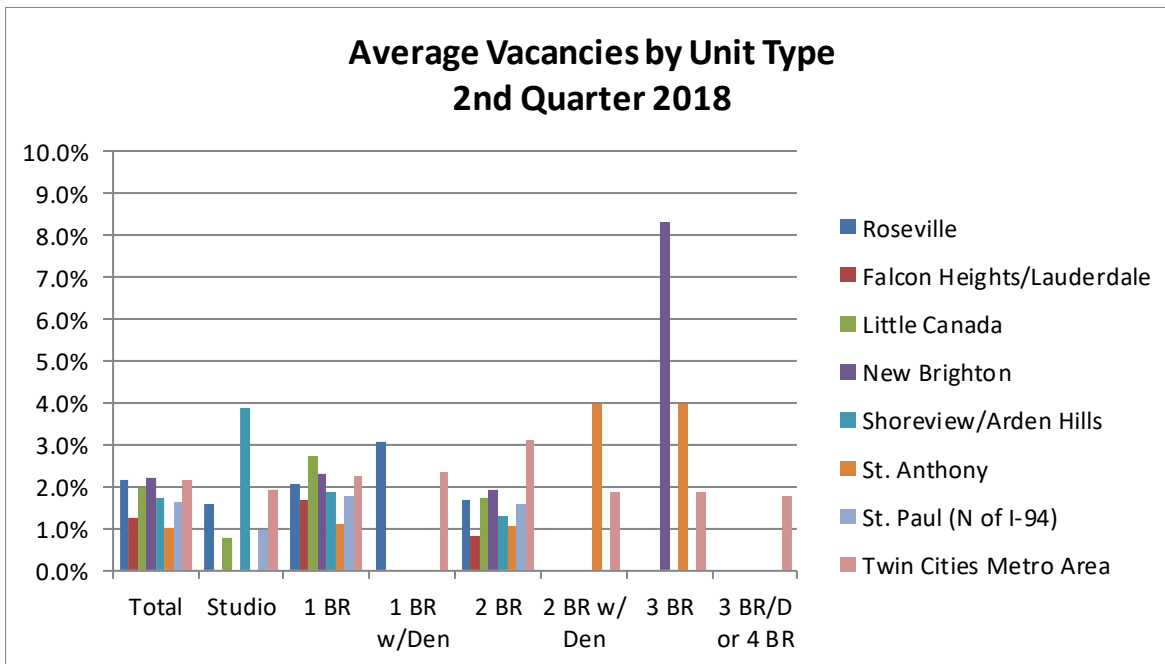
- With continued strong demand for rental units, absorption in the Metro Area during the first half of 2018 totaled roughly 2,800 units which outpaced newly delivered units in the Metro Area at 2,245. Another 3,500 units are expected to be built in the Metro Area during the second half of 2018 for a total of nearly 6,000 new units during the year. In 2019, there is a projected total of 7,000 or more new units estimated to be built. Half of these new units in 2018 are anticipated to be in Minneapolis or St. Paul with that percentage to decline to 30% during 2019.



RENTAL MARKET ANALYSIS

Table D-1 shows average monthly rents and vacancies as of 2nd Quarter 2018 by unit type in Roseville as well as the other Market Area communities including Falcon Heights/Lauderdale, Little Canada, New Brighton, Shoreview/Arden Hills, St. Anthony, and St. Paul (north of I-94). Data is from Marquette Advisors, Inc., which compiles apartment trends quarterly, with 2nd Quarter 2018 being the most recent information available.

- Of all the Market Area communities, St. Anthony had the highest average rent at \$1,098 and Falcon Heights had the lowest average rent at \$936.
- Roseville's rental rates are, on average, lower than average rental rates in Shoreview/Arden Hills and St. Anthony, but are higher than Falcon Heights/Lauderdale, Little Canada and New Brighton.
- Average monthly rents in Roseville were \$723 for studio units, \$895 for one-bedroom units, \$1,082 for two-bedroom units, and \$1,082 for three-bedroom units. Overall, the average monthly rent was \$981, an increase of 3% from the previous year.
- All other Market Area communities except Falcon Heights/Lauderdale had rent increases from the previous year. Average monthly rents in Falcon Heights/Lauderdale decreased by - 0.9%.
- The properties included in the survey are newer and older. Because the Apartment Trends Report does not segment newer properties in each submarket, average rents shown in Table D-1 are less than what is currently being achieved by the newest properties that have come on-line.
- No Market Area community had an overall vacancy rate above 2.2%. Roseville and New Brighton had the highest vacancy rates of 2.2% and St. Anthony had the lowest vacancy of 1.0%. Vacancy rates below 5% indicate that pent-up demand exists for additional rental units in the market.



RENTAL MARKET ANALYSIS

TABLE D-1 AVERAGE RENTS/VACANCIES TRENDS ROSEVILLE MARKET AREA 2nd Quarter 2018									
	Total	Studio	1 BR	1 BR w/ Den	2 BR	2 BR w/ Den	3 BR	3 BR/D or 4BR	Average Increase
ROSEVILLE									
6/2018	Units	2,881	63	1,686	98	962	--	--	--
	No. Vacant	63	1	35	3	16	--	--	--
	Avg. Rent	\$981	\$723	\$895	\$1,082	\$1,095	--	--	3.0%
	Vacancy	2.2%	1.6%	2.1%	3.1%	1.7%	--	--	-0.4%
FALCON HEIGHTS/LAUDERDALE									
6/2018	Units	559	4	297	--	244	--	14	--
	No. Vacant	7	0	5	--	2	--	0	--
	Avg. Rent	\$936	\$750	\$854	--	\$1,017	--	\$1,213	-0.9%
	Vacancy	1.3%	0.0%	1.7%	--	0.8%	--	0.0%	-0.3%
LITTLE CANADA									
6/2018	Units	1,225	131	473	--	575	--	46	--
	No. Vacant	24	1	13	--	10	--	0	--
	Avg. Rent	\$961	\$688	\$885	--	\$1,050	--	\$1,417	2.9%
	Vacancy	2.0%	0.8%	2.7%	--	1.7%	--	0.0%	0.2%
NEW BRIGHTON									
6/2018	Units	1,850	25	653	--	1,148	--	24	--
	No. Vacant	41	0	15	--	22	--	2	--
	Avg. Rent	\$979	\$714	\$904	--	\$1,010	--	\$1,530	3.9%
	Vacancy	2.2%	0.0%	2.3%	--	1.9%	--	8.3%	0.5%
SHOREVIEW/ARDEN HILLS									
6/2018	Units	1,209	77	639	--	455	--	28	2
	No. Vacant	21	3	12	--	6	--	0	0
	Avg. Rent	\$1,054	\$760	\$924	--	\$1,129	--	\$1,406	\$1,759
	Vacancy	1.7%	3.9%	1.9%	--	1.3%	--	0.0%	0.0%
ST. ANTHONY									
6/2018	Units	967	22	364	68	473	15	25	--
	No. Vacant	10	0	4	0	5	0	1	--
	Avg. Rent	\$1,098	\$932	\$991	\$1,022	\$1,157	\$1,290	\$1,760	--
	Vacancy	1.0%	0.0%	1.1%	0.0%	1.1%	0.0%	4.0%	--
ST. PAUL (NORTH OF I-94)									
6/2018	Units	3,580	211	1,831	10	1,495	--	33	--
	No. Vacant	59	2	33	0	24	--	0	--
	Avg. Rent	\$997	\$811	\$896	\$1,424	\$1,117	--	\$2,333	--
	Vacancy	1.6%	0.9%	1.8%	0.0%	1.6%	--	0.0%	--
TWIN CITIES METRO AREA									
6/2018	Units	141,518	8,058	62,834	3,421	58,069	1,638	7,046	443
	No. Vacant	3,090	154	1,411	80	1,269	33	132	8
	Avg. Rent	\$1,164	\$945	\$1,028	\$1,412	\$1,248	\$2,009	\$1,519	\$2,350
	Vacancy	2.2%	1.9%	2.2%	2.3%	2.2%	2.0%	1.9%	1.8%
Sources: Marquette Advisors; Maxfield Research & Consulting, LLC									

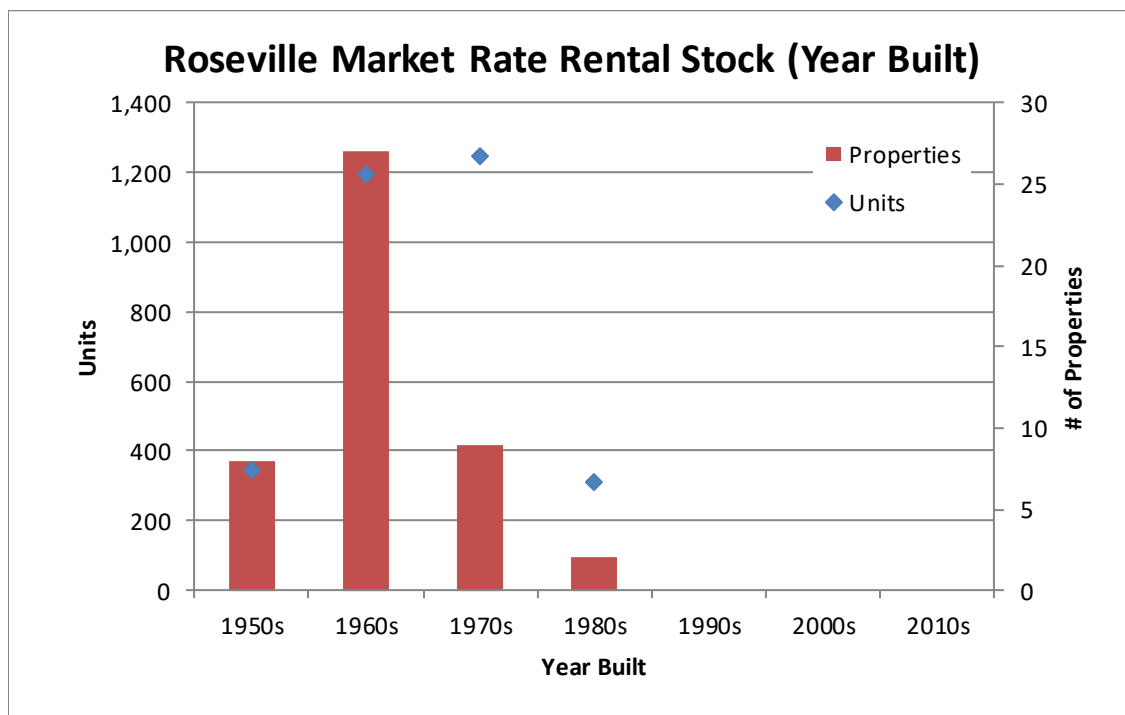
General Occupancy Rental Properties

Maxfield Research conducted an inventory of the existing general occupancy rental properties in Roseville, including market rate, affordable and subsidized housing product types. The inventory included 45 market rate apartment properties (8 units and larger), four affordable properties and two subsidized properties in September 2018. These properties represent a combined total of 3,575 units, including 3,098 market rate, 363 affordable and 114 subsidized units. Although we were able to contact and obtain up-to-date information on most of the rental properties, there were some properties we were unable to reach even after repeated attempts.

Information on general occupancy rental communities in Roseville is displayed in Table D-3.

Market Rate

- In total, Maxfield Research identified 3,098 market rate units in Roseville. We were able to obtain vacancies for 3,019 units that together had 41 vacant units. Typically, a healthy rental market maintains a vacancy rate of 5%, which promotes competitive rent rates, ensures adequate consumer choice and allows for unit turnover. The current vacancy rate of 1.4% in Roseville continues to be significantly below market equilibrium, which indicates pent-up demand. This is similar to that of the vacancy rate in the 2013 Roseville Comprehensive Housing Study of 1.5% but remains significantly lower than the vacancy rate in the 2009 Study of 5.4%.



RENTAL MARKET ANALYSIS

- Overall the rental stock is relatively old with the majority (89.9%) built before 1980 with *The Lexington* being the newest property (built in 1989) and recently undergoing substantial renovation. The chart on the previous page provides a visual display of market rate units and properties built in each decade.
- Of the properties with unit mixes provided, over half of the market rate units in Roseville are one-bedroom units. The unit breakout by unit type is summarized below.
 - Efficiency units: 50 | 2.2%
 - One-bedroom units: 1,336 | 57.5%
 - One-bedroom/den units: 18 | 0.8%
 - Two-bedroom units: 848 | 36.5%
 - Two-Bedroom/den units: 6 | 0.2%
 - Three-bedroom units: 64 | 2.8%
- The following are the monthly rent ranges and average rent for each unit type:

		<i>2013 Study</i>
Efficiency units:	\$700 to \$1,054 Avg. \$830	<i>Avg. \$650</i>
One-bedroom units:	\$725 to \$1,465 Avg. \$958	<i>Avg. \$757</i>
One-bedroom/den units:	\$900 to \$1,196 Avg. \$997	<i>Avg. \$815</i>
Two-bedroom units:	\$795 to \$1,740 Avg. \$1,177	<i>Avg. \$914</i>
Three-bedroom units:	\$1,050 to \$1,830 Avg. \$1,370	<i>Avg. \$1,316</i>
- Lexington Apartments & Townhomes* and *Victoria Place* have the highest monthly rents as they have the largest units and are the newest and most modern developments in the City.
- Most managers are hesitant to offer a tenant profile as shown by nearly all surveyed developments indicating a mix of ages and household types. Singles, couples and families are all represented as well as younger and older households. Due to the proximity of the University of Northwestern-St. Paul and Bethel University, several developments have college students who reside as roommates.
- Compared to the last housing studies completed in July 2009 and March 2013, monthly rents have increased substantially. The average increase over the past four years has been about 22% compared to only a 4.6% increase from the 2009 to 2013 studies.

Change in Monthly Rent 2009/ 2013/ 2018					
Unit Type	July 2009	March 2013	Sept. 2018	Pct. Change	Annual Change
Eff	\$613	\$650	\$830	27.7%	5.5%
1BR	\$727	\$757	\$958	26.6%	5.3%
1BR+D	\$789	\$815	\$997	22.3%	4.5%
2BR	\$863	\$914	\$1,177	28.8%	5.8%
3BR	\$1,289	\$1,316	\$1,370	4.1%	0.8%
Total	\$820	\$858	\$1,048	22.1%	4.4%

Affordable Rental Developments

- Currently, there are 363 affordable housing units in Roseville. Maxfield Research was unable to obtain vacancies at *Centennial Commons*; however, there were no vacant units at *Sienna Green I*, *Sienna Green II* and *Calibre Ridge*, indicating pent-up demand for additional affordable units.
- Aeon rehabilitated 120 units at *Sienna Green I* and built 50 new units at *Sienna Green II* in 2012. *Sienna Green I* has 70 units that are income-restricted to households earning at or below 50% AMI, 30 subsidized units whereby residents pay 30% of their adjusted gross income (AGI), and 20 market rate units. *Sienna Green II* has 46 units income-restricted to households earning at or below 60% AMI. Four, one-bedroom units are reserved for households experiencing long-term homelessness. All the units were leased by the time *Sienna Green II* opened in August 2012. According to staff at Aeon, Roseville is a good fit for affordable housing given its geographic location as a first ring suburb, access to public transportation, and availability of service-sector jobs.
- Table D-2 shows the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in Ramsey County. These incomes are published and revised annually by the Department of Housing and Urban Development (HUD) and published separately by the Minnesota Housing Finance Agency (MHFA) based on the date the project was placed into service. Fair Market Rents (FMRs) are used to determine payment standard amounts for the Housing Choice Voucher program, initial renewal rents for some expiring project-based Section 8 contracts, initial rents for housing assistance payment (HAP) contracts in the Moderate Rehabilitation Single Room Occupancy program (Mod Rehab), rent ceilings for rental units in both the HOME Investment Partnerships program and the Emergency Solution Grants program, calculation of maximum award amounts for Continuum of Care recipients and the maximum amount of rent a recipient may pay for property leased with Continuum of Care funds, and calculation of flat rents in Public Housing units. This table is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for households using Housing Choice Vouchers.
- In addition to properties that operate as affordable housing under a subsidy program, the age and market position of Roseville's rental housing stock results in many properties that provide Naturally Occurring Affordable Housing (NOAH). According to MHFA, fair market rents in Ramsey County are currently \$711 for efficiency units, \$864 for one-bedroom units, \$1,089 for two-bedroom units, and \$1,547 for three-bedroom units. Based on our review of market rent rates in Table D-3, roughly 34% of the total units would be at or below fair market rent levels established by HUD. Hence, the increase in rental rates has reduced the number of affordable units even among older properties. Some of the older properties are indirectly satisfy some demand for affordable housing in Roseville.

**TABLE D-2
MHFA/HUD INCOME AND RENT LIMITS
RAMSEY COUNTY - 2018**

	Income Limits by Household Size							
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph
30% of median	\$19,850	\$22,650	\$25,500	\$28,300	\$30,600	\$33,740	\$38,060	\$42,830
50% of median	\$33,050	\$37,750	\$42,450	\$47,150	\$50,950	\$54,700	\$58,500	\$62,250
60% of median	\$39,660	\$45,300	\$50,940	\$56,580	\$61,140	\$65,640	\$70,200	\$74,700
80% of median	\$50,350	\$57,550	\$64,750	\$71,900	\$77,700	\$83,450	\$89,200	\$94,950
	Maximum Gross Rent							
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$495	\$531	\$636	\$735	\$820			
50% of median	\$826	\$885	\$1,061	\$1,226	\$1,367			
60% of median	\$991	\$1,062	\$1,273	\$1,471	\$1,641			
80% of median	\$1,258	\$1,438	\$1,618	\$1,797	\$1,942			
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$711	\$864	\$1,089	\$1,547	\$1,812			

Sources: MHFA, HUD, Maxfield Research & Consulting, LLC

Subsidized Rental Developments

- The City of Roseville has only three project-based Section 8 developments. *Coventry* has 92 family units and 101 senior units. One household member must have a qualifying disability to live at *Roselawn Village Apartments*. The third development, *Roseville Senior House*, has 127 units and is fully age-restricted (62+).
- Although market equilibrium for subsidized housing is a vacancy rate of 5%, subsidized housing developments have been able to maintain occupancy rates of 3% or less in most market areas due to the depth of need for very low-income housing. There is currently a closed waiting list of three to five years (total of 150 names) for the family component at *Coventry* and no vacant units.
- In addition to project-based Section 8 housing, some rental developments will accept Section 8 vouchers to serve extremely low-income households. Policies for Section 8 vouchers vary by development: some will accept vouchers only from existing residents while others will accept vouchers from new residents; some do not accept vouchers at all.

RENTAL MARKET ANALYSIS

TABLE D-3
MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS
CITY OF ROSEVILLE
September 2018

Project Name/ Address	Year Built	Total Units	Vacant	Unit Mix	Market/Base Rent Ranges	Unit Size	Resident Profile	Description/Comments
Market Rate Rental								
Aquarius Apartments 2425 County Rd C2 W	1969/ 1972	99	0 1 1	17 - EFF 64 - 1BR 18 - 2BR	\$790 - \$850 \$1,095 \$1,375 - \$1,450	346 - 600 727 - 760 1,030 - 1,125	Wide variety of tenants, diverse mix, university students	Two, three-story buildings with garage parking.
Centennial Commons 2815-2845 Pascal St	1966/ 1967	46	0 0 0 0	1 - EFF 22 - 1BR 22 - 2BR 1 - 3BR	\$774 \$978 \$1,200 \$1,620	600 650 - 775 836 - 1,008 1,566	Family rental community.	Mixed income building with 46 market rate units and 144 affordable units. Four, three-story buildings with detached garage parking. Property was recently rehabbed. Accepts Section 8 Vouchers
Dale Terrace Apartments 720 County Rd B W	1971	42	0 0	24 - 1BR 18 - 2BR	\$925 \$1,025 - \$1,065	770 938 - 1,082	Mix of ages/household types.	Three-story building with underground parking.
Rose Park apartments 1634 County Road B W	1963	11	0 0	10 - 1BR 1 - 2BR	\$800 \$925	590 750	Mix of ages/household types.	Three-story building with surface parking.
Hamline Terrace 1360-1410 Terrace Dr	1966	102	0 0 0	7 - EFF 64 - 1BR 31 - 2BR	\$730 - \$870 \$960 - \$1,045 \$1,150 - \$1,345	275 - 670 700 - 750 950 - 1,100	Young professionals. Some college students and some seniors. Few families.	Two, two-story buildings with underground garage parking.
Hillsborough Apartments 2335-2345 Woodbridge St 240-250 Grandview Avenue	1970	206	6 0 1 0	na - 1BR na - 1BR/D na - 2BR na - 3BR	\$1,004 - \$1,054 \$1,196 \$1,200 - \$1,315 \$1,600	726 900 952 - 1,210 1,500	Mixed resident profile. Some college students, resident doctors, families, seniors.	Three-story building with attached underground garage parking. Woodbridge Street building accepts Section 8 vouchers.
Hilltop Apartments 160 & 170 Elmer Street	1964	34	na	34 - 1BR	na	730	Mix of ages/household types.	Two buildings with 17 units each. 12 garages. Accepts Section 8 vouchers.
Karie Dale Apartments 2355-2393 Dale St	1964	44	0 0	41 - 1BR 3 - 2BR	\$775 - \$878 \$968 - \$990	650 - 725 830 - 990	Mix of residents; various household types and ages.	Four, eleven-unit buildings with attached garage parking. Accepts Section 8 vouchers.
Larpenteur Square 655 Larpenteur Avenue W	1961	17	1 2	na - 1BR na - 2BR	\$825 \$925	700 800	Mix of ages/household types.	Three-story building with detached parking.
Lexington Court 2200 Lexington Avenue N	1961	52	0 0 0	na - 1BR na - 2BR na - 3BR	\$725 \$950 \$1,050	650 925 1,050	Mix of ages/household types.	Two, three-story buildings. Accepts Section 8 vouchers.
Lexlawn Apartments 1943 Lexington Ave N 1125 Roselawn Avenue	1962	34	0 0	13 - 1BR 21 - 2BR	\$845 \$945	775 875	Some families, no students.	Two, three-story buildings.
Lexington Twin Apartments 1890 Lexington Ave N	1964	22	0	22 - 1BR	\$850 - \$900	700 - 725	Generally occupied by older adults.	Two, two-story buildings with eleven units each. Accepts Section 8 vouchers.
Marion Street/Brittany Apartments 175-195 Larpenteur Ave W 1722-1739 Woodbridge Court 1720, 1735, 1740, 1745, 1750 Marion St	1970	277	0 0	na - 1BR na - 2BR	\$795 \$980	na na	Mix of ages/household types.	Five, Three-story buildings with detached garages. Accepts Section 8 vouchers.
McCarrons Apartments 166 & 204 N McCarrons Blvd 161 McCarrons Street	1959	56	0 0	27 - 1BR 36 - 2BR	\$825 \$925	515 - 640 730	Small families, single mothers with children, a few young couples.	Five, two- & three-story buildings with garden level. Detached garages. Accepts Section 8 vouchers.
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE D-3 (continued) MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS CITY OF ROSEVILLE September 2018								
Project Name/ Address	Year Built	Total Units	Vacant	Unit Mix	Market/Base Rent Ranges	Unit Size	Resident Profile	Description/Comments
Market Rate Rental								
Palisades of Roseville 535-570 Sandhurst Dr	1970	330	1 1	240 - 1BR 90 - 2BR	\$942 - \$1,164 \$1,225 - \$1,465	770 - 808 1,170 - 1,216	Mix of ages/household types.	Three, three-story buildings with underground parking.
Parkview Apartments 2202-2210 Dale Street	1962	34	0 0	10 - 1BR 24 - 2BR	\$795 \$895	650 750	Diverse mix of tenants.	Two, three-story buildings. Allows a maximum of three people per apartment. Accepts Section 8 vouchers.
Riviera Apartments 885 Hwy 36 W	1974	96	1 0 0	72 - 1BR 21 - 2BR 3 - 3BR	\$845 \$950 - \$980 \$1,045	820 - 864 1,020 - 1,250 1,400	Wide variety of tenants; a greater pct. of seniors used to occupy the building.	Three, three-story buildings with 32 units each.
Rose 8 Estates 3050 Old Highway 8	1969	85	0 0 0	1 - EFF 65 - 1BR 19 - 2BR	\$700 \$820 \$930	465 555 - 702 820	Wide variety of tenants; diverse mix.	Two, three-story buildings. Recently renovated kitchens.
Rose Mall Apartments 2190-2200 N Pascal Street 2201-2221 Albert Street 1430-1440 Commerce Street	1964	162	1 3	72 - 1BR 90 - 2BR	\$1,050 \$1,150 - \$1,180	880 1,000	Mix of ages/household types.	Three-story buildings with detached garages. Typically full -- lowered rents to attract residents.
Rose Park Apartments 1614/1615/1634/1635 Eldridge Ave.	1958/ 1959	44	0	29 - 1BR 15 - 2BR	\$775 - \$860 \$900 - \$1,025	510 750	Mix of ages/household types.	Four, three-story buildings with surface/street parking. Will accept Section 8 vouchers for existing residents.
Rose Place Estates 2128/2136 Fry Street	1959/ 1960	22	0	22 - 1BR	\$795 - \$860	600	Mix of ages/household types.	Two, three-story buildings with surface/street parking. Will accept Section 8 vouchers for existing residents.
Rose Vista Apts/TH 1222-1238 Rose Vista Ct	1950	175	0 1 0 2 0 0	9 - EFF 83 - 1BR 3 - 1BR Lux 62 - 2BR 16 - 2BR/TH 2 - 3BR/TH	\$889 - \$988 \$999 - \$1,219 \$1,141 - \$1,350 \$1,135 - \$1,355 \$1,454 - \$1,654 \$1,410 - \$1,717	500 - 550 650 - 675 765 750 - 800 1,050 - 1,100 1,050	The majority of residents are college students who reside as roommates and young couples.	Total of 17, two-story buildings. The three, one-bedroom luxury units were built more recently and are located above the office. These units have additional amenities (i.e., in-unit W/D, skylights, vaulted ceilings, etc.)
Rosedale Estates North 2835 Rice Street	1969	180	0 0 0 0 0	12 - EFF 111 - 1BR 12 - 1BR/D 39 - 2BR 6 - 2BR/D	\$760 - \$820 \$890 - \$970 \$1,000 - \$1,090 \$1,100 - \$1,300 \$1,200 - \$1,400	450 800 950 1,000 1,300 - 1,500	Mix of household types and ages.	Three-story building with underground parking. Vacancy rate has been stable (roughly 30 units) for at least the past 18 months.
Rosedale Estates South 2735 Rice Street	1970	180	0 0 0	na - EFF na - 1BR na - 2BR	\$760 - \$820 \$890 - \$970 \$1,100 - \$1,300	450 700 - 750 950 - 1,000	Mix of household types and ages.	Three-story building with underground parking.
Rosehill Estates 591 & 601 County Road B 2194 Dale Street	1962/ 1963	51	2 2	27 - 1BR 24 - 2BR	\$850 \$950	700 - 760 740 - 780	Mostly singles or couples.	Three, two-story buildings with garden level. 17 units each (one building is all 1BRs; other buildings are mixed). Accepts Section 8 vouchers.
Rosetree Apartments 655 W Hwy 36	1970	48	0 2 0	3 - EFF 31 - 1BR 14 - 2BR	\$849 \$1,059 \$1,479	460 800 1,058	Wide variety of tenants; diverse mix.	Three-story building with underground and off-street parking.
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE D-3 (continued) MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS CITY OF ROSEVILLE September 2018								
Project Name/ Address	Year Built	Total Units	Vacant	Unit Mix	Market/Base Rent Ranges	Unit Size	Resident Profile	Description/Comments
Market Rate Rental								
Roseville Terrace 1760 Fernwood Street 1759 Dunlap Street	1960	36	0 0	14 - 1BR 22 - 2BR	\$875 \$975	750 875	Some families, no students.	Two, three-story buildings with detached garage and surface parking. Accepts Section 8 vouchers.
Roseville Townhomes 3085 Old Highway 8	1966/ 1967	40	0	40 - 2BR	\$1,360	1,200 - 1,517	Mostly families	Townhome units with attached garage. Outdoor pool.
Snelling Curve Apts. 2610 Snelling Curve	1963	17	0 0	9 - 1BR 8 - 2BR	\$820 - \$850 \$845 - \$975	650 - 700 800 - 850	Mix of ages/household types.	Three-story building with detached garage and surface parking.
South Oaks Apartments 1080 County Rd D	1963	24	0 1 0	12 - 1BR 6 - 1BR/D 6 - 2BR	\$850 \$900 \$950	600 685 950	Older adult single households; college students.	Three-story building with detached garage parking. Does not accept Section 8 vouchers.
Sun Place Apartments 1721 Marion St	1971	30	0 0	24 - 1BR 6 - 2BR	\$773 - \$860 \$870 - \$960	715 920	Mostly working professionals; only one family.	Three-story building with detached garage parking. Accepts Section 8 vouchers.
Talia Place 3020 Old Highway 8	1964	11	na na	10 - 1BR 1 - 2BR	na na	625 750		Three-story building with surface parking.
Terrace Park 1420 Terrace Dr	1979	36	0 0	23 - 1BR 13 - 2BR	\$880 - \$975 \$985 - \$1,065	720 985	Mix of ages/household types.	Three-story building with underground and surface parking.
Lexington Apartment & Townhomes 2755 Lexington Ave	1989	254	3 2 2 2 2 0	<u>Apartments</u> 66 - 1BR 60 - 2BR 24 - 3BR <u>Townhomes</u> 26 - 1BR TH 52 - 2BR TH 26 - 3BR TH	\$1,295 - \$1,340 \$1,495 - \$1,530 \$1,710 - \$1,770 \$1,410 - \$1,465 \$1,585 - \$1,600 \$1,830	875 - 900 1,040 - 1,120 1,190 - 1,275 900 1,070 - 1,120 1,145 - 1,550	Mix of ages/household types: students from Bethel & Northwestern; families; seniors.	Luxury community with clubhouse, outdoor pool, fitness center. One underground parking included in rent. TH-style units have attached garage.
Victoria Place 2250 Victoria St	1986	58	0 0 1	30 - 1BR 20 - 2BR 8 - 3BR	\$1,170 - \$1,335 \$1,450 - \$1,740 \$1,745 - \$1,810	800 - 960 1,050 - 1,200 1,260	Mix of ages/household types: college students, working prof., seniors.	Two-story building with underground parking. Luxury community with community room, fitness center, game room.
1144 Dionne Street 1144 Dionne Street	1962	23	na na	na - 1BR na - 2BR	na na	na na		Two-story building with detached garage and surface parking. Accepts Section 8 vouchers.
1363 County Road B W 1363 County Road B W	1965	11	0 0	5 - 1BR 6 - 2BR	\$770 \$995	600 - 650 800	Mix of ages/household types.	Two-story building with off-street parking.
Rose Park Commons 1610 W County Road B	1960	11	0	11 - 1BR	\$760 - \$840	600	Mix of ages/household types.	Three-story building with surface/street parking. Will accept Section 8 vouchers for existing residents.
1624 Eldridge Avenue 1624 Eldridge Avenue	1958	11	0	11 - 2BR	\$795 - \$855	800	Mix of ages/household types.	Two-story building with off-street parking.
Skillman Flats 1629 Skillman Avenue	1957	14	0	14 - 1BR	\$825	450	Mix of ages/household types.	Two, two-story buildings with surface/street parking. Will accept Section 8 vouchers for existing residents.
CONTINUED								

RENTAL MARKET ANALYSIS

TABLE D-3 (continued) MARKET RATE GENERAL OCCUPANCY RENTAL PROJECTS CITY OF ROSEVILLE September 2018								
Project Name/ Address	Year Built	Total Units	Vacant	Unit Mix	Market/Base Rent Ranges	Unit Size	Resident Profile	Description/Comments
Market Rate Rental								
1647 W County Road B 1647 W County Road B	1958	11	0	11 - 2BR	\$940 - \$1,000	725		Three-story building with garage and off-street parking.
2125 & 2133 Pascal Street 2125 & 2133 Pascal St	1958	22	0	22 - 2BR	\$999	na	Mix of ages/household types.	Two, two-story buildings with surface parking.
2447 County Road B W 2447 County Road B W	1962	17	0	na - 1BR na - 2BR	\$850 \$950	702 820	Mix of ages/household types.	Three story building with surface and detached garage parking.
2900 Highcrest Road 2900 Highcrest Road	1964	11	na na	na - 1BR na - 2BR	na na	na na		Three story building with surface parking.
Highcrest Haven 2950 Highcrest Road	1965	12	0	6 - 1BR 6 - 2BR	\$935 \$1,065	620 780	Mix of ages/household types.	Three-story building with detached garages and off-street parking.
Total/Average		3,098	41	1.3%				
Affordable Rental								
Calibre Ridge 155 Capital View Avenue	1993	49	0	2 - 2BR 47 - 3BR	\$1,070 \$1,250	1,300 1,300	All families.	60% AMI townhome units with attached garage parking. Two bedroom units are handicap accessible. 2 year wait list currently closed.
Centennial Commons 2815-2845 Pascal St	1966/ 1967	144	0	1 - EFF 69 - 1BR 3 - 1BR/D 68 - 2BR 3 - 3BR	\$715 \$901 \$1,133 \$1,133 \$1,391	338 480 - 700 890 770 - 1,008 974 - 1,672	Family rental community.	Mixed income building with 46 market rate units and 144 affordable units. Four, three-story buildings with detached garage parking. Accepts Section 8 Vouchers. 60% AMI limit.
Sienna Green I 2225-2265 Snelling Ave Aeon	1968 Rehab 2012	120	0	20 - 1BR MR 70 - 1BR AFF 30 - 1BR SUB	\$842 \$676 30% AGI	430 430 430	Mostly singles & couples. Mix of ages.	Five, three-story apartment buildings. 70 units affordable at 50% AMI, 20 market rate units, 30 subsidized. Six subsidized units reserved for those suffering long-term homelessness.
Sienna Green II 2275 Snelling Ave Aeon	2012	50	0	4 - 1BR 30 - 2BR 16 - 3BR	\$676 \$873 - \$932 \$961	535 930 1,139	Mostly families	1BR units reserved for those suffering long-term homelessness. 2 and 3BR units affordable at 60% AMI.
Total/Average		363	0					
Subsidized Rental								
Roselawn Village Apartments 1074 Roselawn Ave W	2004	22	0	16 - 1BR 6 - 2BR	30% AMI	N/A N/A	Housing for persons with disabilities	PRAC 811. One household member must have a qualifying disability.
Coventry 2820 Snelling Ave N	1978	92	0	41 - 1BR 39 - 2BR 12 - 3BR	30% AMI	N/A N/A N/A	Families of all ages.	Section 8. Multiple buildings. 103-unit senior component; 92-unit family component. Waiting list: 3 to 5 yrs for family component.
Total/Average		114	0					
Source: Maxfield Research & Consulting, LLC								

Pending Rental Developments

Maxfield Research interviewed City staff in Roseville and the communities in the Market Area to determine pending and planned rental developments.

Roseville

Sand Companies has proposed to develop market rate and affordable rental housing on a redevelopment site at the intersection of Old Highway 8 and County Road D in the northwest corner of the City. Phase I is planned to have 59 units of affordable (tax credit) housing in one building. Subsequent phases are anticipated to include market rate and affordable rental housing (a total of 145 units).

Shoreview

The Loden SV (GRECO) is currently under construction at 1005 Gramsie Road in Shoreview. The project will have 200 market rate rental units in Phase I and will open October 2018. After roughly 60% of Phase I is leased they will begin construction on Phase II which will consist of another 200 units. This development is located just outside of the market area north of Interstate 694.

JPL has proposed a 300-unit market rate apartment building and 78 units of market rate rental townhomes in Shoreview on Rice Creek Parkway between County Road J & I. The project has been approved but no permits have been issued as of the completion of this study. This project is in the Market Area and is anticipated to move forward soon.

St. Anthony

The proposed redevelopment of the former manufactured housing site in St. Anthony with upwards of 700 units was denied by the City Council. The developer is working to attract households that need affordable housing back to the Site with a plan to redevelop the property again with manufactured homes.

Arden Hills

Rice Creek Commons, the former TCAAP site, is planned to begin Phase I development by 2020. Multifamily housing will be one component of the development and some of the multifamily component may be developed as a part of Phase I. Full development is estimated to result in 1,460 residential units, of which an estimated 400 units may be rental.

Naturally Occurring Affordable Housing (i.e. Unsubsidized Affordable)

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 (i.e. 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 government 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.

According to the *Joint Center for Housing Studies of Harvard University*, the privately unsubsidized housing stock supplies three times as many low-cost affordable units than assisted projects nationwide. Unlike assisted rental developments, most unsubsidized affordable units are scattered across small properties (one- to four-unit structures) or in older multifamily structures. Many of these older developments are vulnerable to redevelopment due to their age, modest rents, and deferred maintenance.

Because many of these properties have rents that are affordable, project-based and private housing markets cannot be easily separated. Some households may income-qualify for both market rate and project-based affordable housing, although the gap is widening between market rate and affordable properties as rents in the private market continue to escalate. Therefore, it is important to recognize the naturally-occurring affordable housing stock to quantify the proportion of renters that might be eligible for housing assistance based on income. Table D-4 illustrates monthly rents by unit type and household size as they relate to affordability. Tables D-5 and D-6 presents a breakdown of all market rate general-occupancy rental projects by household size and area median income (AMI) based on year built. Tables D-7 and D-8 summarizes project data from Tables D-5 and D-6 based on unit type and affordability.

- Among the 3,098 market rate units found in the Market Area, 2,404 units were inventoried by unit mix and monthly rents. Of those, 15.1% of the units are affordable to householders with incomes at 30% of AMI, 44.6% of the units are affordable at 50%, 28.9% of the units are affordable at 60% of AMI. An estimated 11.4% of units are affordable to households with incomes at 80% AMI.
- There are no market rate general occupancy rental properties constructed after 1989. Thus, we found no Class A rental properties in Roseville.
- For properties built between 1980 and 1999, 73 units are affordable to households with incomes at 60% of AMI while 239 units are affordable to households with incomes at 80% AMI. There are no other units affordable at any other percentage.

- For properties built prior to 1980, 364 units are affordable to households with incomes at 30% of AMI; 1,072 units are affordable to households with incomes at 50% of AMI, 622 units are affordable at 60%, and 34 units are affordable to households with incomes at 80% of AMI.
- In total, half of studio units are affordable to households with incomes at 30% and the other half at 50% of AMI. Of all one-bedroom units inventoried, 78.5% are affordable to households with incomes at 50% or 60% of AMI. Of all two-bedroom units, 65% are affordable to households with incomes at 50% or 60% of AMI and of all three-bedroom units, 98.5% are affordable to households with incomes at 60% or less of AMI.

RENTAL MARKET ANALYSIS

TABLE D-4
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
RAMSEY COUNTY - 2018

Unit Type ¹	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
	Min	Max	30%		50%		60%		80%		100%		120%	
			Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$496	-\$496	\$826	-\$826	\$992	-\$992	\$1,259	-\$1,259	\$1,650	-\$1,650	\$1,980	-\$1,980
1BR	1	2	\$496	-\$566	\$826	-\$944	\$992	-\$1,133	\$1,259	-\$1,439	\$1,650	-\$1,885	\$1,980	-\$2,262
2BR	2	4	\$566	-\$708	\$944	-\$1,179	\$1,133	-\$1,415	\$1,439	-\$1,798	\$1,885	-\$2,358	\$2,262	-\$2,829
3BR	3	6	\$638	-\$844	\$1,061	-\$1,368	\$1,274	-\$1,641	\$1,619	-\$2,086	\$2,123	-\$2,735	\$2,547	-\$3,282
4BR	4	8	\$708	-\$1,071	\$1,179	-\$1,556	\$1,415	-\$1,868	\$1,798	-\$2,374	\$2,358	-\$3,113	\$2,829	-\$3,735
¹ One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet. Note: 4-person Ramsey County AMI is \$94,300 (2018)														
Sources: HUD, Novogradac, Maxfield Research and Consulting, LLC														

RENTAL MARKET ANALYSIS

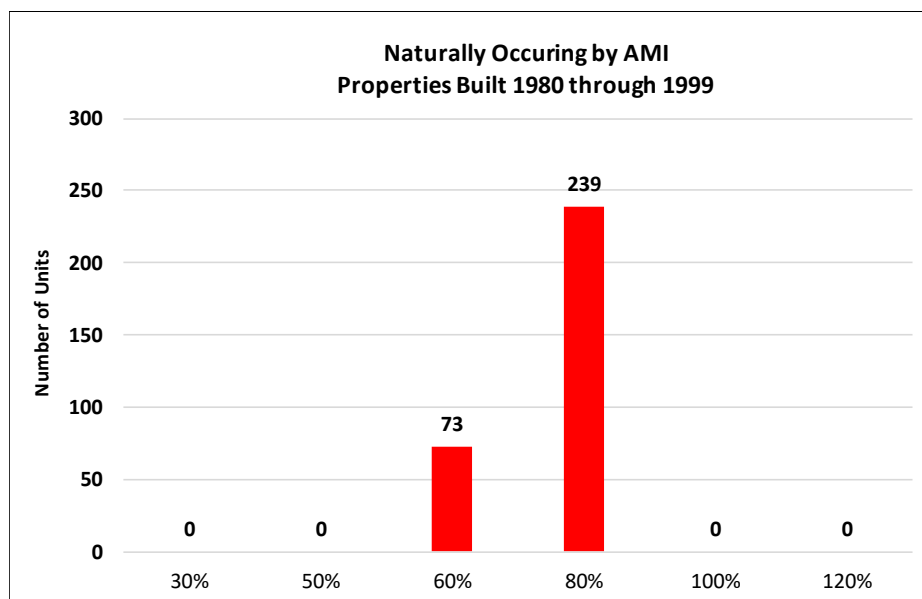
TABLE D-5
MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS
NATURALLY OCCURRING RENTAL HOUSING
CLASS B RENTAL PROPERTIES (CONSTRUCTED FROM 1980 THROUGH 1999)
CITY OF ROSEVILLE
September 2018

Unit Type/Project Name	Units	Rent Range		Min. Income Needed to Afford ¹	Market Rate Affordability by AMI ²					
		Min	Max		30%	50%	60%	80%	100%	120%
Studio										
None	--	--	--	--	--	--	--	--	--	--
One-Bedroom										
Lexington Apartments	66	\$1,295 - \$1,340		\$51,800 - \$53,600	--	--	--	66	--	--
Lexington Townhomes	26	\$1,410 - \$1,465		\$56,400 - \$58,600	--	--	--	26	--	--
Victoria Place	30	\$1,170 - \$1,335		\$46,800 - \$53,400	--	--	15	15	--	--
Total/Median	122	\$1,338			--	--	15	107	--	--
One-Bedroom plus Den										
None	--	--	--	--	--	--	--	--	--	--
Two-Bedroom										
Lexington Apartments	60	\$1,495 - \$1,530		\$59,800 - \$61,200	--	--	--	60	--	--
Lexington Townhomes	52	\$1,585 - \$1,600		\$63,400 - \$64,000	--	--	--	52	--	--
Victoria Place	20	\$1,450 - \$1,740		\$58,000 - \$69,600	--	--	--	20	--	--
Total/Median	132	\$1,558			--	--	--	132	--	--
Two-Bedroom + Den										
None	--	--	--	--	--	--	--	--	--	--
Three Bedroom										
Lexington Apartments	24	\$1,710 - \$1,770		\$68,400 - \$70,800	--	--	24	--	--	--
Lexington Townhomes	26	\$1,830 - \$1,830		\$73,200 - \$73,200	--	--	26	--	--	--
Victoria Place	8	\$1,745 - \$1,810		\$69,800 - \$72,400	--	--	8	--	--	--
Total/Median	58	\$1,790			--	--	58	--	--	--

¹ Based on a 30% allocation of income to housing for general-occupancy. Senior housing projects were excluded from the calculation.

² Market rate housing that has rents that could be classified as "unsubsidized affordable" units based on the monthly rents and adjusted for household size.

Source: Maxfield Research & Consulting, LLC



RENTAL MARKET ANALYSIS

TABLE D-6
MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS
NATURALLY OCCURRING RENTAL HOUSING
CLASS C RENTAL PROPERTIES (CONSTRUCTED PRIOR TO 1980)
CITY OF ROSEVILLE
September 2018

Unit Type/Project Name	Units	Rent Range		Min. Income Needed to Afford ¹	Market Rate Affordability by AMI ²					
		Min	Max		30%	50%	60%	80%	100%	120%
Studio										
Aquarius Apartments	17	\$790 - \$850		\$31,600 - \$34,000	8	9	--	--	--	--
Centennial Commons	1	\$774 - \$774		\$30,960 - \$30,960	1	--	--	--	--	--
Hamline Terrace	7	\$730 - \$870		\$29,200 - \$34,800	4	3	--	--	--	--
Rose 8 Estates	1	\$700 - \$700		\$28,000 - \$28,000	1	1	--	--	--	--
Rose Vista Apts./TH	9	\$889 - \$988		\$35,560 - \$39,520	--	9	--	--	--	--
Rosedale Estates North	12	\$760 - \$820		\$30,400 - \$32,800	12	--	-	--	--	--
Rosedale Estates South	na	\$760 - \$820		\$30,400 - \$32,800	X	--	--	--	--	--
Rosetree Apartments	3	\$849 - \$849		\$33,960 - \$33,960	--	3	--	--	--	--
Total/Median	50	\$805			26	25	--	--	--	--
One-Bedroom										
Aquarius Apartments	64	\$1,095 - \$1,095		\$43,800 - \$43,800	--	--	64	--	--	--
Centennial Commons	22	\$978 - \$978		\$39,120 - \$39,120	--	22	--	--	--	--
Dale Terrace Apartments	24	\$925 - \$925		\$37,000 - \$37,000	--	24	--	--	--	--
Rose Park Apartments	10	\$800 - \$800		\$32,000 - \$32,000	10	--	--	--	--	--
Hamline Terrace	64	\$960 - \$1,045		\$38,400 - \$41,800	--	25	39	--	--	--
Hillsborough Apartments	na	\$1,004 - \$1,054		\$40,160 - \$42,160	--	--	X	--	--	--
Hilltop Apartments	34	na - na		na - na	--	--	--	--	--	--
Karie Dale Apartments	41	\$775 - \$878		\$31,000 - \$35,120	--	20	21	--	--	--
Larpenteur Square	na	\$825 - \$825		\$33,000 - \$33,000	X	--	--	--	--	--
Lexington Court	na	\$725 - \$725		\$29,000 - \$29,000	X	--	--	--	--	--
Lexlawn Apartments	13	\$845 - \$845		\$33,800 - \$33,800	--	13	--	--	--	--
Lexington Twin Apartments	22	\$850 - \$900		\$34,000 - \$36,000	--	22	--	--	--	--
Marion Street/Brittany Apts.	na	\$795 - \$795		\$31,800 - \$31,800	X	--	--	--	--	--
McCarrons Apartments	27	\$825 - \$825		\$33,000 - \$33,000	27	--	--	--	--	--
Palisades of Roseville	240	\$942 - \$1,164		\$37,680 - \$46,560	--	240	--	--	--	--
Parkview Apartments	10	\$795 - \$795		\$31,800 - \$31,800	10	--	--	--	--	--
Riviera Apartments	72	\$845 - \$845		\$33,800 - \$33,800	--	72	--	--	--	--
Rose 8 Estates	65	\$820 - \$820		\$32,800 - \$32,800	65	--	--	--	--	--
Rose Mall Apartments	72	\$1,050 - \$1,050		\$42,000 - \$42,000	--	--	72	--	--	--
Rose Park Apartments	29	\$775 - \$860		\$31,000 - \$34,400	20	9	--	--	--	--
Rose Place Estates	22	\$795 - \$860		\$31,800 - \$34,400	14	8	--	--	--	--
Rose Vista Apts./TH	85	\$999 - \$1,350		\$39,960 - \$54,000	--	--	83	3	--	--
Rosedale Estates North	86	\$890 - \$970		\$35,600 - \$38,800	--	86	--	--	--	--
Rosedale Estates South	111	\$890 - \$970		\$35,600 - \$38,800	--	111	--	--	--	--
Rosehill Estates	27	\$850 - \$850		\$34,000 - \$34,000	--	27	--	--	--	--
Rosetree Apartments	31	\$1,059 - \$1,059		\$42,360 - \$42,360	--	--	31	--	--	--
Roseville Terrace	14	\$875 - \$875		\$35,000 - \$35,000	--	14	--	--	--	--
Snelling Curve Apartments	9	\$820 - \$850		\$32,800 - \$34,000	--	9	--	--	--	--
South Oaks Apartments	12	\$850 - \$850		\$34,000 - \$34,000	--	12	--	--	--	--
Sun Place Apartments	24	\$773 - \$860		\$30,920 - \$34,400	16	8	--	--	--	--
Talia Place	10	na - na		na - na	--	--	--	--	--	--
Terrace Park	23	\$880 - \$975		\$35,200 - \$39,000	--	23	--	--	--	--
1144 Dionne Street	na	na - na		na - na	--	--	--	--	--	--
1363 County Road B W	5	\$770 - \$770		\$30,800 - \$30,800	5	--	--	--	--	--
Rose Park Commons	11	\$760 - \$840		\$30,400 - \$33,600	6	5	--	--	--	--
Skillman Flats	14	\$825 - \$825		\$33,000 - \$33,000	14	--	--	--	--	--
2447 County Road B W	na	\$850 - \$950		\$34,000 - \$38,000	--	X	--	--	--	--
2900 Highcrest Road	na	na - na		na - na	--	--	--	--	--	--
Highcrest Haven	6	\$935 - \$935		\$37,400 - \$37,400	--	6	--	--	--	--
Total/Median	1,299	\$850			187	756	310	3	--	--
One-Bedroom plus Den										
Hillsbourough Apartments	na	\$1,196 - \$1,196		\$47,840 - \$47,840	--	--	X	--	--	--
Rosedale Estates North	12	\$1,000 - \$1,090		\$40,000 - \$43,600	--	--	12	--	--	--
South Oaks Apartments	6	\$1,198 - \$1,198		\$47,920 - \$47,920	--	--	6	--	--	--
Total/Median	18	\$1,196			--	--	18	--	--	--
Continued										

RENTAL MARKET ANALYSIS

TABLE D-6
MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS
NATURALLY OCCURRING RENTAL HOUSING
CLASS C RENTAL PROPERTIES (CONSTRUCTED PRIOR TO 1980)
CITY OF ROSEVILLE
September 2018

		Rent Range		Min. Income	Market Rate Affordability by AMI ²					
Unit Type/Project Name	Units	Min	Max	Needed to Afford ¹	30%	50%	60%	80%	100%	120%
Two-Bedroom										
Aquarius Apartments	18	\$1,375 - \$1,450		\$55,000 - \$58,000	--	--	18	--	--	--
Centennial Commons	22	\$1,200 - \$1,200		\$48,000 - \$48,000	--	--	22	--	--	--
Dale Terrace Apartments	18	\$1,025 - \$1,065		\$41,000 - \$42,600	--	18	--	--	--	--
Rose Park Apartments	1	\$925 - \$925		\$37,000 - \$37,000	1	--	--	--	--	--
Hamline Terrace	31	\$1,150 - \$1,345		\$46,000 - \$53,800	--	--	31	--	--	--
Hillsborough Apartments	na	\$1,200 - \$1,315		\$48,000 - \$52,600	--	--	X	--	--	--
Karie Dale Apartments	3	\$968 - \$990		\$38,720 - \$39,600	--	3	--	--	--	--
Larpenteur Square	na	\$925 - \$925		\$37,000 - \$37,000	X	--	--	--	--	--
Lexington Court	na	\$950 - \$950		\$38,000 - \$38,000	--	X	--	--	--	--
Lexlawn Apartments	21	\$945 - \$945		\$37,800 - \$37,800	--	21	--	--	--	--
Marion Street/Brittany Apts.	na	\$980 - \$980		\$39,200 - \$39,200	--	X	--	--	--	--
McCarrons Apartments	36	\$925 - \$925		\$37,000 - \$37,000	36	--	--	--	--	--
Palisades of Roseville	90	\$1,225 - \$1,465		\$49,000 - \$58,600	--	--	90	--	--	--
Parkview Apartments	24	\$895 - \$895		\$35,800 - \$35,800	24	--	--	--	--	--
Riviera Apartments	21	\$950 - \$980		\$38,000 - \$39,200	--	21	--	--	--	--
Rose 8 Estates	65	\$930 - \$930		\$37,200 - \$37,200	65	--	--	--	--	--
Rose Mall Apartments	90	\$1,150 - \$1,180		\$46,000 - \$47,200	--	90	--	--	--	--
Rose Park Apartments	15	\$900 - \$1,025		\$36,000 - \$41,000	7	8	--	--	--	--
Rose Vista Apts./TH	88	\$1,135 - \$1,654		\$45,400 - \$66,160	--	--	62	16	--	--
Rosedale Estates North	39	\$1,100 - \$1,300		\$44,000 - \$52,000	--	10	29	--	--	--
Rosedale Estates South	na	\$1,100 - \$1,300		\$44,000 - \$52,000	--	X	X	--	--	--
Rosehill Estates	24	\$950 - \$950		\$38,000 - \$38,000	--	24	--	--	--	--
Rosetree Apartments	14	\$1,479 - \$1,479		\$59,160 - \$59,160	--	--	--	14	--	--
Roseville Terrace	22	\$975 - \$975		\$39,000 - \$39,000	--	22	--	--	--	--
Roseville Townhomes	40	\$1,360 - \$1,360		\$54,400 - \$54,400	--	--	40	--	--	--
Snelling Curve Apartments	8	\$845 - \$975		\$33,800 - \$39,000	4	4	--	--	--	--
South Oaks Apartments	6	\$950 - \$950		\$38,000 - \$38,000	--	6	--	--	--	--
Sun Place Apartments	6	\$870 - \$960		\$34,800 - \$38,400	3	3	--	--	--	--
Talia Place	1	na - na		na - na	--	--	--	--	--	--
Terrace Park	13	\$985 - \$1,065		\$39,400 - \$42,600	--	13	--	--	--	--
1144 Dionne Street	na	na - na		na - na	--	--	--	--	--	--
1363 County Road B W	6	\$995 - \$995		\$39,800 - \$39,800	--	6	--	--	--	--
1624 Eldridge Avenue	11	\$795 - \$855		\$31,800 - \$34,200	11	--	--	--	--	--
1647 W County Road B	11	\$940 - \$1,000		\$37,600 - \$40,000	--	11	--	--	--	--
2125 & 2133 Pascal Street	22	\$999 - \$999		\$39,960 - \$39,960	--	22	--	--	--	--
2447 County Road B W	na	\$950 - \$950		\$38,000 - \$38,000	--	X	--	--	--	--
2900 Highcrest Road	na	na - na		na - na	--	--	--	--	--	--
Highcrest Haven	6	\$1,065 - \$1,065		\$42,600 - \$42,600	--	6	--	--	--	--
Total/Median	772	\$983			151	288	292	30	--	--
Two Bedroom Plus Den										
Rosedale Estates North	na	\$1,200 - \$1,400		\$48,000 - \$56,000	--	--	X	--	--	--
Total/Median	0	\$1,300			--	--	X	--	--	--
Three Bedroom										
Centennial Commons	1	\$1,620 - \$1,620		\$64,800 - \$64,800	--	--	1	--	--	--
Hillsborough Apartments	na	\$1,600 - \$1,600		\$64,000 - \$64,000	--	--	X	--	--	--
Riviera Apartments	3	\$1,045 - \$1,045		\$41,800 - \$41,800	--	3	--	--	--	--
Rose Vista Apts./TH	2	\$1,410 - \$1,717		\$56,400 - \$68,680	--	--	1	1	--	--
Total/Median	6	\$1,600			--	3	2	1	--	--
¹ Based on a 30% allocation of income to housing for general-occupancy. Senior housing projects were excluded from the calculation.										
² Market rate housing that has rents that could be classified as "unsubsidized affordable" units based on the monthly rents and adjusted for household size.										
Source: Maxfield Research & Consulting, LLC										

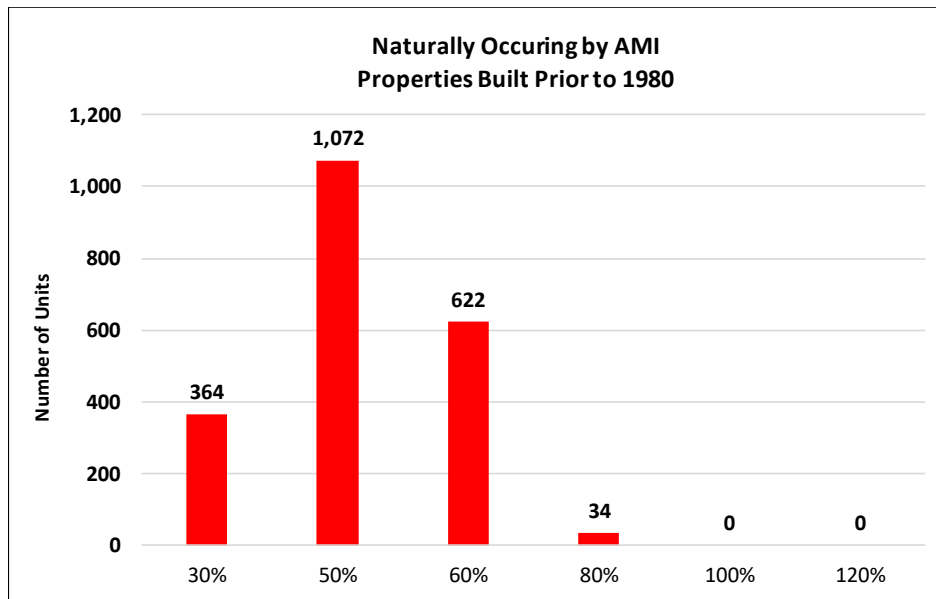
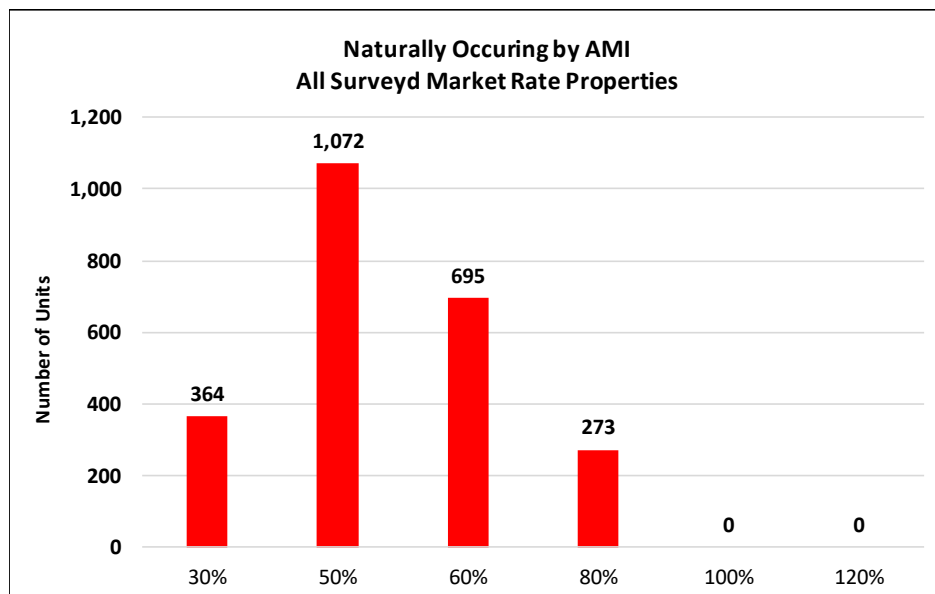


TABLE D-7 MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS NATURAL OCCURRING SUMMARY PROPERTIES BUILT 1980 through 1999 CITY OF ROSEVILLE September 2018						
Unit Type	Market Rate Affordability by AMI					
	30%	50%	60%	80%	100%	120%
STUDIO	--	--	--	--	--	--
1 BR	--	--	15	107	--	--
1 BR + DEN	--	--	--	--	--	--
2 BR	--	--	--	132	--	--
2 BR + DEN	--	--	--	--	--	--
3 BR	--	--	58	--	--	--
Subtotal	--	--	73	239	--	--
Pct. Of Total	0.0%	0.0%	23.4%	76.6%	0.0%	0.0%
Pct. Of Affordability Category						
STUDIO	--	--	--	--	--	--
1 BR	--	--	20.5%	44.8%	--	--
1 BR + DEN	--	--	--	--	--	--
2 BR	--	--	--	55.2%	--	--
2 BR + DEN	--	--	--	--	--	--
3 BR	--	--	79.5%	--	--	--
Source: Maxfield Research & Consulting, LLC						

TABLE D-8 MULTIFAMILY MARKET RATE RENTAL DEVELOPMENTS NATURAL OCCURRING SUMMARY PROPERTIES BUILT PRIOR TO 1980 CITY OF ROSEVILLE September 2018						
Unit Type	Market Rate Affordability by AMI					
	30%	50%	60%	80%	100%	120%
STUDIO	26	25	--	--	--	--
1 BR	187	756	310	3	--	--
1 BR + DEN	--	--	18	--	--	--
2 BR	151	288	292	30	--	--
2 BR + DEN	--	--	--	--	--	--
3 BR	--	3	2	1	--	--
Subtotal	364	1,072	622	34	--	--
Pct. Of Total	17.4%	51.2%	29.7%	1.6%	0.0%	0.0%
Pct. Of Affordability Category						
STUDIO	7.1%	2.3%	--	--	--	--
1 BR	51.4%	70.5%	49.8%	8.8%	--	--
1 BR + DEN	--	--	2.9%	--	--	--
2 BR	41.5%	26.9%	46.9%	88.2%	--	--
2 BR + DEN	--	--	--	--	--	--
3 BR	--	0.3%	0.3%	2.9%	--	--
Source: Maxfield Research & Consulting, LLC						



Housing Choice Vouchers

The Metro HRA currently assists more than 6,500 households with rental assistance through the Housing Choice Voucher program, Anoka, Carver, and most of suburban Hennepin and Ramsey Counties. This program is the largest affordable housing program administered by the HRA. Households being assisted through the program pay 30% of their adjusted gross household income for rent and the remainder of the rental amount is paid for with funds allocated to the Housing Choice Voucher program.

Many cities and counties have, in recent years, experienced a reduction in their allocations toward the Housing Choice Voucher program due to federal budget cutbacks. This has many times resulted in the administrative agencies being unable to provide assistance for the full number of vouchers that have been allocated to the jurisdiction because additional funds are needed to maintain assistance for those already utilizing vouchers.

A lottery was recently held through the Metro HRA for placement on the wait list. The housing lottery has been completed. If the applicants name was selected through the lottery, their name has been placed on the wait list and they are able to monitor their status online. Applicants now on the wait list are estimated to have a wait of approximately three years before being able to receive a voucher.

The table below shows the Fair Market Rents as identified by the Department of Housing and Urban Development (HUD) as the payment standard for Housing Choice Vouchers.

FAIR MARKET RENTS RAMSEY COUNTY, MINNESOTA FY 2018					
	Studio	1BR	2BR	3BR	4BR
Fair Market Rents	\$711	\$864	\$1,089	\$1,547	\$1,812
Source: HUD					

Summary of Rental Market Conditions

As of 2nd quarter 2018, the overall vacancy rate for market rate units in Roseville was 2.2% which is less than 5%, the 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 also 2.2%. 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.

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.

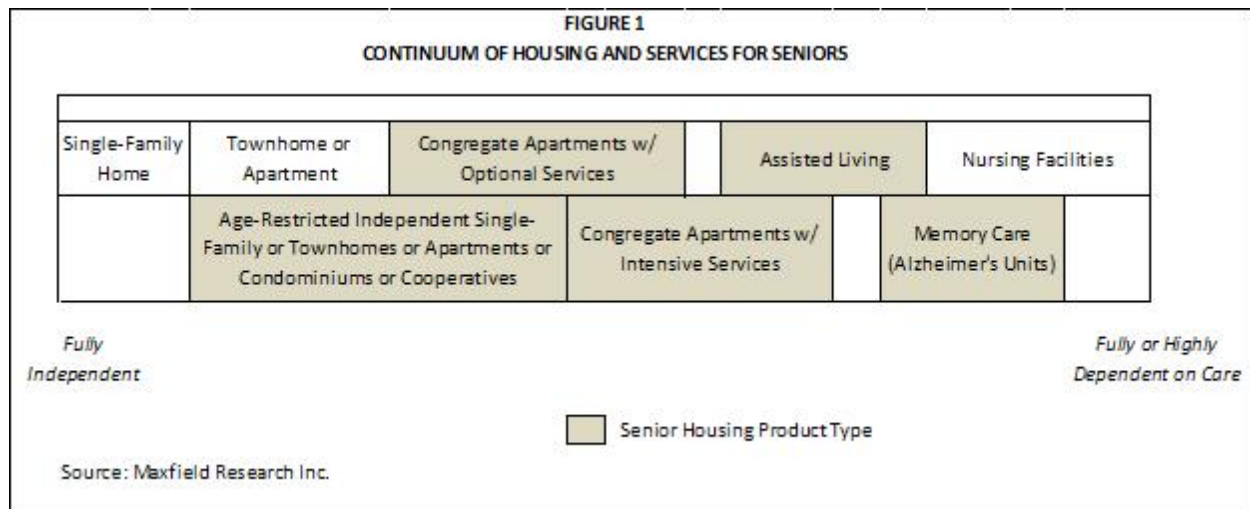
The Housing Choice Voucher program currently serves --- households in Roseville with housing assistance for households to be able to utilize the private market to find their housing. Budget cuts to the Voucher program have challenged many communities recently in being able to assist as many households through the Voucher program as previously. With rising private market rents and the potential for additional budget cuts, it is increasingly difficult to serve an optimum number of households through this program.

Due to Roseville's current supply being roughly 30 years and older with no new properties built since the 1980s, there is a large proportion of older rental properties that, despite rising rents, have units that can serve households with incomes at 50% of AMI to 60% of AMI. Among the market rate units surveyed, 74% of units had rents affordable to households in the above income categories. While 15% had units affordable at 30% of AMI and another 11% had units affordable at 80% of AMI. One caveat is that we do not know if these units are rented to households at these income levels. It is possible that some of these units are rented to households with incomes higher than 50% or 60% of AMI, but residents have elected to pay a smaller portion of their income toward housing.

Types of Senior Housing in Today's Market

For analytical purposes, Maxfield Research & Consulting classifies market rate senior housing into four categories based on the level and type of services offered:

- ▶ **Active Adult** properties (or independent living without services available) 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.
- ▶ **Congregate** properties (or independent living with services available) 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 age 75 or older. Rents are also above those of the active adult buildings, even excluding the services. Sponsorship by a nursing home, hospital or other health care organization is common.
- ▶ **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.
- ▶ **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.



- ▶ **Skilled Nursing Care**, or long-term care facilities, provides a living arrangement that integrates shelter and food with medical, nursing, psychosocial and rehabilitation services for persons who require 24-hour nursing supervision. Residents in skilled nursing homes can be funded under Medicare, Medicaid, Veterans, HMOs, insurance as well as use of private funds.

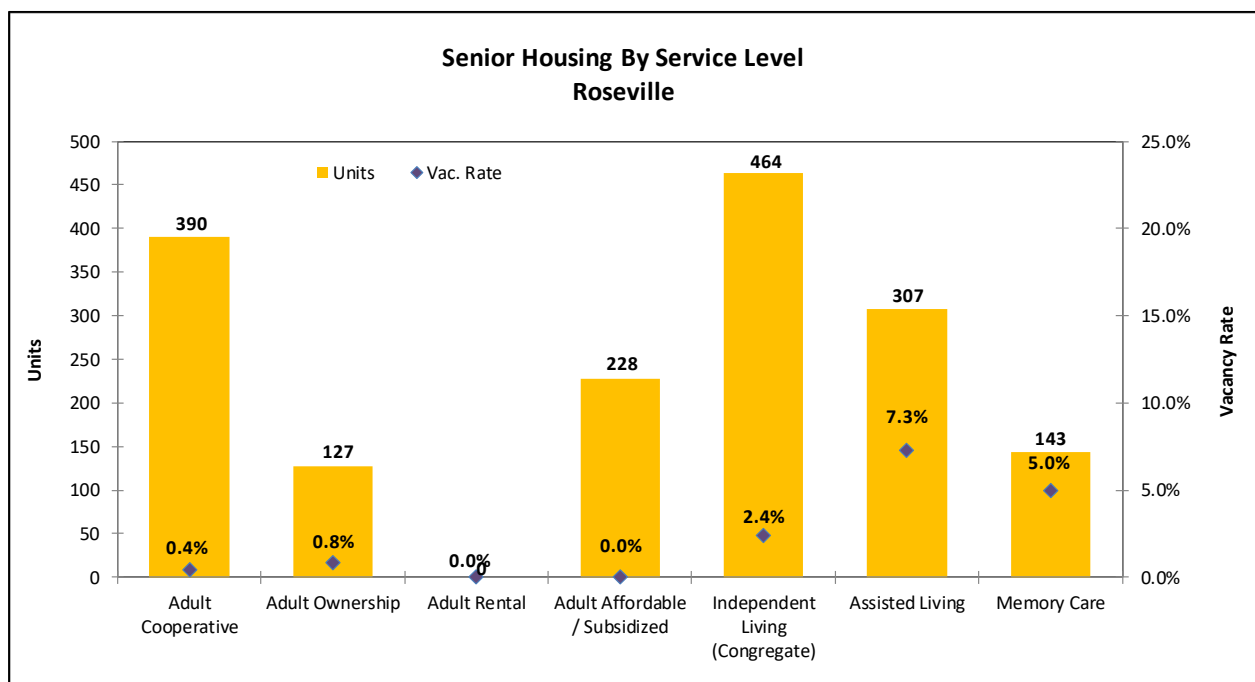
The senior housing products available today, when combined with long-term care facilities form a full continuum of care, extending from virtually a purely residential model to a medically intensive one. Often the services available at these properties overlap with another making these definitions somewhat ambiguous. In general, active adult properties tend to attract younger active seniors, who merely wish to rid themselves of home maintenance; congregate properties serve independent seniors that desire support services (i.e., meals, housekeeping, transportation, etc.) while assisted living properties tend to attract older, frail seniors who need assistance with daily activities, but not the skilled medical care available only in a nursing facility.

Senior Housing in Roseville

As of September 2018, Maxfield Research identified 16 senior housing developments in Roseville. Combined, these projects contain a total of 1,659 units.

The following graph displays vacancy rates by product type. Strong performing markets are those with vacancy rates at or below the following levels: 2% for active adult owner/cooperative housing; 2% for subsidized active adult rental; 5% for active adult market rate rental housing; 5% for independent living (congregate) housing; 7% for assisted living housing; and 7% for memory care housing. Assessed together, these rates typically equate to an overall vacancy rate of less than 6%. The overall vacancy rate for all stabilized senior properties in Roseville is 2.5%, which is below market equilibrium. Vacancy rates for assisted living and memory care facilities however, a much higher than those for active adult and independent living facilities. Assessing the potential demand for additional units should focus on the supply and occupancy rates for facilities of the same service level.

Tables E-1 through E-4 provide information on the existing senior properties including year built, number of units, unit mix, number of vacant units, rents, and general comments. Table E-5 provides information on unit features, building amenities and services included in the monthly fees at all the market rate properties.



Market Rate Active Adult/Few Services

- There are 390 active adult cooperative units and 127 active adult ownership units in six buildings. There are no market rate active adult rentals in Roseville. Due to the vast supply and relative affordability of general-occupancy rental housing in Roseville, many active seniors who exceed income-qualifications at the subsidized developments are likely residing in general-occupancy buildings.
- ***Applewood Pointe at Central Park***, a 105-unit senior (62+) cooperative, is the newest active adult property in Roseville, having opened in 2017. All units have been sold and there is a waiting list.
- ***Applewood Pointe of Langton Lake***, built in two phases, has 89 units. The second phase opened in 2014. No units are available and there is a small waiting list.
- The only cooperative units available are resales at Applewood Pointe on Cleveland (2 units). Two units at Greenhouse Village are anticipated to be coming up for sale over the next two to three months, both two-bedroom units.
- All the Applewood Pointe properties offered the same entry fee options, 15%, 33%, 60% and 95% share cost of the market value of the unit. Greenhouse Village had three entry fee options: 33%, 66%, and 96% share cost of the initial unit value. All the cooperatives have corresponding monthly fees that vary by the share cost amount – the higher the share cost, the lower the monthly fee and vice versa. Once the units have been sold initially, resale prices vary by the amount of the share cost that has been paid down. Therefore, if the unit's share fee has been almost paid off, then the amount of the resale price will be higher.
- Pricing for active adult ownership units currently range from \$36,000 to \$59,900 for one-bedroom units; \$65,000 to \$90,000 for one-bedroom plus den units; \$62,000 to \$150,000 for two-bedroom units; and \$137,000 for two-bedroom plus den units. In addition to the purchase price for a condominium unit, residents also pay monthly dues in the form of association fees. These fees are typically lower than cooperative units since condominium units are purchased at 100% of the purchase price rather than a fraction (share) of the unit value. One unit is available for resale at Villa Park.
- Of the 517 market rate active adult units, there were vacant, resulting in a vacancy factor of 0.6%, which is below market equilibrium. Generally, a healthy active adult ownership/cooperative housing market will have a vacancy rate of around 2.0%, to allow for sufficient consumer choice and turnover.
- Active adult developments typically offer few or no services. Villa Park however, offers an optional dinner meal three days per week.

SENIOR HOUSING ANALYSIS

TABLE E-1 UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON SENIOR HOUSING - ACTIVE ADULT ROSEVILLE September 2018									
Project Name/ Management Co.	Occp. Date	No. of Units	No. Vac.	Unit Mix/Sizes/Pricing					Resident Profile
				Unit Mix	Size (Sq. Ft.)	Entry Fee/ Sale Price	Monthly Rent/ Fee	Rent/Fee Per Square Foot	
ACTIVE ADULT - COOPERATIVES									
Applewood Pointe of Central Park (62+)	2017	105	0	1 - 2BR	1,154 - 1,337	\$38,600 - \$283,240	\$606 - \$1,773	\$0.53 - \$1.33	Avg. age = na;
2659 Victoria St				15 - 2BR+Sunrm	1,405 - 1,874	\$47,000 - \$397,010	\$738 - \$2,485	\$0.53 - \$1.33	70% couples
United Properties				32 - 2BR/D	1,383 - 1,926	\$46,260 - \$408,202	\$727 - \$2,554	\$0.53 - \$1.33	Waiting List
Applewood Pointe of Langton Lake*	2011/ 2014	89	0	1 - 1BR/D	1,006 - 1,006	\$27,160 - \$172,030	\$495 - \$1,276	\$0.49 - \$1.27	Avg. age = na;
1996 Langton Lake Dr				15 - 2BR	1,225 - 1,408	\$37,340 - \$249,150	\$617 - \$1,848	\$0.50 - \$1.31	50% couples
United Properties				32 - 2BR/D	1,383 - 1,764	\$37,340 - \$301,640	\$680 - \$2,237	\$0.49 - \$1.27	
Applewood Pointe*	2004	94	2	2 - 1BR	835 - 835	\$53,235 - \$188,339	\$874 - \$1,191	\$1.05 - \$1.43	Avg. age = 78;
1480 Applewood Ct				12 - 1BR/D	970 - 1,060	\$48,293 - \$171,386	\$526 - \$1,102	\$0.54 - \$1.04	45% to 50% couples
United Properties				50 - 2BR	1,171 - 1,283	\$59,444 - \$221,574	\$744 - \$1,368	\$0.64 - \$1.07	Draw from Roseville,
				30 - 2BR/D	1,395 - 1,653	\$84,261 - \$287,060	\$664 - \$1,723	\$0.48 - \$1.04	Shoreview, & Moundsview
Greenhouse Village*	2006	102	0	24 - 1BR/D	1,058 - 1,373	\$83,490 - \$218,000	\$842 - \$1,826	\$0.80 - \$1.33	Avg. age = mid 70s;
1021 Larpenteur Ave W				59 - 2BR	1,235 - 1,665	\$122,000 - \$349,900	\$944 - \$2,122	\$0.76 - \$1.27	35% couples
Premier Senior Resources/Self Managed				19 - 2BR/D	1,443 - 1,575	\$117,506 - \$340,000	\$1,093 - \$2,224	\$0.76 - \$1.41	Draw about 60% from Roseville
ACTIVE ADULT - OWNERSHIP									
Roseville Commons Condominiums	2001	30	0	3 - 1BR	798 - 820	\$89,000	\$310 - \$310	\$0.38 - \$0.39	Avg. age = low 70s;
2496 County Rd C2 W				27 - 2BR	1,033 - 1,133	\$148,000 - \$150,000	\$310 - \$310	\$0.27 - \$0.30	50% couples
Mendota Homes/Self Managed									Draw from Roseville &
Pricing reflects sales between 2016 and 2017									St. Anthony
Villa Park	1986	97	1	34 - 1BR	647 - 777	\$35,000 - \$91,000	\$389 - \$466	\$0.60 - \$0.60	Avg. age = low 80s;
500 County Rd B W				42 - 1BR/D	820 - 950	\$79,900 - \$90,000	\$492 - \$575	\$0.60 - \$0.61	50% couples
Advanced Innovative Mgt.				12 - 2BR	1,035 - 1,863	\$100,000 - \$159,000	\$620 - \$1,118	\$0.60 - \$0.60	9 sales - 2016; 12 sales - 2017
Pricing reflects sales between 2016 and 2018 YTD				9 - 2BR/D	1,315 - 1,315	\$137,500	\$789 - \$789	\$0.60 - \$0.60	6 sales - 2018 YTD
ACTIVE ADULT - RENTAL									
none									
ACTIVE ADULT - AFFORDABLE/SUBSIDIZED									
Coventry (62+)	1978	101	0	101 - 1BR	600	--	--	30% AMI	80% senior; 20% disabled.
2820 Snelling Avenue N				2 - 2BR	800	--	--	--	Waiting list
(Unit total is for senior component only)									
Roseville Senior House	1978	127	0	118 - 1BR	630	--	--	30% AMI	Primarily seniors; some disabled.
1045 W Larpenteur Avenue				9 - 2BR	880 - 880	--	--	--	Draws from across Metro Area.
									Waiting list
Total/Average		745	3		1,183	\$141,618	\$965	\$0.78	
			0.4%						
* Low end of share price range reflects initial purchase of unit; resales may not allow the lowest share price; upper end of price range reflects recent resales									
Note: Vacancy rate excludes properties in initial lease-up									
Source: Maxfield Research and Consulting LLC									

SENIOR HOUSING ANALYSIS

TABLE E-2 UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON SENIOR HOUSING - INDEPENDENT LIVING (Congregate) ROSEVILLE September 2018										
Project Name/ Location	Occp. Date	No. of Units	No. Vac.	Unit Mix/Sizes/Pricing					Resident Profile	
				Unit Mix	Size (Sq. Ft.)	Entry Fee/ Sale Price	Monthly Rent/ Fee	Rent Per Square Foot		
INDEPENDENT LIVING (Congregate)										
Cherrywood Pointe at Lexington 2680 Lexington Ave. N. United Properties	2017	46	n/a	4 - Studio	576 - 659	--	--	\$1,875 - \$2,025	Avg. age = 85	
				16 - 1BR	822 - 822	--	--	\$2,075 - \$2,625	about 30% couples	
				8 - 1BR/D	1,004 - 1,090	--	--	\$2,725 - \$2,875	In initial lease-up	
				15 - 2BR	1,090 - 1,212	--	--	\$2,875 - \$3,225	Catered living	
Cherrywood Pointe of Roseville 2996 Cleveland Avenue N United Properties	2012	50	0	5 - Studio	422 - 476	--	--	\$1,420 - \$1,535	Avg. age = 85	
				19 - 1BR	661 - 771	--	--	\$1,785 - \$1,945	about 1/3 couples	
				9 - 1BR/D	720 - 859	--	--	\$2,120 - \$2,520	Catered Living	
				17 - 2BR	720 - 1,026	--	--	\$2,520 - \$2,825		
Heritage Place of Roseville 563 County Road B West Good Samaritan Society	2004	49	2	18 - 1BR	699	--	--	\$2,004	Avg. age = 85	
				10 - 1BR/D	929	--	--	\$2,004 - \$2,004	13 couples	
				21 - 2BR	963 - 987	--	--	\$2,511 - \$2,563	Draw from Roseville,	
Eagle Crest Terrace 2925 Lincoln Drive N Presbyterian Homes	1994	127	0	84 - 1BR	687 - 963	--	--	\$1,515 - \$2,100	Avg. age = 85	
				4 - 1BR/D	1,012 - 1,100	--	--	\$2,215 - \$2,390	about 1/3 couples	
				39 - 2BR	931 - 1,393	--	--	\$1,985 - \$2,905		
Rosepointe I 2555 North Hamline Avenue Pointe Management Corp (Entirely remodeled)	1988	151	8	85 - 1BR	621 - 851	--	--	\$1,510 - \$1,990	Avg. age = 84	
				26 - 1BR/D	880 - 964	--	--	\$2,060 - \$2,255	20 couples	
				40 - 2BR	950 - 1,350	--	--	\$2,225 - \$2,950	East Metro Draw (Roseville, Shoreview, Arden Hills, St. Paul)	
Rosepointe II 2545 North Hamline Avenue Pointe Management Corp	1996	41	0	18 - 1BR	750	--	--	\$805 - \$925	Avg. age = mid 70s	
				23 - 2BR	1,000 - 1,050	--	--	\$1,000 - \$1,075	5 couples East Metro Draw (Roseville, Shoreview, Arden Hills, St. Paul)	
Total/Average		464	10 2.4%	848		N/A		\$1,988	\$2.33	
Note: Vacancy Rate excludes properties in initial lease-up										
Source: Maxfield Research and Consulting LLC										

SENIOR HOUSING ANALYSIS

TABLE E-3
UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON
SENIOR HOUSING - ASSISTED LIVING
ROSEVILLE
September 2018

Project Name/ Location	Occp. Date	No. of Units	No. Vac.	Unit Mix/Sizes/Pricing					Resident Profile	
				Unit Mix	Size (Sq. Ft.)	Entry Fee/ Sale Price	Monthly Rent/ Fee	Rent Per Square Foot		
ASSISTED LIVING										
Cherrywood Pointe of Lexington 2680 Lexington Avenue N <i>United Properties</i>	2017	45	n/a	7 - Studio 15 - 1BR 11 - 1BR/D 12 - 2BR	576 - 659 822 - 822 1,004 - 1,090 1,090 - 1,212	-- -- -- --	-- -- -- --	\$3,675 - \$3,825 \$3,875 - \$4,425 \$4,525 - \$4,675 \$4,675 - \$5,025	\$5.80 - \$6.38 \$4.71 - \$5.38 \$4.29 - \$4.51 \$4.15 - \$4.29	New property opened 2017; AL includes six care suites Catered living In initial lease-up
Cherrywood Pointe 2996 Cleveland Avenue N <i>United Properties</i>	2012	50	0	5 - Studio 19 - 1BR 9 - 1BR/D 17 - 2BR	422 - 476 661 - 771 720 - 859 720 - 1,026	-- -- -- --	-- -- -- --	\$3,585 - \$3,629 \$3,860 - \$4,120 \$4,295 - \$4,695 \$4,695 - \$5,000	\$7.62 - \$8.50 \$5.34 - \$5.84 \$5.47 - \$5.97 \$4.87 - \$6.52	Avg. age = 85 about 1/3 couples AL includes six care suites Catered living
Sunrise of Roseville 2555 Snelling Avenue <i>Sunrise Senior Living</i>	2001	48	5	20 - Studio 15 - 1BR 13 - 2BR Companion	275 - 392 388 - 505 471 - 691 388 - 691	-- -- -- --	-- -- -- --	\$3,133 - \$3,133 \$3,711 - \$3,711 \$4,502 - \$4,502 \$2,342 - \$2,342	\$11.39 - \$11.39 \$7.35 - \$9.56 \$6.52 - \$9.56 \$3.39 - \$6.04	Avg. age = 83 to 84 about 15% couples Care package from \$882-\$3,345
Eagle Crest Commons 2945 Lincoln Drive <i>Presbyterian Homes</i>	2001	90	4	32 - Studio 54 - 1BR 4 - 2BR Enhanced AL	446 - 488 516 - 640 1,034 446 - 640	-- -- -- --	-- -- -- --	\$2,965 - \$3,200 \$3,175 - \$3,985 \$4,315 \$3,395 - \$4,245	\$6.56 - \$6.65 \$6.15 - \$6.23 \$4.17 - \$4.17 \$7.61 - \$9.52	Avg. age = 86 to 87 Some units converted to enhanced AL Care package ranges from \$350-\$3,500
New Perspective Sr Living - Roseville (formerly Rosewood Estate) 2750 North Victoria Street <i>New Perspective</i>	1989/ 1994	74	10	5 - Studio 66 - 1BR 3 - 2BR	400 - 420 425 - 520 560	-- -- --	-- -- --	\$3,407 \$3,985 \$4,350	\$8.11 - \$8.52 \$7.66 - \$9.38 \$7.77	Avg. age = 84 to 85 4 couples Many former residents & adult children who live in Roseville
Total/Average		307	19 7.3%	571		N/A		\$3,780	\$7.17	
Note: Vacancy rate excludes properties in initial lease-up										
Source: Maxfield Research and Consulting LLC										

SENIOR HOUSING ANALYSIS

TABLE E-4
UNIT MIX/SIZE/COST & OCCUPANCY COMPARISON
SENIOR HOUSING - MEMORY CARE
ROSEVILLE
September 2018

Project Name/ Location	Occp. Date	No. of Units	No. Vac.	Unit Mix/Sizes/Pricing					Resident Profile	
				Unit Mix	Size (Sq. Ft.)	Entry Fee/ Sale Price	Monthly Rent/ Fee	Rent Per Square Foot		
MEMORY CARE										
Cherrywood Pointe-Lexington 2680 Lexington Avenue N <i>United Properties</i>	2016	24	n/a	20 - Studio 4 - 1BR	444 - 536 562 - 562	-- --	-- --	\$3,700 - \$4,000 \$4,200	\$7.46 - \$8.33 \$7.47 - \$7.47	Care Package ranges from \$2,360 to \$4,500 depending on level of care In initial lease-up
Cherrywood Pointe-Roseville 2996 Cleveland Avenue N <i>United Properties</i>	2012	24	0	24 - Studio	322 - 476	--	--	\$3,670 - \$3,910	\$11.40 - \$0.00	Avg. age = 85 about 1/3 couples Care Packages from \$2,360-\$4,500
New Perspective Roseville 2750 N Victoria Street <i>New Perspective Sr Living</i>	1989/ 1994	30	3	20 - Studio 10 - 1BR	363 - 363 420 - 520	-- --	-- --	\$4,533 \$4,715	\$12.49 - \$12.49 \$9.07 - \$11.23	Avg. age = Personal cares at addtl Charge Also accept EW and Cadi
Sunrise of Roseville 2555 Snelling Avenue <i>Sunrise Senior Living</i>	2001	29	3	11 - Studio 10 - 1BR 8 - Companion	275 - 392 388 - 505 388 - 691	-- -- --	-- -- --	\$3,589 - \$3,589 \$3,924 - \$3,924 \$2,464 - \$2,464	\$9.16 - \$13.05 \$7.77 - \$10.11 \$3.57 - \$6.35	Avg. age = 83 to 84 Care packages range from \$2,068 to \$4,350
Eagle Crest Arbors 2955 Lincoln Drive <i>Presbyterian Homes</i>	2001	36	0	36 - Studio	382 - 392	--	--	\$2,835 - \$3,305	\$7.42 - \$8.43	Avg. age = 85 Care pkgs range from \$2,295-\$3,975
Total/Average		143	6	420				\$3,577	\$8.75	
		5.0%								
TOTAL - ALL SERVICE LEVELS		1,659	38	2.3%						
Note: Vacancy rate excludes properties in initial lease-up.										
Source: Maxfield Research and Consulting LLC										

SENIOR HOUSING ANALYSIS

TABLE E-5
UNIT FEATURES/BUILDING AMENITIES/SERVICES
MARKET RATE SENIOR HOUSING
ROSEVILLE
September 2018

	Unit Features						Building Amenities								Services					Utilities			
	A/C	Dishwasher	Microwave	Oven	W/D	Walk-in Closet	Balcony/Patio	Community Rm.	Dining Rm.	Craft/Hobby Rm.	Library	Beauty/Barber	Storage Lockers	Exercise Rm.	Parking	Guest Suite	Transportation	Activities	Laundry		Housekeeping	Meals	
ACTIVE ADULT - COOPERATIVE																							
Applewood Pointe at Central Park	Cent.	I	I	I	I	I	I	I	I	I	I	I	I	UG 1-Incl.	I	I	N	I	N	N	N	Tenant pays elec., phone Cable/Internet incl	
Applewood Pointe of Langton Lake	Cent.	I	I	I	I	I	I	I	I	I	I	I	I	UG 1-Incl.	I	I	N	I	N	N	N	Tenant pays elec., phone Cable/Internet incl	
Applewood Pointe of Roseville	Cent.	I	I	I	I	I	I	I	I	I	I	I	N	UG 1-Incl.	I	I	N	I	N	N	N	Tenant pays elec, phone Cable/Internet incl	
Greenhouse Village	Cent.	I	I	I	I	I	I	I	I	I	I	I	I	UG 1-Incl.	I	I	N	I	N	N	N	Tenant pays phone Cable/Internet incl	
ACTIVE ADULT - OWNERSHIP																							
Roseville Commons Condominiums	Cent.	I	I	I	I	I	I	I	N	N	N	N	N	I	I	UG Incl.	N	N	N	N	N	Tenant pays elec, phone, & cable	
Villa Park	Unit	S	N	S	S	S	I	I	N	I	N	I	N	I	I	UG Incl.	I	N	I	N	N	O 3/week	Tenant pays elec, phone, & cable
INDEPENDENT LIVING (Congregate)																							
Cherrywood Pointe on Lexington	Cent.	I	I	I	I	S	S	I	I	I	I	I	I	I	UG \$60	I	I	I	O	O	O	All utilities included	
Cherrywood Pointe-Roseville	Cent.	I	I	I	I	S	S	I	I	I	I	I	I	I	UG \$50	I	I	I	O	O	O	All utilities included	
Heritage Place of Roseville	Cent.	I	I	I	I	S	N	I	I	I	N	N	I	I	UG \$55	I	I	I	O 1/wk	O 1/wk	O 3 meals	All utilities included except phone;	
Eagle Crest Terrace	Cent.	I	N	S	I	N	I	I	I	I	I	I	I	I	UG \$55	N	I	I	N	I	I	Tenant pays electric/phone; basic cable incl.	
Rosepointe I	Cent.	I	N	N	S	S	I	I	I	I	N	I	I	I	UG \$55	I	I	I	O	I	I	Tenant pays elec, phone, & cable	
Rosepointe II	Unit	I	N	N	I	S	I	I	N	N	N	I	I	N	DG \$50	I	I	I	O	O	O	Tenant pays elec, phone & cable; no elevator	
CONTINUED																							

SENIOR HOUSING ANALYSIS

TABLE E-5 (CONTINUED)
UNIT FEATURES/BUILDING AMENITIES/SERVICES
MARKET RATE SENIOR HOUSING
ROSEVILLE
September 2018

	Unit Features						Building Amenities								Services					Utilities	
	A/C	Dishwasher	Microwave Oven	W/D	Walk-in Closet	Balcony/Patio	Community Rm.	Dining Rm.	Craft/Hobby Rm.	Library	Beauty/Barber	Storage Lockers	Exercise Rm.	Parking	Guest Suite	Transportation	Activities	Laundry	Housekeeping		Meals
ASSISTED LIVING																					
Cherrywood Pointe-Lexington	Cent.	N	N	I	I	I	I	I	I	I	I	I	I	UG	I	I	I	I	I	I	All utilities included
														\$60			2/wk	1/wk	3/day		
Cherrywood Pointe-Roseville	Cent.	N	N	S	S	S	I	I	I	I	I	I	I	UG	I	I	I	I	I	I	All utilities included
														\$50			2/wk	1/wk	3/day		
Sunrise of Roseville	Cent.	N	N	N	S	N	I	I	I	I	I	I	I	Surf	N	I	I	I	I	I	All utilities included except phone
																	1/wk	1/wk	3/day		
Eagle Crest Commons	Cent.	N	N	N	S	N	I	I	I	I	N	I	I	UG	N	I	I	O	I	I	All utilities incl. phone
														\$55				1/wk	2/day		
New Perspective Sr. Living-Rosville	Cent.	N	N	N	S	N	I	I	i	I	i	I	I	Surf	N	I	I	O	I	I	All utilities included except phone
																		1/wk	3/day		
MEMORY CARE																					
Cherrywood Pointe-Lexington	Cent.	N	N	N	N	N	I	I	I	I	I	I	I	UG	Y	Y	Y	Y	Y	Y	All utilities included
														\$60			all	all	3/day		
Cherrywood Pointe-Roseville	Cent.	N	N	N	N	N	I	I	I	I	I	I	I	UG	Y	Y	Y	Y	Y	Y	All utilities included
														\$50			all	all	3/day		
Sunrise of Roseville	Cent.	N	N	N	S	N	I	I	I	I	I	I	I	Surf	I	Y	Y	Y	Y	Y	All utilities included except phone
																	1/wk	1/wk	3/day		
Eagle Crest Arbors	Cent.	N	N	N	N	N	I	I	I	I	N	I	I	UG	N	I	I	i	I	i	All utilities included and phone
														\$55			3/wk	1/wk	3/day		
New Perspective Sr. Living-Roseville	Cent.	N	N	N	N	N	I	I	I	I	N	I	I	Surf	N	I	I	I	I	I	All utilities included
																	3/wk	1/wk	3/day		
I = Included; N = No; S = Some; O = Optional, AG = Attached Garage; DG = Detached Garage; UG = Underground Parking; Surf = Surface Parking																					
Source: Maxfield Research and Consulting LLC																					

Affordable/Subsidized Active Adult/Few Services

- There are two subsidized active adult properties in Roseville with 228 units. There are no tax credit or moderate-income active adult rentals in Roseville. Subsidized senior housing offers rents affordable to qualified low income seniors and handicapped/disabled persons. Typically, the rent paid by the resident is based on 30% of their adjusted gross income (AGI). For households that meet the age and income qualification (adjusted gross income at or less than 50% of AMI), subsidized housing is usually the most affordable rental option available.
- “Affordable” properties are usually funded through the federal Low-Income Housing Tax Credit program also known as Section 42 and the maximum income is usually limited to 60% of the Area Median Income. The seven core counties in the Metro Area are included under the same income limits. Some CDAs may increase the maximum income allowable to 80% of AMI.
- As of September 2018, there were no vacant units and each property has a waiting list.

Independent Living (Congregate)

- There are five communities (six buildings) in Roseville that offer independent living (congregate) housing with 464 units. At the time of the survey, 10 units were vacant rate of 2.4%, excluding the units in initial lease-up at Cherrywood Pointe. A vacancy of 5% is generally considered to represent market equilibrium for independent (congregate) housing, allowing for sufficient unit turnover and adequate consumer choice.
- *Rosepointe I* is an older building, but recently completed a full interior renovation. The number of vacant units has decreased since the previous analysis in 2013. The property offers a strong value in the market with more services included in the monthly fee than at other independent properties in Roseville.
- The unit mix is weighted toward one-bedroom units with 52% of the total comprised of this unit type. In descending order of the remaining inventory, 33% are two-bedroom units, 12% are one-bedroom plus den units and 2% are studio units. Despite the higher proportion of one-bedroom units, newer buildings have increased the proportion of larger size units as there are more couples moving into independent living and more households seeking larger size units.
- Studio units range from 422 to 659 square feet; one-bedroom units range from 621 to 963 square feet; one-bedroom plus den units range from 720 to 1,100 square feet and two-bedroom units range from 720 to 1,393 square feet.

- Excluding *Rosepointe II* because they are moderately priced, monthly rents at independent living (congregate) facilities range from \$1,420 to \$2,025 for studio units; \$1,515 to \$2,625 for one-bedroom units; \$2,004 to \$2,875 for one-bedroom plus den units and \$1,985 to \$3,225 for two-bedroom units.
- All the independent living (congregate) properties include scheduled activities and transportation in the monthly fee. Properties vary as to other inclusions. Most include utilities such as heat, water, trash removal. Some properties include basic cable TV and internet in the monthly fee and at least one property also includes electricity and local telephone service. Optional services usually include meals, housekeeping and laundry service. *Heritage Place of Roseville*, *Eagle Crest Terrace* and *Rosepointe I* include a limited number of meals in the monthly fee for independent living.
- *Cherrywood Pointe at Lexington* is the newest service-based property in Roseville having opened in 2017 and the property is in its initial lease-up period. There are 115 units, including 85 independent/assisted living units, 24 memory care units and six care suites.
- *Eagle Crest Terrace* and the *Cherrywood Pointe* properties also offer additional housing options such as assisted living, enhanced assisted living and memory care.

Assisted Living

- There are five assisted living facilities in Roseville with a total of 307 units. As of September 2018, there were 19 vacancies for a vacancy rate of 7.3%, excluding units in initial lease-up. Due to the more specialized nature of assisted living housing and higher turnover than congregate housing, the vacancy rate for assisted living is considered 7% at equilibrium.
- Assisted living typically has higher proportions of studio and one-bedroom units than independent living properties. Among the properties in Roseville, one-bedroom units account for 64% of the mix followed by studio units with 30%. Of the remaining unit types, 12% are two-bedroom units, 3% are one-bedroom plus den units and 1% are companion units.
- Unit sizes are characteristically smaller for assisted living housing when compared to similar unit designs for independent living when there are separate components for independent and assisted living. Several new properties, including the newest *Cherrywood Pointe*, allow residents to receive services in their units as they age without having to relocate and market acceptance of this concept has been strong. Studio units range from 275 to 488 square feet; one-bedroom units range from 388 to 771 square feet; one-bedroom plus den units range from 720 to 859 square feet; and two-bedroom units range from 471 to 1,026 square feet. Shared companion units range from 388 to 691 square feet.

- Monthly rents at assisted living facilities range from \$2,930 to \$3,825 for studio units; \$3,175 to \$4,425 for one-bedroom units; \$4,295 to \$4,675 for one-bedroom plus den units; \$4,675 to \$5,025 for two-bedroom units; \$2,342 companion units (this pricing is different than for two-bedroom units).
- Monthly rents at assisted living facilities typically include all utilities, two or three meals per day, scheduled transportation to shopping and outings, weekly housekeeping, weekly linen change, activity programming and 24-hour supervision. All the properties offering assisted living provide personal care services at an additional charge. Most facilities bundle assisted living services in packages, but depending on the level of care required, services may also be purchased a-la-carte.
- Assisted living facilities assess the care needs of residents upon entry to the facility and a registered nurse usually identifies the level of care required. As an example, *Eagle Crest Commons* has a point system, which ranges from \$350 to \$3,500 per month depending on the service requirements of the resident. At entry, residents' monthly fee automatically includes the lowest level of care.
- *New Perspective Senior Living* acquired *Keystone of Roseville* approximately two years ago. *New Perspective* and *Sunrise Living of Roseville* quote pricing based on daily rates. These daily rates have been converted to monthly rates in the table for easier comparison with other facilities. Daily rates range from \$103 per month for a studio unit to \$148 per month for a two-bedroom unit. Personal care is charged in addition to the base monthly fees.

Memory Care

- Five properties offer memory care housing in Roseville with a total of 143 units. Memory care housing has gradually increased in number and in usage in the Twin Cities over the past several years and caters primarily to individuals that have been diagnosed with Alzheimer's or other dementias. Most of the memory care units were built after 2000. The *New Perspective-Roseville* facility converted some of its assisted living units to memory care after acquiring the facility from another company.
- Six units are vacant for a vacancy rate of 5.0%, excluding the newest property, which is still in initial lease-up. The market equilibrium vacancy rate for memory care is the same as that for assisted living at 7%.
- Each of the **Cherrywood Pointe** facilities has 24 memory care units. Monthly fees begin at \$3,670 for a studio unit which includes utilities, meals, weekly housekeeping, linen change and laundry. Personal care is provided in packages which range from \$2,360 to \$4,500 per month additional depending on the level of care needed by the resident.

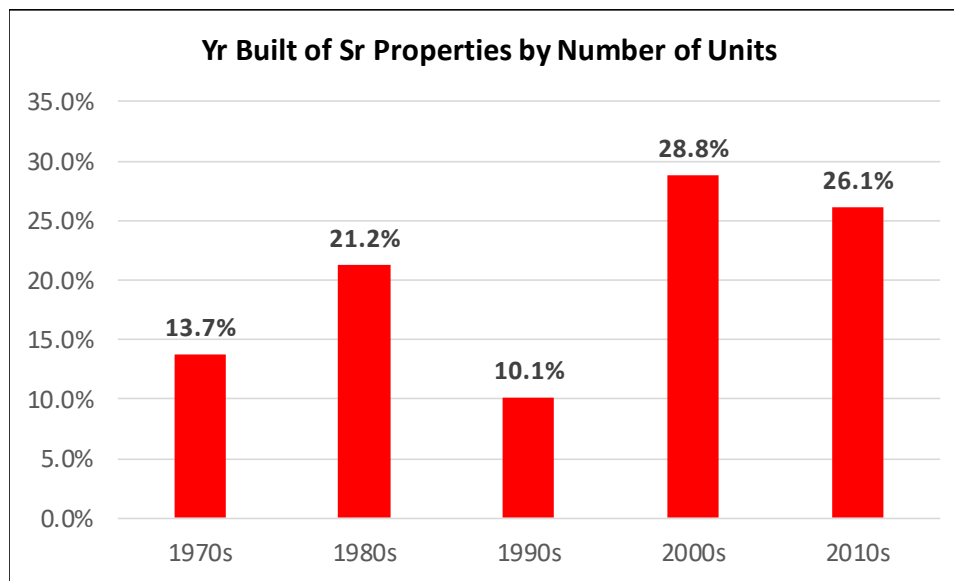
SENIOR HOUSING ANALYSIS

- ***Sunrise of Roseville*** has 29 units, including studio, one-bedroom and companion units (two-person). Monthly fees begin at \$2,464 for companion units, \$3,589 for studio units and \$3,924 for two-bedroom units. Personal care is in addition to the base monthly fee.
- ***Eagle Crest Arbors*** has 36 studio units. Monthly fees begin at \$2,835, excluding personal care. Personal care is provided in packages at three levels which begin at Personal care packages begin at \$2,295. Therefore, the monthly fee for housing and personal care starts at \$5,130 per month.

Age of Senior Units

The following graph shows the proportion of senior units in age-restricted buildings by year built of the property. The information shows that nearly 55% of the age-restricted units in Roseville were built 2000 or later.

Demand for senior housing has increased rapidly over the past two decades as an increasing number of seniors are now familiar with senior housing options and the breadth and depth of housing options provided has increased. Assisted living and memory care providers are increasingly caring for individuals with relatively high acuity level. Some facilities offer enhance assisted living similar to care provided in a skilled nursing facility.



Skilled Nursing Facilities

Nursing facilities provide the most service-intensive housing available and meet the needs of seniors with complex medical needs beyond what can be accommodated in traditional assisted living environments. Seniors who exhaust private funds, do not have financial support from family members and/or are unable to find an assisted living facility that accepts Elderly Waivers

SENIOR HOUSING ANALYSIS

reside in nursing facilities with the assistance of Medicaid funding. With restrictions on the case mix levels that can be accepted in skilled nursing facilities (restricted to more complex medical needs), most senior housing alternatives are not directly competitive with the levels of care offered in nursing homes.

Table E-6 provides a summary of the existing nursing facilities in the Roseville Market Area.

TABLE E-6 SKILLED NURSING FACILITIES ROSEVILLE MARKET AREA September 2018					
Project Name/Location	Year Built	# of Beds Lic.	Daily Rates		Comments
			Lowest Case Mix	Highest Case Mix	
The Estates at Roseville 2727 North Victoria <i>Roseville</i>	1966	175	\$168.70	\$420.59	secured Alzheimer's unit, adult day care, IV therapy, wound care, occupational therapy.
Langton Place 1910 West County Road D <i>Roseville</i>	1960	94	na	na	Transitional/short-term care, inpatient/outpatient rehab
Rose of Sharon Manor 1000 Lovell Ave W <i>Roseville</i>	1995	63	\$171.81	\$447.97	short-term care, post-operative care, wound care, cancer recover services.
New Brighton Care Center 805 6th Avenue NW <i>New Brighton</i>	1964	57	\$182.65	\$422.12	19 private and 19 shared units. Short-term care, IV therapy.
Benedictine Health Center at Innsbruck 1101 Black Oak Drive <i>New Brighton</i>	1965	105	\$204.45	\$488.65	Short-term care unit, physical, occupational, and speech therapy, Alzheimer's program.
Health & Rehabilitation of New Brighton 825 1st Avenue NW <i>New Brighton</i>	1967	100	\$182.40	\$437.42	Short-term care unit, post-operative care, respiratory services, cancer recover services.
Johanna Shores 3220 Lake Johanna Blvd <i>Arden Hills</i>	na	194	\$186.63	\$433.98	Long-term care, Alzheimer's program, wound care, tube feeding,
Sources: MN Department of Health and Human Services; Maxfield Research & Consulting, LLC					

Senior Housing Outside Roseville in the PMA

Table E-7 identifies the existing senior housing properties in communities adjacent to Roseville in the Remainder of the Market Area. Although not all these properties are directly competitive with those in Roseville, many seniors will cross-shop facilities in cities near Roseville.

The newest property is **Cardigan Ridge** at 3300 Rice Street in Little Canada. Cardigan Ridge offers 86 independent living/assisted living units and 32 memory care units and was developed by Hearth Development of the Twin Cities.

SENIOR HOUSING ANALYSIS

**TABLE E-7
EXISTING SENIOR HOUSING
NEAR ROSEVILLE AND IN PMA
September 2018**

Project	Location	Year Built	Units		
			MR	Aff	Sub
Adult/Few Services Properties					
Cooperatives					
Applewood Pointe of New Brighton*	New Brighton	2007	120	--	--
Applewood Pointe of Shoreview	Shoreview	2016	77	--	--
Zvago	St. Paul	2017	49	--	--
Total Cooperative Units			246	0	0
Ownership					
Kenzington of St. Anthony	St. Anthony	1986	150	--	--
1666 Coffman	Falcon Heights	1986	93	--	--
Luther Place	St. Paul	1985	19	--	--
Living Choice on Arundel	St. Paul	2004	26	--	--
Total Ownership Units			288	0	0
Rental					
Cottage Villas	Arden Hills	1995	18	42	--
Falcon Heights Silver	Falcon Heights	2004	25	31	--
The Lodge at Little Canada	Little Canada	2003	--	79	--
Garden Terrace Commons	Little Canada	2003	--	--	35
Garden Terrace	Little Canada	1983	--	--	41
Mayfield	Little Canada	1992	93	--	--
Golden Pond	New Brighton	1989	47	35	--
The Shores of Shoreview	Shoreview	2002	39	29	--
Summer House of Shoreview*	Shoreview	2000	72	--	--
Legends of Silver Lake	St. Anthony	2015		169	
Walker Methodist Kenzie	St. Anthony	1986	--	--	45
Autumn Woods	St. Anthony	1989	50	--	--
Cornelia House	St. Paul	2005			50
Carty Heights	St. Paul	2007			49
Seabury	St. Paul	2002			50
Midway Pointe	St. Paul	2014			49
Total Rental Units			344	385	319
Independent Living (Congregate)					
Meadowood Shores*	New Brighton	2000	106	--	--
Heritage at Lyngblomsten, The	St. Paul	1994	60	--	105
Como By The Lake	St. Paul	1986	99	--	--
Terrace at Iris Park	St. Paul	2014	58	--	--
Cardigan Ridge	Little Canada	2017	43	--	--
Johanna Shores-Terrace	Arden Hills	2012	54	--	--
Johanna Shores-Brownstones	Arden Hills	2012	40	--	--
Sutton Place	Arden Hills	1980	19	--	--
Shoreview Senior Living	Shoreview	2013	55	--	--
Scandia Shores	Shoreview	1996	65	43	--
Total Congregate Units			599	43	105
(continued)					

SENIOR HOUSING ANALYSIS

TABLE E-7 (continued) EXISTING SENIOR HOUSING NEAR ROSEVILLE AND IN PMA September 2018					
Project	Location	Year Built	Units		
			MR	Aff	Sub
Assisted Living					
Chandler Place	St. Anthony	1986	119	--	--
Brightondale*	New Brighton	1988	64	--	--
Cardigan Ridge	Little Canada	2017	43	--	--
Shoreview Senior Living	Shoreview	2013	33	--	--
Johanna Shores	Arden Hills	2012	72	--	--
Iris Park Commons	St. Paul	1992/2002	49	--	--
Total Assisted Living Units			380	0	0
Memory Care					
Pond View	St. Anthony	1997	23	--	--
Brightondale*	New Brighton	1988	16	--	--
Johanna Shores	Arden Hills	2012	36	--	--
Cardigan Ridge	Little Canada	2017	32	--	--
Shoreview Senior Living	Shoreview	2012	16	--	--
Katy's Cottage	St. Paul	2002	16	--	--
Total Memory Care Units			139	0	0
* located in PMA communities but outside of PMA					
Source: Maxfield Research and Consulting LLC					

Zvago, a senior housing cooperative, is under construction in St. Anthony Park in St. Paul on the campus of Luther Seminary on Como Avenue. The property is scheduled to open in late 2018 or early 2019 and has 49 units.

In total, there are 1,996 market rate, age-restricted, 428 affordable and 424 subsidized senior units in PMA communities outside of Roseville. The highest proportion of these is active adult rental at 52.5%, followed by independent living with some services at 37.4% and assisted living at 19.0%.

Pending Senior Developments

Roseville

Big D construction has proposed to develop 103 units of assisted living and memory care housing on property at 2600 Dale Street N. The proposed use of the property is permitted for the site and therefore, no additional approvals are required. A permit was issued for footings, but the contractor has not proceeded with construction and the permit previously issued is set to expire soon. It is unclear how or if this development will proceed.

Presbyterian Homes and Services has been in discussions with the City regarding the redevelopment of the existing Langton Place skilled care center at 1910 County Road D. Langton Place has 94 skilled nursing beds. The tentative proposal would be to reduce the number of skilled beds and incorporate a mix of long-term care and transitional care beds along with an independent living senior building of approximately 64 units. No formal application has been made to date.

United Properties has proposed to develop 100 units of market rate active adult (55+) rental housing adjacent to the new Cherrywood Pointe at Lexington service-enriched facility.

Arden Hills

Summit Development has proposed a 100- to 150-unit senior development consisting of independent and/or assisted living which is yet to be determined. The development is in the early planning stage as the site, at Interstate 694 and Highway 10 is currently zoned for a maximum of 80 units. The developer is negotiating with the City to increasing the number of units allowed on the site. This development remains tentative.

Lynblomsten, a well-known senior housing operator in St. Paul, is proposing to develop a 200-unit senior campus at 1700 Highway 96. The City has not received any applications at this time. It is unclear when this project may move forward and the distribution of units by service level has not yet been determined.

Little Canada

The City of Little Canada recently approved the development of Suite Living of Little Canada with 32 assisted living and memory care units on property at 2736-2744 Rice Street. These units are anticipated to come on-line late 2019.

Introduction

Maxfield Research analyzed the for-sale housing market in Roseville by analyzing data on single-family and multifamily home sales and active listings, identifying active subdivisions and pending for-sale developments; and conducting interviews with local real estate professionals, developers and planning officials.

Overview of For-Sale Housing Market Conditions

Table F-1 presents home resale data on single-family and multifamily housing in Roseville from 2005 through August 2018. The data was obtained from the Regional Multiple Listing Services of Minnesota (MLS) and shows annual number of sales, median and average pricing, average days of market, cumulative days on market, and percentage of sales that are lender-mediated (i.e. short-sale or foreclosure). It should be noted that lender-mediated sales were not categorized until July 2008 and the cumulative days on market were not calculated until 2006.

Table F-2 breaks down resale activity from Table F-1 into single-family and multifamily resales. The following are key points observed from our analysis of this data.

- Like across the Twin Cities Metro Area and the nation, at the height of the real estate boom, Roseville pricing peaked in 2006 with an average and median sales \$270,389 and \$245,000, respectively. Values then declined significantly during the Great Recession to an average and median low of \$186,379 and \$158,000 in 2011.
- After 2006, the median sales price decreased annually from \$245,000 to \$158,500 in 2011, a loss of 35%. From 2011 to 2017, the median sales price has increased to \$243,000 (53%), indicating a strong market recovery.
- The number of lender-mediated properties has accounted for 14% of all home transactions since 2009. Although, Roseville has been affected by foreclosures and short sales during the Great Recession, the impact was lesser than other cities in Minnesota. Many communities in the Metro Area averaged about 50% lender-mediated sales during the same period. Lender mediated sales peaked in 2011 and have steadily declined to 2% in 2017.
- Single-family housing types accounted for 73% of all resales between over the period. Multifamily resales were highest in 2017 when 142 units were sold but the highest proportion compared to single-family was in 2006 (33%).
- Multifamily housing was priced lower than single-family housing (about 75% less over the period). However, in 2012 and 2016, the median sales price of single-family housing was over twice as high as the median sales price of multifamily housing.

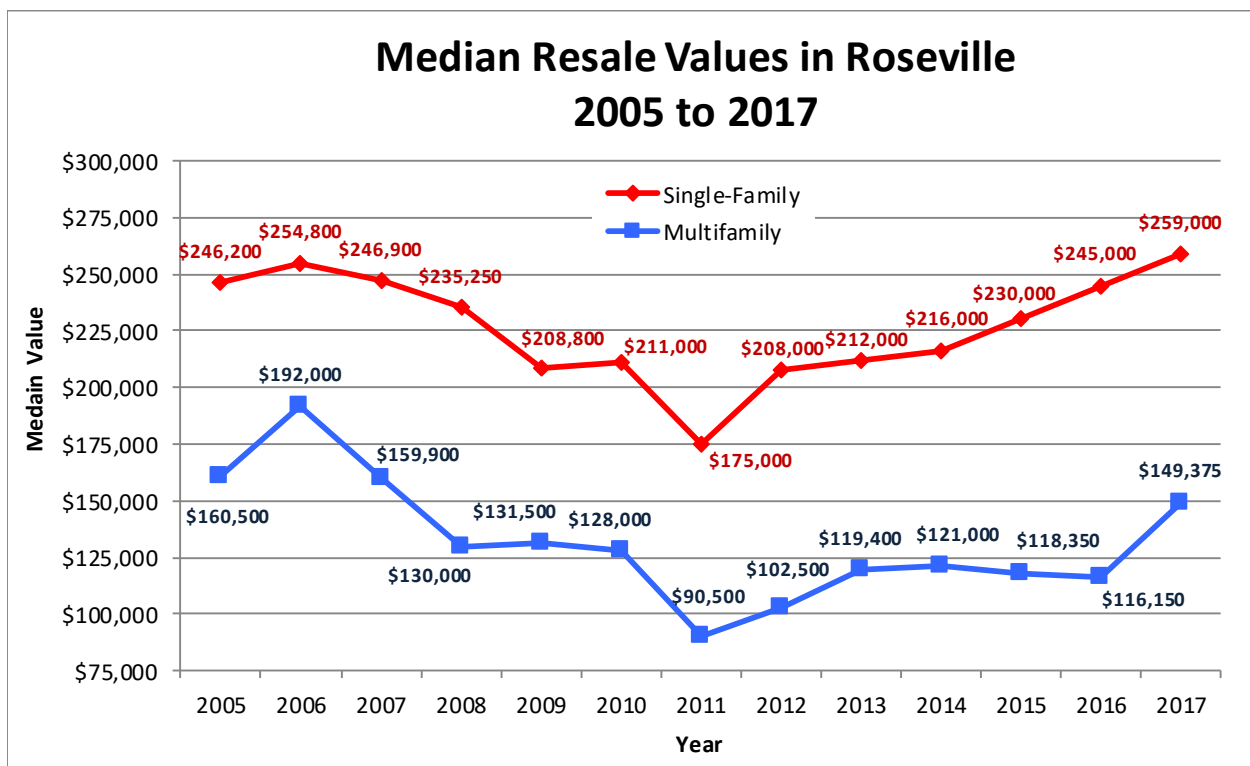
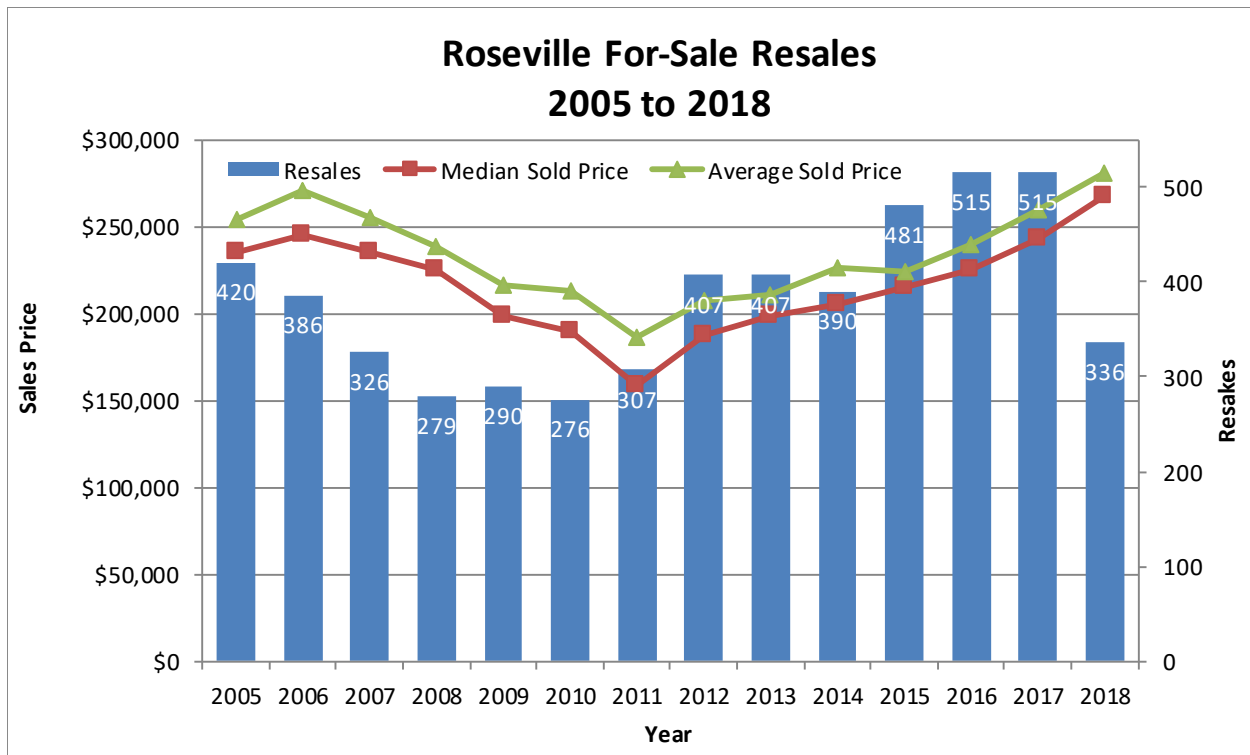


TABLE F-1 HOME RESALES CITY OF ROSEVILLE 2000 to 2018*								
Year	No. Sold	Avg. Sales Price	Avg. % Change	Med. Sales Price	Median % Change	Cumul. DOM¹		% Lender Mediated²
						Avg.	Median	
2005	420	\$253,894	7.4%	\$235,000	4.0%	-	-	-
2006	386	\$270,389	6.5%	\$245,000	4.3%	124	89	-
2007	326	\$254,954	-5.7%	\$235,000	-4.1%	119	67	-
2008	279	\$238,629	-6.4%	\$225,000	-4.3%	132	97	12.4%
2009	290	\$216,250	-9.4%	\$197,989	-12.0%	124	97	27.8%
2010	276	\$213,241	-1.4%	\$190,000	-4.0%	136	97	29.2%
2011	307	\$186,379	-12.6%	\$158,500	-16.6%	146	102	33.8%
2012	407	\$206,858	11.0%	\$187,000	18.0%	118	59	21.5%
2013	407	\$210,445	1.7%	\$199,000	6.4%	75	30	20.1%
2014	390	\$226,402	7.6%	\$205,000	3.0%	68	42	10.8%
2015	481	\$224,045	-1.0%	\$215,100	4.9%	66	38	7.8%
2016	515	\$239,722	7.0%	\$225,425	4.8%	63	32	6.4%
2017	515	\$259,784	8.4%	\$243,000	7.8%	43	25	1.8%
2018*	336	\$280,788	8.1%	\$267,750	10.2%	35	17	2.9%
Total 05'-18'	5,335							
Summary 05' to 17'								
Change		2.3%		3.4%				
Average	385	\$230,846		\$212,386		101	63	
* January through August 31st, 2018 ¹ Cumulative Days on Market initiated in 2006. Cumulative days equals the number of days on market over the course of the past year (i.e. covers number of days if the property was relisted) ² Lender Mediated Properties include foreclosures and short sales. MLS data for this property type began in July 2008.								
Sources: Greater Minneapolis Area Association of Realtors, Maxfield Research & Consulting, LLC								

TABLE F-2
SINGLE-FAMILY AND MULTIFAMILY RESIDENTIAL SALES
CITY OF ROSEVILLE
2000 to 2018*

<u>Year</u>	<u>Number of Sales</u>	<u>Median Sales Price</u>	<u>% Chg.</u>	<u>Average Sales Price</u>	<u>% Chg.</u>
Single-Family					
2005	298	\$246,200	--	\$273,758	--
2006	259	\$254,800	3.5%	\$292,503	6.8%
2007	241	\$246,900	-3.1%	\$276,287	-5.5%
2008	204	\$235,250	-4.7%	\$269,397	-2.5%
2009	231	\$208,800	-11.2%	\$233,988	-13.1%
2010	200	\$211,000	1.1%	\$228,762	-2.2%
2011	235	\$175,000	-17.1%	\$210,077	-8.2%
2012	297	\$208,000	18.9%	\$232,576	10.7%
2013	309	\$212,000	1.9%	\$234,550	0.8%
2014	283	\$216,000	1.9%	\$256,266	9.3%
2015	355	\$230,000	6.5%	\$252,518	-1.5%
2016	377	\$245,000	6.5%	\$270,368	7.1%
2017	373	\$259,000	5.7%	\$291,135	7.7%
2018*	228	\$290,000	12.0%	\$319,901	9.9%
Pct. Change					
00' - 17'					
	25.2%	5.2%		6.3%	
Multifamily**					
2005	122	\$160,500	--	\$206,620	--
2006	127	\$192,000	19.6%	\$224,466	8.6%
2007	85	\$159,900	-16.7%	\$192,138	-14.4%
2008	75	\$130,000	-18.7%	\$157,139	-18.2%
2009	59	\$131,500	1.2%	\$149,091	-5.1%
2010	76	\$128,000	-2.7%	\$169,397	13.6%
2011	72	\$90,500	-29.3%	\$108,663	-35.9%
2012	110	\$102,500	13.3%	\$138,948	27.9%
2013	98	\$119,400	16.5%	\$134,439	-3.2%
2014	107	\$121,000	1.3%	\$147,415	9.7%
2015	126	\$118,350	-2.2%	\$143,823	-2.4%
2016	138	\$116,150	-1.9%	\$156,001	8.5%
2017	142	\$149,375	28.6%	\$177,432	13.7%
2018*	114	\$166,000	11.1%	\$203,769	14.8%
Pct. Change					
00' - 17'					
	16.4%	-6.9%		-14.1%	

* January through August 31st, 2018

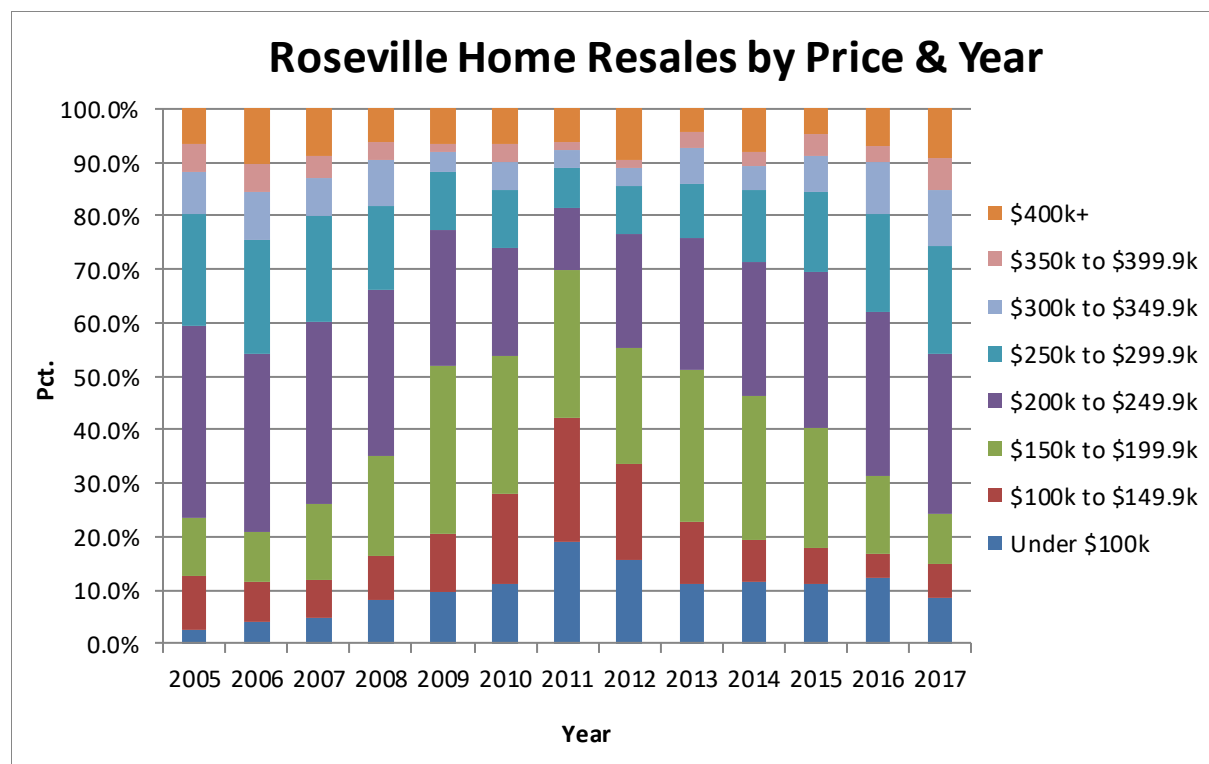
** Multifamily includes twinhomes, townhomes, and condominiums (some cooperative sales are included)

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

Home Resales by Price

Table F-3 shows the distribution of sales within eight price ranges from resales between 2005 and August 2018. The graph on the following page visually displays the sales data.

- During the housing boom, homes priced over \$300,000 accounted for 15.5% of total resales at the peak in 2006. However, after 2006, homes priced above this threshold started to decline and experienced a low of 7.5% in 2011. Resales fluctuated at this price level since 2011 but has recently spiked and accounted for 15% of sales in 2017.
- Conversely, homes priced under \$100,000 accounted for 3.9% of resales in 2006 and began to rise there after reaching a high of 19% in 2011. After 2011, homes priced under \$100,000 began to fall to a rate of 8.5% in 2017.
- The median resale price of homes in Roseville was roughly \$267,750 through August 2018. The household income required to afford a home at this price would be about \$76,500 to \$89,250, 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). In 2018, 51% (3,749 households) of Roseville's non-senior households had incomes greater than \$76,500 compared to 54% (13,739 households) in the PMA.



FOR-SALE MARKET ANALYSIS

TABLE F-3
HOME RESALES BY PRICE POINT
CITY OF ROSEVILLE
2005 to 2018¹

Price Range	2005 No.	2006 No.	2007 No.	2008 No.	2009 No.	2010 No.	2011 No.	2012 No.	2013 No.	2014 No.	2015 No.	2016 No.	2017 No.	2018 ¹ No.
Under \$100,000	11	15	16	23	28	31	58	64	45	45	53	63	44	19
\$100,000 to \$149,999	42	30	23	23	31	46	72	72	47	30	33	23	33	33
\$150,000 to \$199,999	45	36	46	52	92	71	84	89	116	106	108	75	48	26
\$200,000 to \$249,999	151	128	111	87	73	56	36	87	101	98	141	159	154	58
\$250,000 to \$299,999	88	83	65	43	32	30	23	37	41	52	72	93	104	76
\$300,000 to \$349,999	34	34	23	24	11	15	11	13	27	17	32	50	54	49
\$350,000 to \$399,999	21	20	13	10	4	9	4	6	12	11	19	17	31	26
\$400,000+	28	40	29	17	19	18	19	39	18	31	23	35	47	49
Total	420	386	326	279	290	276	307	407	407	390	481	515	515	336
Price Range	2005 Pct.	2006 Pct.	2007 Pct.	2008 Pct.	2009 Pct.	2010 Pct.	2011 Pct.	2012 Pct.	2013 Pct.	2014 Pct.	2015 Pct.	2016 Pct.	2017 Pct.	2018 ¹ Pct.
Under \$100,000	2.6%	3.9%	4.9%	8.2%	9.7%	11.2%	18.9%	15.7%	11.1%	11.5%	11.0%	12.2%	8.5%	5.7%
\$100,000 to \$149,999	10.0%	7.8%	7.1%	8.2%	10.7%	16.7%	23.5%	17.7%	11.5%	7.7%	6.9%	4.5%	6.4%	9.8%
\$150,000 to \$199,999	10.7%	9.3%	14.1%	18.6%	31.7%	25.7%	27.4%	21.9%	28.5%	27.2%	22.5%	14.6%	9.3%	7.7%
\$200,000 to \$249,999	36.0%	33.2%	34.0%	31.2%	25.2%	20.3%	11.7%	21.4%	24.8%	25.1%	29.3%	30.9%	29.9%	17.3%
\$250,000 to \$299,999	21.0%	21.5%	19.9%	15.4%	11.0%	10.9%	7.5%	9.1%	10.1%	13.3%	15.0%	18.1%	20.2%	22.6%
\$300,000 to \$349,999	8.1%	8.8%	7.1%	8.6%	3.8%	5.4%	3.6%	3.2%	6.6%	4.4%	6.7%	9.7%	10.5%	14.6%
\$350,000 to \$399,999	5.0%	5.2%	4.0%	3.6%	1.4%	3.3%	1.3%	1.5%	2.9%	2.8%	4.0%	3.3%	6.0%	7.7%
\$400,000+	6.7%	10.4%	8.9%	6.1%	6.6%	6.5%	6.2%	9.6%	4.4%	7.9%	4.8%	6.8%	9.1%	14.6%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

¹2018 figures are from January 1st to August 31st

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

Current Supply of Homes on the Market

To more closely examine the current market for available owner-occupied housing in Roseville, we reviewed the current supply of homes on the market (listed for sale). Table F-4 homes shows currently listed for sale in Roseville distributed into 12 price ranges. The data was provided by the MLS and is based on active listings in September 2018. MLS listings generally account for the clear majority of all residential sale listings in a given area. Table F-5 shows listings by home style (i.e. one-story, two-story, townhome, condominium).

- As of September 2018, there were 78 homes listed for sale in Roseville of which 73% were single-family.
- The median list price in Roseville was \$299,950 (\$329,900 for single-family homes and \$199,900 for multifamily homes). The median sale price is generally a more accurate indicator of housing values in a community than the average sale price. Average sale prices can be easily skewed by a few, very high- or very low-priced sales in any given year. The median sale price better represents the pricing of a majority of homes in a given market.
- Based on a median list price of \$299,950, the income required to afford a home at this price would be about \$85,700 to \$99,983, 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). A household with significantly more equity (in an existing home and/or savings) could afford a higher priced home. About 44% of Roseville non-senior households have annual incomes at or above \$85,700.
- Single-family homes accounted for 73% of all active listings. The remaining listings are either townhomes (17%) or condominiums (10%).
- Roughly half of multifamily listings are priced under \$200,000. However, there are no single-family listings are under \$200,000. For single-family listings, 46% are priced between \$200,000 and \$299,999 compared to 19% of multifamily listings in that price range.
- One-story homes made up the highest percentage (49%) of active single-family listings. Two-story homes and 1.5-story homes have the second and third highest percentages at 23% and 16%, respectively.
- Side-by-side townhomes/twinhomes consist of 62% of the multifamily listings and low-rise condominiums account for the remaining 38%. No other type of multifamily home was listed at the time.

TABLE F-4 HOMES CURRENTLY LISTED FOR-SALE CITY OF ROSEVILLE September 2018				
Price Range	Single-Family		Multifamily ¹	
	No.	Pct.	No.	Pct.
< \$99,999	0	0.0%	5	23.8%
\$100,000 to \$124,999	0	0.0%	1	4.8%
\$125,000 to \$149,999	0	0.0%	1	4.8%
\$150,000 to \$174,999	0	0.0%	2	9.5%
\$175,000 to \$199,999	0	0.0%	2	9.5%
\$200,000 to \$249,999	10	17.5%	3	14.3%
\$250,000 to \$299,999	16	28.1%	1	4.8%
\$300,000 to \$349,999	4	7.0%	5	23.8%
\$350,000 to \$399,999	8	14.0%	0	0.0%
\$400,000 to \$449,999	4	7.0%	0	0.0%
\$450,000 to \$499,999	5	8.8%	1	4.8%
\$500,000 and Over	10	17.5%	0	0.0%
	57	100%	21	100%
Minimum	\$200,000		\$84,000	
Maximum	\$1,150,000		\$499,900	
Median	\$329,900		\$199,900	
Average	\$394,214		\$217,433	
¹ Includes townhomes, twinhomes, and condominiums				
Sources: Regional Multiple Listing Service of MN Maxfield Research & Consulting, LLC				

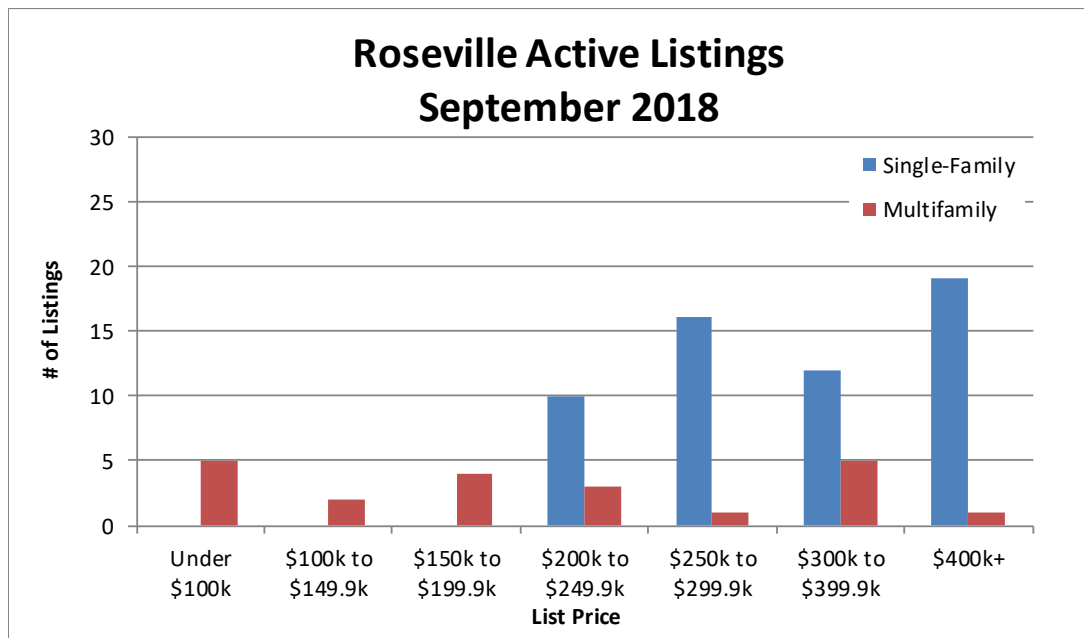
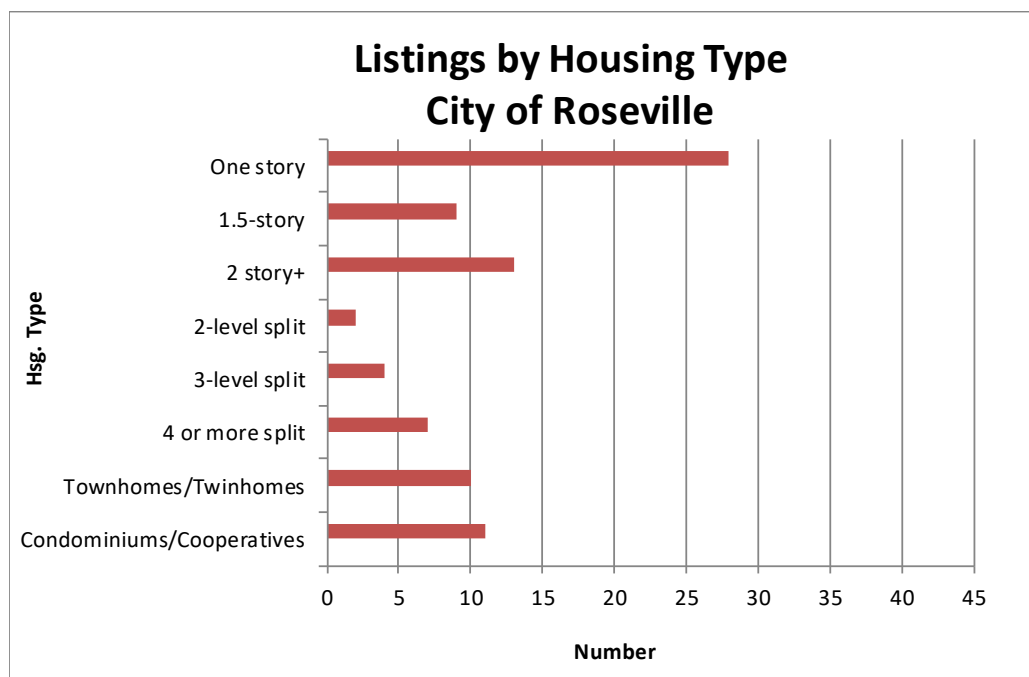


TABLE F-5
ACTIVE LISTINGS BY HOUSING TYPE
CITY OF ROSEVILLE
September 2018

Property Type	Listings	Pct.	Avg. List Price	Avg. List Price Per Sq. Ft.	Avg. Age of Home
Single-Family					
One story	28	49.1%	\$384,472	\$162	1958
1.5-story	9	15.8%	\$330,489	\$187	1944
2-story	13	22.8%	\$465,446	\$173	1971
More Than 2 stories	0	0.0%	--	--	--
Split entry/Bi-level	2	3.5%	\$327,500	\$189	1992
3-level split	1	1.8%	\$469,900	\$159	1968
4 or more split-level	2	3.5%	\$352,400	\$142	1962
Other	2	3.5%	\$419,450	\$141	1993
Total	57	100.0%	\$394,214	\$167	1961
Townhomes/Twinhomes					
Twin Home	0	0.0%	--	--	--
Side-by-Side	13	100.0%	\$279,146	\$161	1997
Quad/4 Corners	0	0.0%	--	--	--
Total	13	100.0%	\$279,146	\$161	1997
Condominiums/Cooperatives					
Low Rise (3- Levels)	8	100.0%	\$117,150	\$133	1975
Manor/Village	0	0.0%	--	--	--
Total	8	100.0%	\$117,150	\$133	1975

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



General-Occupancy Condominium Developments

Table F-6 profiles for-sale general-occupancy condominium developments in Roseville. It should be noted that age-restricted condominiums are excluded but are in the Senior Housing section of this report. Table F-6 data was obtained from the MLS.

- Nearly all general-occupancy condominium units in Roseville were constructed in the 1960s and 1970s, accounting for 92% of the condominium housing stock.
- There was no condominium development in the 1980s and 1990s; however, apartment-to-condominium conversions occurred during the peak of the real estate boom in the 2000s.
- Two new condominiums were constructed in the past decade: *Villas of Midland Hills* and *McCarron Pond Condos*. The *Villas of Midland Hills* is a luxury condominium building located adjacent to the Midland Hills Country Club and includes a social membership in the golf club. *McCarron Pond Condos* is a 42-unit development constructed in 2007.

TABLE F-6 GENERAL OCCUPANCY CONDOMINIUM DEVELOPMENTS CITY OF ROSEVILLE August 2018								
Development/Location	Year Built	Units	Unit Types	Unit Sizes	Most Recent Sales Price ¹			Description/Comments
Bonaventure 3090 Lexington Avenue	1973	30	2BR	1,386 - 1,598	\$157,000	\$170,000	\$164,660	Three-story building, detached garages and surface parking
Dellwood Condominiums* 1725 Dellwood Avenue	1982	12	2BR	939 - 1,055	\$140,000	\$140,000	\$140,000	Two-story building
Executive Manor Condos 3153-3155 Old Highway 8	1967	72	1BR 2BR	542 - 593 905 - 988	\$75,000 - \$82,400 \$89,500 - \$90,500		\$78,700 \$90,000	Three-story building, surface parking
Hamline House Condos 2800 Hamline Avenue	1969	150	1BR 2BR	710 - 747 907 - 1,040	\$75,000 - \$104,900 \$104,000 - \$140,000		\$94,898 \$124,200	Three-story building
Midland Grove Condos 2200-2250 Midland Grove Rd.	1969	174	1BR 2BR	840 - 965 1,090 - 1,130	\$50,000 - \$97,000 \$94,000 - \$157,000		\$92,360 \$124,862	Three-story building, surface parking
Parkview Estates 2670-2680 Oxford Street	1978	96	2BR	1,022 - 1,550	\$127,000 - \$144,000		\$133,667	Two, three-story buildings, surface parking
Parkview Terrace Condominiums 2690-2700 Oxford Street	1968	105	1BR 2BR	686 - 686 1,018 - 1,078	\$73,500 - \$89,900 \$100,400 - \$121,500		\$81,733 \$110,680	Two, three-story buildings, surface parking
Ramsey Square 2700-2730 Dale Street	1969	192	1BR 2BR	793 - 793 1,044 - 1,208	\$74,900 - \$83,000 \$83,500 - \$128,900		\$78,950 \$101,629	Four three-story buildings
Villas of Midland Hills 1940 Fulham Street	2006	33	2BR	1,310 - 2,085	\$329,900 - \$489,900		\$416,663	Three-story building, underground parking, adjacent to Midland Hills Country Club
Lake Josephine 3076 Lexington Avenue	1969	23	1BR 2BR	893 1,005 - 1,150	No Recent Sales			Three-story building, detached garages and surface parking
McCarron Pond Condos 185 North McCarrons Blvd.	2007	42	1BR 2BR 3BR	913 1,105 - 1,512 1,944	No Recent Sales			
Rosewood Village 1620-1690 Highway 36	1971	201	1BR 2BR	710 - 782 990 - 1,100	No Recent Sales \$92,532 - \$135,000 - \$111,108			Three buildings, surface parking

¹ Most recent sales pricing from August 2017 to August 2018.

* Condominium conversion from apartments

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

- Condominium sales have increased significantly since the last *Comprehensive Housing Study* completed in 2013. For example, sales prices increased by a range from roughly 2% at Midland Grove Condos to 157% at Executive Manor Condos. The average sales price increased by a range of 8% to 160% within the Roseville condominiums.
- Examples of specific condominium sales include *Bonaventure* ranged from \$85,000 to \$115,000 in 2013 compared to \$157,000 to \$170,000 from August 2017 to August 2018. *Parkview Estates* ranged from \$51,900 to \$100,000 in 2013 compared to \$127,000 to \$144,000 from August 2017 to August 2018.
- All condominiums (excluding the *Villas of Midland Hills*) in Roseville have some units selling for less than \$200,000, or those units targeted towards many first-time homebuyers. Over the past year 63 out of 66 condominium units sold for less than \$200,000 of which 41% were sold under \$100,000. Many units selling for less than \$100,000 are being rented.

Pending For-Sale Developments

Roseville

Wheaton Woods by Golden Valley Land/TJB Homes consists of 17 single-family homes at the intersection of Wheaton and Dale Street. Twelve permits have been issued of the 17 lots in the subdivision. Development began Summer 2016.

Farrington Estates by Premium Real Estate Solutions consists of six, single-family homes at 311 County Road B. All permits have been issued for the six single-family homes. Completion of construction is scheduled for Fall 2018.

Arden Hills

Rice Creek Commons, the former TCCAP property, in Arden Hills is proposed to include a diverse mix of housing including single-family detached and attached, condominiums, senior and multifamily housing. The number of units on the property is anticipated to incorporate 1,460 housing units. The first phase of housing development is planned to begin in 2020.

Introduction

Affordable housing is a term that has various definitions according to different people and is a product of supply and demand. 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. HUD also defines various levels of cost-burden. For example, a household that pays 35% or more of its income for housing is considered “moderately” cost-burdened while a household paying 50% or more of its income on housing is considered “severely” cost-burdened.

Generally, housing that is income-restricted to households earning at or below 80% of Area Median Income (AMI) is considered affordable. However, many individual properties have income restrictions set anywhere from 30% to 80% of AMI. Rent is not based on income but instead is a contract amount that is affordable to households within the specific restricted income segment. Moderate-income housing, often referred to as “workforce housing,” refers to rental and ownership housing. Therefore, the definition is broadly defined as housing that is income-restricted to households earning between 50% and 120% AMI. Figure 1 below summarizes income ranges by definition.

FIGURE 1 AREA MEDIAN INCOME (AMI) DEFINITIONS	
Definition	AMI Range
Extremely Low Income	0% - 30%
Very Low Income	31% - 50%
Low Income	51% - 80%
Moderate Income Workforce Housing	80% - 120%
Note: Ramsey County 4-person AMI = \$94,300 (2018)	

Rent and Income Limits

Table HA-1 shows the maximum allowable incomes by household size to qualify for affordable housing and maximum gross rents that can be charged by bedroom size in Roseville (based on figures applicable for Hennepin County). These incomes are published and revised annually by the Department of Housing and Urban Development (HUD) and published separately by Minnesota Housing (MN Housing uses different income percentages based on the housing programs that they administer) based on the date the project was placed into service. Fair market rent is the amount needed to pay the gross monthly rent for rental housing (overall market) in a given

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area. This table is used as a basis for determining the payment standard amount used to calculate the maximum monthly subsidy for families at financially assisted housing.

TABLE HA-1 MHFA/HUD INCOME AND RENT LIMITS RAMSEY COUNTY - 2018								
	Income Limits by Household Size							
	1 pph	2 pph	3 pph	4 pph	5 pph	6 pph	7 pph	8 pph
30% of median	\$19,850	\$22,650	\$25,500	\$28,300	\$30,600	\$33,740	\$38,060	\$42,830
50% of median	\$33,050	\$37,750	\$42,450	\$47,150	\$50,950	\$54,700	\$58,500	\$62,250
60% of median	\$39,660	\$45,300	\$50,940	\$56,580	\$61,140	\$65,640	\$70,200	\$74,700
80% of median	\$50,350	\$57,550	\$64,750	\$71,900	\$77,700	\$83,450	\$89,200	\$94,950
	Maximum Gross Rent							
	EFF	1BR	2BR	3BR	4BR			
30% of median	\$495	\$531	\$636	\$735	\$820			
50% of median	\$826	\$885	\$1,061	\$1,226	\$1,367			
60% of median	\$991	\$1,062	\$1,273	\$1,471	\$1,641			
80% of median	\$1,258	\$1,438	\$1,618	\$1,797	\$1,942			
	Fair Market Rent							
	EFF	1BR	2BR	3BR	4BR			
Fair Market Rent	\$711	\$864	\$1,089	\$1,547	\$1,812			
Sources: MHFA, HUD, Maxfield Research & Consulting, LLC								

Table HA-2 shows the maximum rents by household size and AMI based on income limits illustrated in Table HA-1. The rents on Table HA-2 are based on HUD's allocation that monthly rents should not exceed 30% of income. In addition, the table reflects the maximum household size based on HUD guidelines of number of persons per unit. For each additional bedroom, the maximum household size increases by approximately two people. The Fair Market Rents shown on Table HA-2 are the final 2018 Fair Market Rents for Ramsey County as identified by HUD. Between 2017 and 2018, Fair Market Rents increased from 0.2% to 1.7% over one year. The largest increase was for studio units (1.7%) and the smallest was for one-bedroom units (0.2%). The average increase was 0.7%.

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TABLE HA-2
MAXIMUM RENT BASED ON HOUSEHOLD SIZE AND AREA MEDIAN INCOME
RAMSEY COUNTY - 2018

Unit Type ¹	HHD Size		Maximum Rent Based on Household Size (@30% of Income)											
			30%		50%		60%		80%		100%		120%	
	Min	Max	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.	Min.	Max.
Studio	1	1	\$496	-\$496	\$826	-\$826	\$992	-\$992	\$1,259	-\$1,259	\$1,650	-\$1,650	\$1,980	-\$1,980
1BR	1	2	\$496	-\$566	\$826	-\$944	\$992	-\$1,133	\$1,259	-\$1,439	\$1,650	-\$1,885	\$1,980	-\$2,262
2BR	2	4	\$566	-\$708	\$944	-\$1,179	\$1,133	-\$1,415	\$1,439	-\$1,798	\$1,885	-\$2,358	\$2,262	-\$2,829
3BR	3	6	\$638	-\$844	\$1,061	-\$1,368	\$1,274	-\$1,641	\$1,619	-\$2,086	\$2,123	-\$2,735	\$2,547	-\$3,282
4BR	4	8	\$708	-\$1,071	\$1,179	-\$1,556	\$1,415	-\$1,868	\$1,798	-\$2,374	\$2,358	-\$3,113	\$2,829	-\$3,735
¹ One-bedroom plus den and two-bedroom plus den units are classified as 1BR and 2BR units, respectively. To be classified as a bedroom, a den must have a window and closet. Note: 4-person Ramsey County AMI is \$94,300 (2018)														
Sources: HUD, Novogradac, Maxfield Research and Consulting, LLC														

Housing Cost Burden

Table HA-3 shows the number and percent of owner and renter households in Roseville and selected nearby cities including St. Anthony, Falcon Heights, New Brighton, Little Canada Shoreview, Ramsey County, Twin Cities Metro Area (7-County), and Minnesota that pay 30% or more of their gross income for housing. This information was compiled from the American Community Survey 2016 estimates. This information is different than the 2000 Census which separated households that paid 35% or more in housing costs. As such, the information presented in the tables may be overstated in terms of households that may be “cost burdened.” The Federal standard for affordability is 30% of income for housing costs. Without a separate break-out for households that pay 35% or more, there are likely a number of households that elect to pay slightly more than 30% of their gross income to select their desired housing. Moderately cost-burdened is defined as households paying between 35% and 49.9% of their income for housing; while severely cost-burdened is defined as households paying 50% or more of their income for housing.

Higher-income households that are cost-burdened may have the option of moving to lower priced housing, but lower-income households often do not. The figures in the table focus on owner households with incomes of \$50,000 or less and renter households with incomes of \$35,000 or less.

Key findings from Table HA-3 follow.

- In Roseville, 20.9% of owner households and 40.2% of renter households are considered cost burdened. Roseville has a slightly lower proportion of cost burdened owner households as compared to the other selected cities, except for Shoreview at 17.8%. It is also lower than Ramsey County (21.3%) and the Twin Cities Metro Area (20.6%). Minnesota is slightly lower than Roseville (20.4%).
- Roseville has a lower proportion of cost-burdened renter households (40.2%) than all the other selected cities except St. Anthony (36.6%). Roseville has a lower proportion of cost burdened renter households than Ramsey County (48.1%), the Twin Cities Metro Area (46.1%) and just slightly lower than Minnesota (44.7%).
- Among owner households earning less than \$50,000, 50.1% were cost burdened in Roseville compared to much higher proportions in all the other selected cities other than Little Canada (46.2%). Roseville is lower than Hennepin County (53.1%) and the Twin Cities Metro Area (56.2%). Minnesota is slightly lower than Roseville (48.6%).
- An estimated 78.7% of Roseville renter households that earn less than \$35,000 were cost burdened which is significantly lower than all the other selected cities except for Little Canada (77.2%). Shoreview had the highest cost burdened renters earning less than \$35,000 at 96.0%. Roseville is on par with the Twin Cities Metro Area (78.8%) but higher than Ramsey County (77.4%) and the State of Minnesota (72.4%).

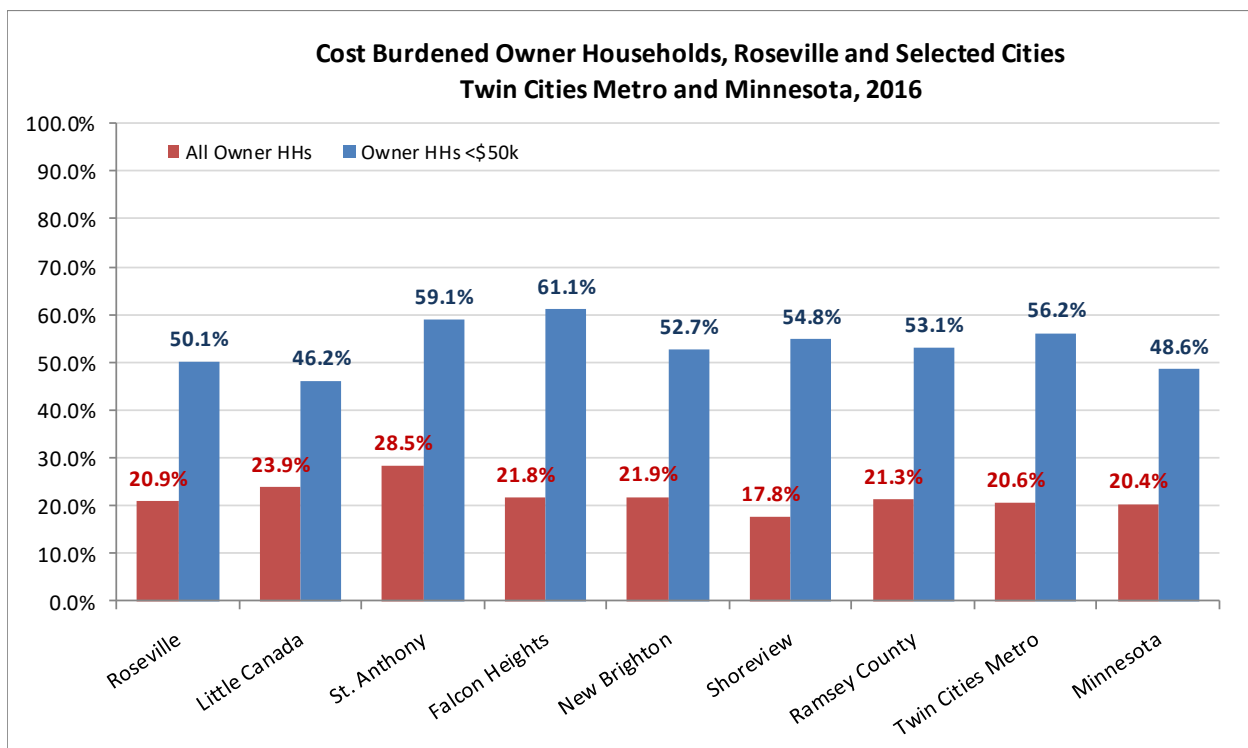
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TABLE HA-3
HOUSING COST BURDEN
ROSEVILLE AND SELECTED CITIES, RAMSEY COUNTY, TWIN CITIES METRO, MINNESOTA
2016

Community	Roseville		Little Canada		St. Anthony	
	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households						
All Owner Households	9,230		2,794		533	
Cost Burden 30% or greater	1,927	20.9%	669	23.9%	152	28.5%
Owner Households w/ incomes \$50,000 or less	2,546		1,142		215	
Cost Burden 30% or greater	1,276	50.1%	528	46.2%	127	59.1%
Renter Households						
All Renter Households	5,593		1,690		1,021	
Cost Burden 30% or greater	2,250	40.2%	727	43.0%	374	36.6%
Renter Households w/incomes \$35,000 or less	2,318		826		363	
Cost Burden 30% or greater	1,824	78.7%	638	77.2%	319	87.9%
All Households						
All Households	14,823		4,484		1,554	
Cost Burden 30% or greater	4,177	28.2%	1,396	31.1%	526	33.8%
Median Contract Rent ¹	\$876		\$837		\$1,092	

¹ Median Contract Rent 2016
Note: Calculations exclude households not computed.

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TABLE HA-3
HOUSING COST BURDEN
ROSEVILLE AND SELECTED CITIES, HENNEPIN COUNTY, TWIN CITIES METRO, MINNESOTA
2016

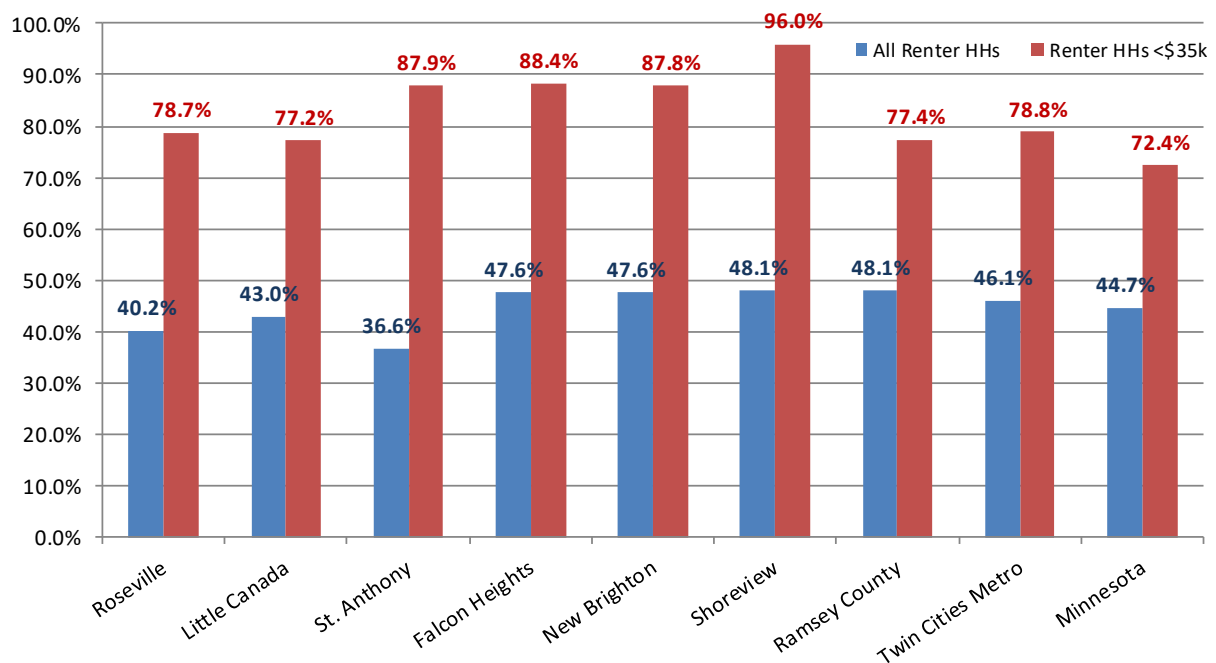
Community	Falcon Heights		New Brighton		Shoreview	
	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households						
All Owner Households	1,232		5,634		8,942	
Cost Burden 30% or greater	269	21.8%	1,232	21.9%	1,592	17.8%
Owner Households w/ incomes \$50,000 or less	203		1,541		2,115	
Cost Burden 30% or greater	124	61.1%	812	52.7%	1,159	54.8%
Renter Households						
All Renter Households	962		3,405		2,094	
Cost Burden 30% or greater	458	47.6%	1,620	47.6%	1,007	48.1%
Renter Households w/incomes \$35,000 or less	465		1,562		650	
Cost Burden 30% or greater	411	88.4%	1,372	87.8%	624	96.0%
All Households						
All Households	2,194		9,039		11,036	
Cost Burden 30% or Greater	727	33.1%	2,852	31.6%	2,599	23.6%
Median Contract Rent ¹	\$874		\$831		\$1,036	

¹ Median Contract Rent 2016

Note: Calculations exclude households not computed.

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**Cost Burdened Renter Households, Ramsey and Selected Cities,
Twin Cities Metro and Minnesota, 2016**



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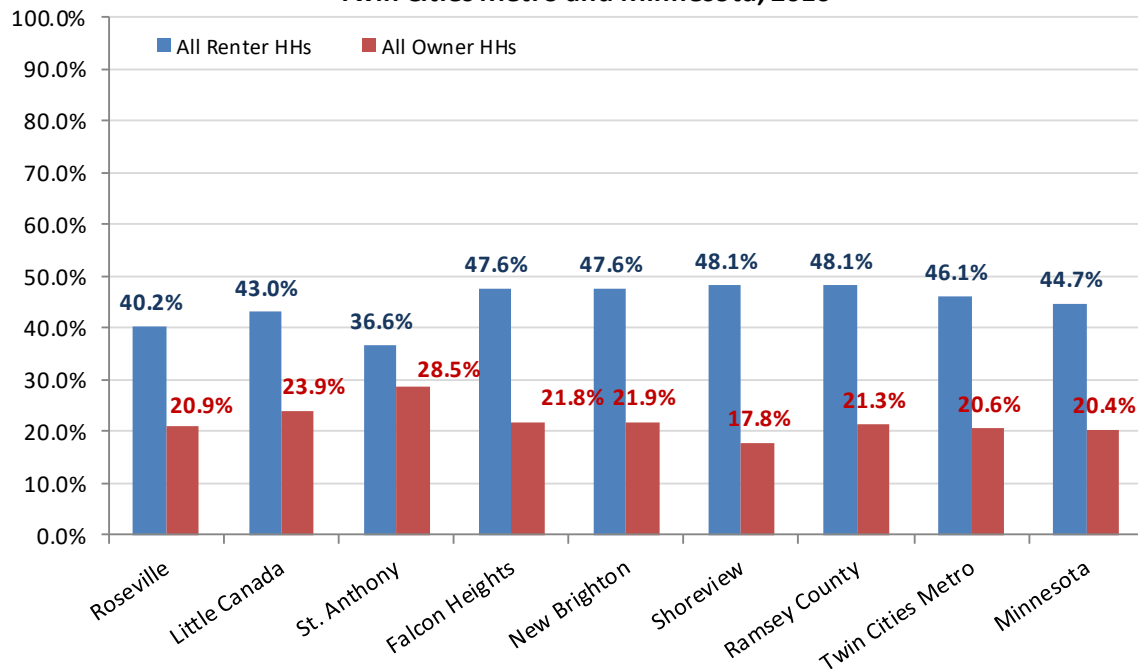
TABLE HA-3
HOUSING COST BURDEN
ROSEVILLE AND SELECTED CITIES, RAMSEY COUNTY, TWIN CITIES METRO, MINNESOTA
2016

Community	Ramsey County		Twin Cities Metro		Minnesota	
	No.	Pct.	No.	Pct.	No.	Pct.
Owner Households						
All Owner Households	122,386		787,243		1,525,611	
Cost Burden 30% or greater	26,093	21.3%	162,458	20.6%	310,897	20.4%
Owner Households w/ incomes \$50,000 or less	32,926		178,774		436,374	
Cost Burden 30% or greater	17,479	53.1%	100,424	56.2%	211,957	48.6%
Renter Households						
All Renter Households	84,941		370,298		609,699	
Cost Burden 30% or greater	40,830	48.1%	170,551	46.1%	272,275	44.7%
Renter Households w/incomes \$35,000 or less	43,656		169,105		309,063	
Cost Burden 30% or greater	33,775	77.4%	133,309	78.8%	223,669	72.4%
All Households						
All Households	207,327		1,157,541		2,135,310	
Cost Burden 30% or greater	66,923	32.3%	333,009	28.8%	583,172	27.3%
Median Contract Rent ¹	\$821		\$896		\$785	

¹ Median Contract Rent 2016
Note: Calculations exclude households not computed.

Sources: American Community Survey 2016 estimates; Maxfield Research and Consulting LLC

**Cost Burdened Households, Ramsey and Selected Cities,
Twin Cities Metro and Minnesota, 2016**



Housing Costs as Percentage of Household Income

Housing costs are generally considered affordable at 30% of a household's adjusted gross income. Table HA-4 on the following page illustrates key housing metrics based on housing costs and household incomes in Hennepin County for various submarkets. The table estimates the percent of submarket households that can afford rental and for-sale housing based on a 30% allocation of income to housing. Housing costs are based on the average for each submarket.

Availability of data may not be always consistent between secondary published resources, but this is accounted for in determining the calculations.

The housing affordability calculations assume the following:

For-Sale Housing

- 10% down payment with good credit score
- Closing costs rolled into mortgage
- 30-year mortgage at 4.69% interest rate
- Private mortgage insurance (equity of less than 20%)
- Homeowners insurance for single-family homes and association dues for townhomes
- Owner household income per 2016 ACS

Rental Housing

- Background check on tenant to ensure credit history
- 30% allocation of income
- Renter household income per 2016 ACS

Because of the down payment requirements and generally strict underwriting criteria for a mortgage, not all households will meet the income qualifications outlined above. The for-sale affordability analysis excludes equity that a homeowner may bring with them when purchasing a new residence.

- The median income for all households in Roseville as of 2018 was an estimated \$63,022. Median incomes however, vary by tenure (owner and renter). According to the 2016 American Community Survey, the median income of Roseville homeowners was \$80,012 compared to \$43,852. for renters.
- According to the estimated 2018 income distribution for Roseville, 50% of all households and 59% of owner households could afford to purchase an entry-level home in Roseville (\$275,000). When adjusting for move-up buyers (\$450,000), an estimated 25% of all households and 30% of owner households would income-qualify.

HOUSING AFFORDABILITY

- An estimated 55% of existing renter households can afford to rent a one-bedroom unit in Roseville (Avg. 1BR Rent-\$958/month). The percentage of renter income-qualified households decreases to 38% that can afford an existing three-bedroom unit (\$1,370/month). After adjusting for new construction rental housing, the percentage of renter households that are income-qualified decreases. An estimated 36% of renters would be able to afford a new market rate one-bedroom unit (\$1,450 per month) while 24% could afford a new two-bedroom unit (\$1,800 per month) and 13% could afford a new three-bedroom unit (\$2,500).

TABLE HA-4 ROSEVILLE HOUSING AFFORDABILITY - BASED ON HOUSEHOLD INCOME						
For-Sale (Assumes 10% down payment and good credit)						
	Single-Family			Townhome/Twinhome/Condo		
	Entry-Level	Move-Up	Executive	Entry-Level	Move-Up	Executive
Price of House	\$275,000	\$450,000	\$600,000	\$250,000	\$350,000	\$500,000
Pct. Down Payment	10.0%	10.0%	10.0%	10.0%	10.0%	10.0%
Total Down Payment Amt.	\$27,500	\$45,000	\$60,000	\$25,000	\$35,000	\$50,000
Estimated Closing Costs (rolled into mortgage)	\$8,250	\$13,500	\$18,000	\$7,500	\$10,500	\$15,000
Cost of Loan	\$255,750	\$418,500	\$558,000	\$232,500	\$325,500	\$465,000
Interest Rate	4.690%	4.690%	4.690%	4.690%	4.690%	4.690%
Number of Pmts.	360	360	360	360	360	360
Monthly Payment (P & I)	-\$1,325	-\$2,168	-\$2,891	-\$1,204	-\$1,686	-\$2,409
(plus) Prop. Tax	-\$229	-\$375	-\$500	-\$208	-\$292	-\$417
(plus) HO Insurance/Assoc. Fee for TH	-\$92	-\$150	-\$200	-\$100	-\$100	-\$100
(plus) PMI/MIP (less than 20%)	-\$111	-\$181	-\$242	-\$101	-\$141	-\$202
Subtotal monthly costs	-\$1,757	-\$2,874	-\$3,832	-\$1,614	-\$2,219	-\$3,127
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$70,262	\$114,973	\$153,298	\$64,541	\$88,757	\$125,082
Pct. of ALL Roseville HHDS who can afford ¹	49.9%	25.4%	12.1%	51.6%	37.2%	21.7%
No. of Roseville HHDS who can afford ¹	7,402	3,771	1,800	7,651	5,507	3,220
Pct. of Roseville owner HHDS who can afford ²	59.4%	29.6%	15.1%	61.4%	43.7%	25.5%
No. of Roseville owner HHDS who can afford ²	5,487	2,736	1,395	5,666	4,036	2,352
No. of Roseville owner HHDS who cannot afford ²	3,743	6,494	7,835	3,564	5,194	6,878
Rental (Market Rate)						
	Existing Rental			New Rental		
	1BR	2BR	3BR	1BR	2BR	3BR
Monthly Rent	\$958	\$1,175	\$1,370	\$1,450	\$1,800	\$2,500
Annual Rent	\$11,496	\$14,100	\$16,440	\$17,400	\$21,600	\$30,000
Housing Costs as % of Income	30%	30%	30%	30%	30%	30%
Minimum Income Required	\$38,320	\$47,000	\$54,800	\$58,000	\$72,000	\$100,000
Pct. of ALL Roseville HHDS who can afford ¹	72.1%	64.0%	58.0%	55.9%	46.7%	30.9%
No. of Roseville HHDS who can afford ¹	10,693	9,485	8,600	8,289	6,925	4,587
Pct. of Roseville renter HHDS who can afford ²	54.9%	45.4%	38.2%	35.6%	24.2%	12.8%
No. of Roseville renter HHDS who can afford ²	3,072	2,540	2,138	1,992	1,356	715
No. of Roseville renter HHDS who cannot afford ²	2,521	3,053	3,455	3,601	4,237	4,878

¹ Based on 2018 household income for ALL households

² Based on 2016 ACS household income by tenure (i.e. owner and renter incomes. Owner incomes = \$80,012 vs. renter incomes = \$43,852)

Source: Maxfield Research & Consulting, LLC

Introduction

Previous sections of this study analyzed the existing housing supply, growth trends and demographic characteristics of the population and household base in Roseville. This section of the report presents estimates of housing demand in Roseville from 2018 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 late 30's to 40's
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 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 single females (widows) in their mid-70's or older

The baby boom generation will have the biggest effect on the housing market in Roseville as their life cycle continues. Baby boomers are currently ages 54 to 72, and as they age over this decade, they will increase the population in the age groups 65 to 74, and 75+. The 65 to 74 and 75+ age groups in the Roseville Market Area are estimated to see increases of 1,815 and 1,763 households, respectively, between 2018 and 2030. Some of these baby boomers will prefer more expensive single-family homes, while others who become empty nesters may prefer to downsize or desire maintenance-free alternatives. With the baby busters following in the baby boomers' wake, the age group 35 to 54 will decline, somewhat decreasing the overall demand for move-up housing.

Estimated Demand for For-Sale Single-Family Housing

Table G-1 presents a demand calculation for general occupancy, for-sale multifamily housing in Roseville between 2018 and 2030.

Between 2018 and 2030, the Roseville Market Area is projected to add 3,316 new households. Based on an overall aging population and lack of newer housing available, household projections by age cohort reveal that non-senior households are not anticipated to increase at all between 2018 and 2030. This is expected to result in no additional demand being generated from new non-senior households.

Demand, however is forecast to occur from existing Market Area households through housing turnover. An estimated 18,098 owner households are in the Roseville Market Area in 2018. Based on mobility data from the Census Bureau, an estimated 26% of owner households will turn over in a ten-year period, resulting in 4,778 existing households projected to turn over. Finally, we estimate 10% of the existing owner households will seek new for-sale housing, resulting in demand for 478 for-sale units. Combining new households and households turning over, demand is estimated for 478 for-sale units in the PMA.

The available land supply in the Roseville Market Area significantly limits potential development activity. Most of development will occur on in-fill and redevelopment sites; as new redevelopment sites come available, the Roseville Market Area will be able to support more housing. Based on the current availability of land and housing needs, we estimate that approximately 55% of the for-sale demand will be for multifamily product types (i.e. twin homes, detached villas, townhomes or condominiums).

HOUSING DEMAND ANALYSIS

TABLE G-1 FOR-SALE MULTIFAMILY HOUSING DEMAND ROSEVILLE MARKET AREA 2018 to 2030		
Demand from Projected Household Growth		
Projected household growth in the Roseville Market Area 2018 to 2030 ¹		3,316
(times) Pct. of HH growth for general occupancy housing ²	x	0.0%
(equals) Projected demand for general occupancy units	=	0
(times) Propensity to Own ³	x	53.3%
(equals) Total demand potential for ownership housing (2018 to 2030)	=	0
Demand from Existing Owner Households		
Number of owner households (age 64 and younger) in Market Area, 2018		18,098
(times) Estimated percent of owner turnover ⁴	x	26.4%
(equals) Total existing households projected to turnover	=	4,778
(times) Estimated percent desiring new housing	x	10%
(equals) Demand from existing households	=	478
(equals) Total demand from household growth and existing households, 2018 to 2030	=	478
(times) Percent desiring single-family housing ⁵	x	45%
(equals) Total demand potential for new single-family for-sale housing	=	215
(minus) Units under construction or pending	-	34
(plus) Estimated replacement need ⁶	+	367
(equals) Excess demand for new general occupancy for-sale single-family housing	=	548
(times) Percent of Market Area demand capturable by Roseville	x	20%
(equals) number of units supportable in Roseville		110
¹ Estimated household growth based on data from ESRI, Metropolitan Council, and Maxfield Research ² Pct. of household growth age 65 and younger (U.S. Census - 2016, ESRI, Maxfield Research) ³ Pct. Owner households age 65 and younger in the Market Area (2016) ⁴ Based on on turnover from 2016 American Community Survey for households moving after 2010. ⁵ Based on preference for housing type and land availability ⁶ Replacement need defined as 0.3% annual replacement of housing units built pre-1940 and 0.2% of homes built between 1940 and 1950. * Multifamily demand includes demand for townhomes, twinhomes, and condominium units.		
Source: Maxfield Research & Consulting, LLC		

We then subtract any for-sale single-family units under construction or approved. We identified two small single-family subdivisions under construction and/or recently completed in Roseville containing 34 units.

In addition, a portion of the existing housing stock will need to be replaced due to its age and condition. We estimate that 0.3% of homes built before 1940 and 0.2% of homes built between 1940 and 1950 will need to be replaced annually. This replacement calculation results in additional demand for 367 multifamily homes over the twelve-year timeframe. Less the 34 units under construction yields an excess demand for new general occupancy multifamily for-sale housing of 548 units.

Finally, we estimate that 20% of excess Roseville Market Area demand could be captured in Roseville. Therefore, total for-sale multifamily demand in Roseville to 2030 is 110 units. As mentioned previously, demand could be higher but is limited by the amount of vacant land that could accommodate residential uses.

Estimated Demand for For-Sale Multifamily Housing

Table G-2 presents a demand calculation for general occupancy, for-sale multifamily housing in Roseville between 2018 and 2030.

Between 2018 and 2030, the Roseville Market Area is projected to add 3,316 new households. Based on the aging population and lack of newer housing available, analysis from data provided by ESRI shows that of household growth forecast in specific age cohorts however, it is estimated that 0% of the growth of these households (ages 65 and under) will support demand for general occupancy housing products (i.e. vs. senior housing), generating total demand for zero general occupancy housing units from household growth through 2030.

Demand is also forecast to emerge from existing Market Area householders through turnover. An estimated 18,098 owner households are in the Roseville Market Area in 2018. Based on mobility data from the Census Bureau, an estimated 26% of owner households will turnover in a ten-year period, resulting in 4,778 existing households projected to turnover. Finally, we estimate 10% of the existing owner households will seek new for-sale housing, resulting in demand for 478 for-sale units. Combining new households and household turning over, there is demand for 478 for-sale units in the PMA.

The available land supply in the Roseville Market Area significantly limits potential development activity. Most of development will occur on in-fill and redevelopment sites; as new redevelopment sites come available, the Roseville Market Area will be able to support more housing. Based on the current availability of land and housing needs, we estimate that approximately 55% of the for-sale demand will be for multifamily product types (i.e. twin homes, detached villas, townhomes or condominiums).

We then subtract any for-sale multifamily units that are under construction or approved. There are no new owned multifamily developments under construction in Roseville.

In addition, a portion of the existing housing stock will need to be replaced due to its age and condition. We estimate that 0.3% of homes built before 1940 and 0.2% of homes built between 1940 and 1950 will need to be replaced annually. This replacement calculation results in additional demand for 367 multifamily homes over the twelve-year timeframe. Excess demand for new general occupancy multifamily for-sale housing totals 630 units.

HOUSING DEMAND ANALYSIS

TABLE G-2 FOR-SALE MULTIFAMILY HOUSING DEMAND ROSEVILLE MARKET AREA 2018 to 2030		
Demand from Projected Household Growth		
Projected household growth in the Roseville Market Area 2018 to 2030 ¹		3,316
(times) Pct. of HH growth for general occupancy housing ²	x	0.0%
(equals) Projected demand for general occupancy units	=	0
(times) Propensity to Own ³	x	53.3%
(equals) Total demand potential for ownership housing (2018 to 2030)	=	0
Demand from Existing Owner Households		
Number of owner households (age 64 and younger) in Market Area, 2018		18,098
(times) Estimated percent of owner turnover ⁴	x	26.4%
(equals) Total existing households projected to turnover	=	4,778
(times) Estimated percent desiring new housing	x	10%
(equals) Demand from existing households	=	478
(equals) Total demand from household growth and existing households, 2018 to 2030	=	478
(times) Percent desiring multifamily housing ⁵	x	55%
(equals) Total demand potential for new multifamily for-sale housing	=	263
(minus) Units under construction or pending	-	0
(plus) Estimated replacement need ⁶	+	367
(equals) Excess demand for new general occupancy for-sale housing	=	630
(times) Percent of Market Area demand capturable by Roseville	x	35%
(equals) number of units supportable in Roseville		220
¹ Estimated household growth based on data from ESRI, Metropolitan Council, and Maxfield Research ² Pct. of household growth age 65 and younger (U.S. Census - 2016, ESRI, Maxfield Research) ³ Pct. Owner households age 65 and younger in the Market Area (2016) ⁴ Based on on turnover from 2016 American Community Survey for households moving after 2010. ⁵ Based on preference for housing type and land availability ⁶ Replacement need defined as 0.3% annual replacement of housing units built pre-1940 and 0.2% of homes built between 1940 and 1950. * Multifamily demand includes demand for townhomes, twinhomes, and condominium units.		
Source: Maxfield Research & Consulting, LLC		

Finally, we estimate that 35% of excess Roseville Market Area demand could be captured in Roseville. Therefore, total for-sale multifamily demand in Roseville to 2030 is 220 units. As mentioned previously, demand could be higher but is limited by the amount of vacant land that could accommodate residential uses.

Estimated Demand for General-Occupancy Rental Housing

Table G-3 presents the calculation of general-occupancy rental demand in the Roseville Market Area. This analysis identifies potential demand for rental housing that is generated from new households and turnover households. A portion of the demand will be drawn from existing households in Roseville that want to upgrade their housing situations.

First, we calculate potential demand from new household growth by age group based on the propensity of households to rent their housing. We focus on households between the ages of 18 and 64 that will account for the clear majority of general-occupancy rental demand. Next, we calculate the percentage of household growth that will likely rent their housing. In 2016, the estimated percentage of renters ranged from 28% among the under 45 to 64 age cohort to 94% among those under age 25.

The second part of the calculation identifies demand from existing households, or turnover demand. Younger households tend to be highly mobile, relative to older households. Mobility rates were calculated for the renter population based on Census data and were applied to the existing renter household base. Finally, we estimate the percentage of the existing renter households will seek new rental housing by age cohort resulting in demand for 1,510 units over the next 12 years.

We estimate that 30% of the total demand for new rental housing units in the Roseville Market Area will come from people currently living outside of the Market Area. As a result, we find demand for 2,157 renter households based on household growth and existing households alone between 2018 and 2030.

Based on a review of household incomes and sizes and monthly rents at existing projects, we estimate that approximately 10% of the total demand will be for subsidized housing, 20% will be for affordable housing and 70% will be for market rate housing.

HOUSING DEMAND ANALYSIS

TABLE G-2
RENTAL HOUSING DEMAND
ROSEVILLE MARKET AREA
2018 to 2030

	Number of Households				
	Under 25	Age 25 to 34	Age 35 to 44	Age 45 to 64	Age 65 & Over
Demand From Household Growth					
Projected Growth in Household Base by 2030	0	0	988	0	3,577
(times) Proportion Estimated to Be Renting Their Housing ¹	x 93.7%	71.0%	43.9%	27.7%	24.4%
(equals) Projected Demand for Rental Housing Units	= 0	0	434	0	873
Demand From Existing Households					
Number of renter households in 2018	2,229	6,228	3,044	4,392	2,973
(times) Estimated % of renter turnover between 2018 & 2023 ²	x 99.9%	97.2%	75.5%	59.0%	58.8%
(equals) Total Existing Renter Households Projected to Turnover	= 2,227	6,054	2,298	2,591	1,748
(times) Estimated % Desiring New Rental Housing	x 5%	10%	10%	5%	5%
(equals) Demand From Existing Households	= 111	605	230	130	87
Total Demand From Household Growth and Existing Households	111	605	663	130	960
Total Demand from Household Growth and Existing Households					1,510
(plus) Demand from outside Market Area (30%)					647
(equals) Total Demand for Rental Housing in the Roseville Market Area	2,157				
	Subsidized	Affordable	Market Rate		
(times) Percent of rental demand by product type ³	x 10%	20%	70%		
(equals) Total demand for new general occupancy rental housing units	= 216	431	1,510		
(minus) Units under construction or pending*	- 0	56	497		
(equals) Excess demand for new general occupancy rental housing	= 216	375	1,013		
(times) Percent of Market Area demand capturable by Roseville	x 35%	35%	35%		
(equals) number of units supportable in Roseville	= 75	131	354		
¹ Based on 2016 Census data. ² Based on Turnover from 2016 American Community Survey for households moving between 2000 and 2010. ³ Based on the combination of current rental product and household incomes of area renters (non-senior households) *Pending/proposed competitive units at 95% occupancy.					
Source: Maxfield Research & Consulting, LLC.					

Next, projects that are under construction or pending are subtracted, since these projects will satisfy some of the calculated demand for general occupancy rental housing. Pending projects include the 300 market rate apartments and 78 market rate rental townhomes being developed by JPL in Shoreview along with the proposed 154-unit market rate development in Roseville by Sand Companies.

There is demand in the Roseville Market Area for 216 subsidized units, 375 affordable units and 1,013 market rate units to 2030.

Finally, we estimate that Roseville can capture 35% of the total Market Area demand, resulting in demand for 75 subsidized units, 131 affordable units, and 354 market rate units. If less construction occurs in adjacent communities, Roseville is in a prime position to capture a higher proportion of the overall demand.

Estimated Demand for Active Adult Senior Housing

Table G-4 presents our demand calculations for market rate active adult senior housing in Roseville in 2018 and 2023.

In order to determine demand for active adult senior housing, the potential market is reduced to households that are both age and income qualified. The age-qualified market is defined as seniors age 55 and older, although active adult properties primarily attract seniors age 65 and older.

We calculate that the minimum income needed to afford monthly rents at new construction properties is \$40,000, since seniors with this income could afford a monthly rent of \$1,333 based on spending 40% of their income toward housing. We also add households with incomes between \$30,000 and \$39,999 who would be able to supplement their incomes with the proceeds from a home sale. We estimate the number of age/income-qualified senior households in the Roseville Market Area to be 14,140 households in 2018.

Adjusting to include appropriate long-term capture rates for each age cohort (1.5% of households age 55 to 64, 8.0% of households age 65 to 74, and 18.5% of households age 75 and over) results in market rate demand potential of 972 active adult senior units in 2018.

Some additional demand will come from outside the Roseville Market Area. We estimate that 25% of the demand for active adult senior housing will be generated by seniors currently residing outside the Roseville Market Area. This demand will consist primarily of parents of adult children living in the Roseville area, individuals who live just outside of the Roseville Market Area and have an orientation to the area, as well as former residents who desire to return. Together, the demand from Roseville Market Area seniors and demand from seniors who would relocate to Roseville results in demand for 1,297 active adult units in 2018.

TABLE G-4
MARKET RATE ACTIVE ADULT HOUSING DEMAND
ROSEVILLE MARKET AREA
2018 & 2023

	2018			2023		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of >\$40,000 ¹	5,483	3,678	2,123	6,197	5,473	3,712
# of Households w/ Incomes of \$30,000 to \$39,999 ¹	+ 902	934	1,020	+ 479	660	922
(times) Homeownership Rate	x 78%	81%	70%	x 78%	81%	70%
(equals) Total Potential Market Base	= 6,187	4,435	2,837	= 6,571	6,008	4,357
(times) Potential Capture Rate	x 1.5%	8.0%	18.5%	x 1.5%	8.0%	18.5%
(equals) Demand Potential	= 93	355	525	= 99	481	806
Potential Demand from Market Area Residents	= 972			= 1,385		
(plus) Demand from Outside Market Area (25%)	+ 324			+ 462		
(equals) Total Demand Potential	= 1,297			= 1,847		
	Owner-Occupied	Renter-Occupied		Owner-Occupied	Renter-Occupied	
(times) % by Product Type	x 70%	x 30%		x 70%	x 30%	
(equals) Demand Potential by Product Type	= 908	= 389		= 1,293	= 554	
(minus) Existing and Pending MR Active Adult Units ³	- 732	- 161		- 732	- 161	
(equals) Excess Demand for MR Active Adult Units	= 176		= 228	= 561		= 393
(times) Percent capturable by Roseville	x 35%	x 35%		x 35%	x 35%	
(equals) # of units supportable in Roseville	= 61		= 80	= 196		= 138

¹ 2023 calculations define income-qualified households as all households with incomes greater than \$45,000 and homeowner households with incomes between \$35,000 and \$44,999.

² Existing and pending are deducted at market equilibrium (95% occupancy).

Source: Maxfield Research & Consulting, LLC

Active adult demand in Roseville is apportioned between ownership and rental housing. Based on the age distribution, homeownership rates and current product available in Roseville, we project that 70% of PMA demand will be for adult ownership housing (908 units) and 30% will be for rental housing (389 units).

Next, existing competitive market rate units (minus a vacancy factor of 5% to allow for sufficient consumer choice and turnover) are subtracted from the owner and rental demand. There are 517 owner-occupied units and no renter-occupied units in Roseville. We also include 75% of the units located outside Roseville, but in the Market Area due to market overlap. Subtracting the existing competitive market rate units results in total demand potential for 176 active adult owner-occupied units and 228 active adult rental units in 2018.

No one community, including Roseville, would be able to capture 100% of the demand. We estimate that Roseville can capture 35% of owned and rental demand. This results in demand for 24 active adult owner-occupied units and 64 adult rental units in Roseville as of 2018.

Adjusting for inflation, we estimate that households with incomes of \$45,000 or more and homeowners with incomes of \$35,000 to \$44,999 would income-qualify for market rate active adult senior housing in 2018. With no developments planned or pending in the PMA, demand would increase to 196 active adult owner-occupied units and 138 active adult rental units in Roseville by 2023.

Estimated Demand for Independent Living (Congregate) Senior Housing

Table G-5 presents the demand calculations for independent living (congregate) housing in Roseville in 2018 and 2023. This product is usually combined with higher levels of care such as assisted living and memory care.

The potential age- and income-qualified base for independent living (congregate) senior housing includes all senior (65+) households with incomes of \$40,000 as well as homeowner households with incomes between \$30,000 and \$39,999 who would qualify with the proceeds from the sales of their homes. The proportion of eligible homeowners is based on the 2016 Census homeownership rates of Roseville Market Area seniors. The number of age-, income-, and asset-qualified households in the Roseville Market Area is estimated to be 10,085 households in 2018.

Demand for independent living (congregate) housing is need-driven, which reduces the qualified market to only the portion of seniors who need some assistance. Adjusting to include appropriate capture rates for each age cohort (1.5% of households age 65 to 74 and 14.5% of households age 75 and older) results in a local demand potential for 734 independent living (congregate) units in 2018.

We estimate that seniors currently residing outside the Roseville Market Area will generate 25% of the demand for independent living senior housing. Together, the demand from Roseville Market Area seniors and demand from seniors who are willing to locate to the Roseville Market Area totals 978 independent living units in 2018.

Next, we subtract existing competitive units from the overall demand (minus a vacancy factor of 5% to allow for sufficient consumer choice and turnover). There are 461 independent living units in Roseville. We also account for 75% of the independent living units located outside Roseville but in the Market Area due to market overlap.

Adjusting for the amount of existing independent living units in the market, we find demand for 96 independent living units in 2018.

Adjusting for inflation, we estimate that households with incomes of \$40,000 or more and senior homeowners with incomes between \$30,000 and \$39,999 would qualify for independent living housing in 2023. Following the same methodology, demand is projected to increase to 126 units through 2023.

TABLE G-5
MARKET RATE INDEPENDENT LIVING (CONGREGATE) RENTAL HOUSING DEMAND
ROSEVILLE MARKET AREA
2018 & 2023

	2018		2023	
	Age of Householder		Age of Householder	
	65-74	75+	65-74	75+
# of Households w/ Incomes of >\$35,000 ¹	5,076	3,780	5,803	4,173
# of Households w/ Incomes of \$25,000 to \$34,999 ¹	+ 654	999	+ 661	972
(times) Homeownership Rate	x 81%	70%	x 81%	70%
(equals) Total Potential Market Base	= 5,606	4,479	= 6,338	4,853
(times) Potential Capture Rate ²	x 1.5%	14.5%	x 1.5%	14.5%
(equals) Potential Demand	= 84	+ 649	= 95	+ 704
Potential Demand from Market Area Residents	= 734		= 799	
(plus) Demand from Outside Market Area (25%)	+ 245		+ 266	
(equals) Total Demand Potential	= 978		= 1,065	
(minus) Existing and Pending Congregate Units ³	- 704		- 704	
(equals) Total Congregate Demand Potential	= 274		= 361	
(times) Percent capturable by Roseville	x 35%		x 35%	
(equals) # of units supportable in Roseville	= 96		= 126	

¹ 2023 calculations define income-qualified households as all households with incomes greater than \$40,000 and homeowner households with incomes between \$30,000 and \$39,999.

² The potential capture rate is derived from data from the Summary Health Statistics for the U.S. Population: National Health Interview Survey, 2012 by the U.S. Department of Health and Human Services. The capture rate used is the percentage of seniors needing assistance with IADLs, but not ADLs (seniors needing assistance with ADLs typically need assistance with multiple IADLs and are primary candidates for service-intensive assisted living).

³ Competitive units include congregate units at 95% occupancy (market equilibrium).

Source: Maxfield Research & Consulting, LLC

Estimated Demand for Assisted Living Housing

Table G-6 presents our demand calculations for assisted living senior housing in Roseville in 2018 and 2023. This analysis focuses on the potential *private pay/market rate* demand for assisted living units.

HOUSING DEMAND ANALYSIS

TABLE G-6
MARKET RATE ASSISTED LIVING DEMAND
ROSEVILLE MARKET AREA
2018 & 2023

Age group	2018			2023		
	People	Percent Needing Assistance ¹	Number Needing Assistance ¹	People	Percent Needing Assistance ¹	Number Needing Assistance ¹
75 - 79	3,581	25.5%	913	4,521	25.5%	1,153
80 - 84	2,770	33.6%	931	3,135	33.6%	1,053
85+	4,155	51.6%	2,144	4,136	51.6%	2,134
Total	10,506		3,988	11,792		4,340
Percent Income-Qualified²			57%			57%
Total potential market			2,253			2,452
(times) Percent living alone		x	53%			53%
(equals) Age/income-qualified singles needing assistance		=	1,192			1,297
(plus) Proportion of demand from couples (12%) ³		+	163			177
(equals) Total age/income-qualified market needing assistance		=	1,354			1,474
(times) Potential penetration rate ⁴		x	40%			40%
(equals) Potential demand from Market Area residents		=	542			590
(plus) Demand from outside the Market Area (25%)		+	181			197
(equals) Total demand potential		=	722			786
(minus) Existing and pending assisted living units ⁵		-	379			379
(equals) Total assisted living demand potential		=	343			407
(times) Percent capturable by Roseville		x	35%			35%
(equals) # of units supportable in Roseville		=	120			143
¹ The percentage of seniors unable to perform or having difficulty with ADLs, based on the publication Health, United States, 1999 Health and Aging Chartbook, conducted by the Centers for Disease Control and Prevention and the National Center for Health Statistics.						
² Includes households with incomes of \$40,000 or more (who could afford monthly rents of \$3,000+ per month) plus 40% of the estimated owner households with incomes below \$40,000 (who will spend down assets, including home-equity, in order to live in assisted living housing).						
³ The 2009 Overview of Assisted Living (a collaborative project of AAHSA, ASHA, ALFA, NCAL & NIC) found that 12% of assisted living residents are couples.						
⁴ We estimate that 60% of the qualified market needing assistance with ADLs could either remain in their homes or reside at less advanced senior housing with the assistance of a family member or home health care, or would need greater care provided in a skilled care facility.						
⁵ Existing and pending units at 93% occupancy. We exclude 15% of units to be utilized by Elderly Waiver recipients.						
Source: Maxfield Research & Consulting, LLC						

The availability of more intensive support services such as meals, housekeeping and personal care at assisted living facilities usually attracts older, frailer seniors. According to the 2009 Overview of Assisted Living (which is a collaborative research project by the American Association of Homes and Services for the Aging, the American Seniors Housing Association, National Center for Assisted Living, and National Investment Center for the Seniors Housing and Care Industry), the average age of residents in freestanding assisted living facilities was 87 years in 2008. Hence, the age-qualified market for assisted living is defined as seniors ages 75 and over, as we estimate that of the half of demand from seniors under age 87, almost all would be from seniors over age 75. In 2018, there were 10,506 seniors age 75 and older in the Roseville Market Area.

Demand for assisted living housing is need-driven, which reduces the qualified market to only the portion of seniors who need assistance. According to a study completed by the U.S. Census Bureau (2008 panels of the Survey of Income and Program Participation (SIPP) files), 30% of seniors needed assistance with everyday activities (from 25.5% of 75-to-79-year-olds, to 33.6% of 80-to-84-year-olds and 51.6% of 85+ year olds). Applying these percentages to the senior population yields a potential assisted living market of 3,988 seniors in the Roseville Market Area.

Due to the supportive nature of assisted living housing, most daily essentials are included in monthly rental fees, which allow seniors to spend a higher proportion of their incomes on housing with basic services. Therefore, the second step in determining the potential demand for assisted living housing in the Roseville Market Area is to identify the income-qualified market based on a senior's ability to pay the monthly rent. We consider seniors in households with incomes of \$40,000 or greater to be income-qualified for assisted living senior housing in the Roseville Market Area. Households with incomes of \$40,000 could afford monthly assisted living fees of \$3,000 by allocating 90% of their income toward the fees.

According to the 2009 Overview of Assisted Living, the average arrival income of assisted living residents in 2008 was \$27,260, while the average annual assisted living fee was \$37,281 (\$3,107/month). This data highlights that seniors are spending down assets to live in assisted living and avoid institutional care. Thus, in addition to households with incomes of \$40,000 or greater, there is a substantial base of senior households with lower incomes who income-qualify based on assets – their homes, in particular.

Seventy percent of the age 75+ households in the Roseville Market Area are homeowners, and the median resale price of homes through August 2018 in Roseville was \$267,750. Seniors selling their homes for the median resale price would generate about \$251,685 in proceeds after selling costs. With an average monthly fee of \$3,500, these proceeds would last about six years in an assisted living facility, which is higher than the average length of stay in assisted living (27 months according to the 2009 Overview of Assisted Living). We estimate the income-qualified percentage to be all seniors in households with incomes of \$40,000 or more (who could afford monthly rents of \$3,500+ per month) plus 40% of the estimated seniors in homeowner households with incomes below \$40,000 (who will spend down assets, including home-equity, to live in assisted living housing). This results in a potential market of 2,253 units from the Roseville Market Area in 2018.

Because the clear majority of assisted living residents are single (88% according to the 2009 Overview of Assisted Living), our demand methodology multiplies the total potential market by the percentage of seniors age 75+ in the Roseville Market Area living alone. Based on 2010 Census data, 53% of age 75+ households in the Roseville Market Area lived alone. Applying this percentage results in a total base of 1,192 age/income-qualified singles. The 2009 Overview of Assisted Living found that 12% of residents in assisted living were couples. There are 1,354 age/income-qualified seniors needing assistance in the Roseville Market Area including couples and singles.

We estimate that roughly 60% of the qualified market needing significant assistance with Activities of Daily Living (“ADLs”) would either remain in their homes or less service-intensive senior housing with the assistance of a family member or home health care or would need greater care provided in a skilled care facility. The remaining 40% could be served by assisted living housing. Applying this potential market penetration rate of 40% results in demand for 542 assisted living units in 2018.

We estimate that a portion of demand for assisted living units (25%) will come from outside of the Roseville Market Area. Applying this figure results in total potential demand for 722 market rate assisted living units in the Roseville Market Area.

Next, we subtract existing competitive units from the overall demand (minus a vacancy factor of 7% to allow for sufficient consumer choice and turnover). There are 305 assisted living units in Roseville. We also account for 75% of the assisted living units located outside of Roseville but in the Market Area due to market overlap.

A portion of these units however, are occupied by residents with financial assistance, estimated to account for 15% of the total units in the Market Area. The Elderly Waiver program in Minnesota provides public funding for seniors who wish to receive “alternative” care that allows them to stay in the community as opposed to receiving similar care at a nursing home.

After deducting these competitive units, we calculate assisted living demand at 343 units in 2018.

No one community, including Roseville, would be able to capture 100% of the demand. We estimate that Roseville can capture 35% of the demand for assisted living. This results in total demand for 120 assisted living units in Roseville in 2018.

The same calculations are applied to the age/income-qualified base in 2023. Demand is calculated to increase slightly to 143 units by 2023.

Estimated Demand for Memory Care Housing

Table G-7 presents our demand calculations for market rate memory care senior housing in Roseville in 2018 and 2023.

Demand is calculated by starting with the estimated Roseville senior (age 65+) population in 2018 and multiplying by the incidence rate of Alzheimer’s/dementia among this population’s age cohorts. According to the Alzheimer’s Association (Alzheimer’s Disease Facts and Figures, 2007), 2% of seniors ages 65 to 74, 19% of seniors ages 75 to 84, and 42% of seniors ages 85+ are inflicted with Alzheimer’s Disease. This yields a potential market of 3,178 seniors in the Roseville Market Area.

Because of the staff-intensive nature of dementia care, typical monthly fees for this type of housing are at least \$4,000 and range upwards of \$5,000 when including service packages. Based on our review of senior household incomes in the Roseville Market Area, homeowner-ship rates and home sale data, we estimate that 50% of seniors in the Roseville Market Area would have incomes and/or assets to sufficiently cover the costs of memory care housing.

TABLE G-7 MEMORY CARE DEMAND ROSEVILLE MARKET AREA 2018 & 2023		
	2018	2023
65 to 74 Population	11,329	12,946
(times) Dementia Incidence Rate ¹	x 2%	x 2%
(equals) Estimated Age 65 to 74 Pop. with Dementia	= 227	= 259
75 to 84 Population	6,350	7,656
(times) Dementia Incidence Rate ¹	x 19%	x 19%
(equals) Estimated Age 75 to 84 Pop. with Dementia	= 1,207	= 1,455
85+ Population	4,155	4,136
(times) Dementia Incidence Rate ¹	x 42%	x 42%
(equals) Estimated Age 85+ Pop. with Dementia	= 1,745	= 1,737
(equals) Total Senior Population with Dementia	= 3,178	= 3,451
(times) Percent Income/Asset-Qualified ²	x 50%	x 50%
(equals) Total Income-Qualified Market Base	= 1,589	= 1,725
(times) Percent Needing Specialized Memory Care Assistance	x 25%	x 25%
(equals) Total Need for Dementia Care	= 397	= 431
(plus) Demand from Outside the Market Area (25%)	+ 132	+ 144
Total Demand for Memory Care Units	= 530	= 575
(minus) Existing and Pending Memory Care Units ³	- 186	- 186
(equals) Total Memory Care Demand Potential	= 344	= 389
(times) Percent Capturable by Roseville	x 35%	x 35%
(equals) # of Units Supportable by Roseville	= 120	= 136
¹ Alzheimer's Association: Alzheimer's Disease Facts & Figures (2007) ² Includes seniors with income at \$60,000 or above (\$65,000 in 2018) plus 25% of homeowners with incomes below this threshold (who will spend down assets, including home-equity, in order to live in memory care housing). ³ Existing memory care units at a 7% vacancy rate. We exclude 15% of units to be Elderly Waiver.		
Source: Maxfield Research & Consulting, LLC		

This figure accounts for married couple households where one spouse may have memory care needs and allows for a sufficient income for the other spouse to live independently. Multiplying the number of seniors with Alzheimer's/dementia (3,178 seniors) by the income-qualified percentage results in a total of 1,589 age/income-qualified seniors in the Roseville Market Area in 2018.

According to data from the National Institute of Aging, about 25% of all individuals with memory care impairments comprise the market for memory care housing units. This figure considers that seniors in the early stages of dementia will be able to live independently with the care of a spouse or other family member, while those in the later stages of dementia will require intensive medical care that would only be available in skilled care facilities. Applying this figure to the estimated population with memory impairments yields a potential market of 397 seniors in the Roseville Market Area.

We estimate that 25% of the overall demand for memory care housing would come from outside of the Roseville Market Area. Together, demand totals 530 memory care units in 2018.

Next, we subtract existing competitive units from the overall demand (minus a vacancy factor of 7% to allow for sufficient consumer choice and turnover). There are 143 memory care units in Roseville. We also account for 75% of the assisted living units located outside of Roseville but in the Market Area due to market overlap.

A portion of these units however, are occupied by residents with financial assistance, estimated to account for 15% of the total units in the Market Area. The Elderly Waiver program in Minnesota has provided public funding for seniors who wish to receive "alternative" care that allows them to stay in the community as opposed to receiving similar care at a nursing home.

After deducting these competitive units, we calculate the total memory care demand potential at 344 units in 2018.

No one community, including Roseville, would be able to capture 100% of the demand. We estimate that Roseville can capture 35% of the demand for memory care. This results in total demand for 120 assisted living units in Roseville in 2018.

The same calculations are applied to the age/income-qualified base in 2018. Demand is calculated to increase slightly to 136 units by 2023.

Estimated Demand for Affordable/Subsidized Senior Housing

Table G-8 presents our demand calculations for subsidized/affordable active adult senior housing in the Roseville in 2018 and 2023.

While the methodology used to calculate demand for subsidized/affordable housing closely mirrors the methodology used to calculate demand for market rate housing, we make several adjustments to more precisely quantify demand among this market segment. The following points summarize these adjustments:

- **Income-Qualifications:** Seniors who earn up to 60% of the Area Median Income (AMI) would be qualified for income-restricted housing products. Based on Minnesota Housing Finance Agency data, current income-restrictions for the upper end of the range for affordable housing (60% AMI) are \$39,660 for a one-person household and \$45,300 for a two-person household. Individual affordable developments may have unique income-guidelines that are more precise than these income-restrictions due to subsidy type or other factors. We exclude homeowner households with incomes between \$30,000 and \$40,000, as these households would have additional equity that could be converted to monthly income following the sales of their single-family homes.
- **Capture Rates:** Households in a need-based situation (either requiring services or financial assistance) more readily move to housing alternatives than those in non-need-based situations. Hence, the capture rate among each age group is higher than for market rate housing. Capture rates are employed at 2.0% for households age 55 to 64, 10.0% for households age 65 to 74, and 20.0% for households age 75 and older.
- **Product Type:** Based on the distribution of household income in Roseville and patterns among seniors who need subsidized or affordable housing, we estimate that 65% of the total demand will be for subsidized housing and the remaining 35% will be for affordable housing.
- **Potential Demand Capture:** Seniors in need-based situations are less selective when securing housing than those in non-need-based situations. We estimate that a high-quality site would capture a greater proportion of total demand for financially-assisted housing than for market rate housing; hence, the potential capture rate increases to 45%.

Using the methodology described above results in a demand potential for 548 subsidized units and 295 affordable units.

Next, we subtract existing competitive units from the overall demand (minus a vacancy factor of 5% to allow for sufficient consumer choice and turnover). There are 228 subsidized senior units and no affordable senior units in Roseville. We also account for 75% of the subsidized and affordable units located outside of Roseville but in the Market Area due to market overlap. We find excess demand for 245 subsidized senior housing units and 45 affordable senior housing units in 2018.

No one community, including Roseville, would be able to capture 100% of the demand. We believe that Roseville can capture 35% of the demand for subsidized and affordable senior

HOUSING DEMAND ANALYSIS

projects. This results in total demand for 86 subsidized senior units and 16 affordable senior units in Roseville in 2018.

Adjusting for inflation, we estimate that households with incomes up to \$45,000 would be candidates for financially-assisted independent housing in 2023. We reduce the potential market by homeowner households earning between \$35,000 and \$44,999 that would exceed income-restrictions once equity from their home sales is converted to monthly income. Following the same methodology, we project demand in Roseville for 128 subsidized units and 38 affordable units to 2023.

TABLE G-8 SUBSIDIZED/AFFORDABLE INDEPENDENT HOUSING DEMAND ROSEVILLE MARKET AREA 2018 & 2023						
	2018			2023		
	Age of Householder			Age of Householder		
	55-64	65-74	75+	55-64	65-74	75+
# of Households w/ Incomes of <\$40,000	2,103	2,118	3,473	1,821	2,355	3,957
Less Households w/ Incomes of \$30,000 to \$39,999 ¹	- 902	924	1,020	- 479	660	922
(times) Homeownership Rate	x 78%	81%	70%	x 78%	81%	70%
(equals) Total Potential Market Base	= 1,399	1,370	2,759	= 1,447	1,820	3,312
(times) Potential Capture Rate	x 2.0%	10.0%	20.0%	x 2.0%	10.0%	20.0%
(equals) Demand Potential	= 28	137	552	= 29	182	662
(equals) Potential Demand from Market Area Residents	= 717			873		
(plus) Demand from Outside the Market Area (25%)	+ 126			+ 154		
(equals) Total Demand Potential	= 843			= 1,027		
	<u>Subsidized</u>		<u>Affordable</u>	<u>Subsidized</u>		<u>Affordable</u>
(times) % by Product Type	x 65%		x 35%	x 65%		x 35%
(equals) Demand Potential by Product Type	= 548		= 295	= 668		= 360
(minus) Existing and Pending Independent Units ²	- 303		- 250	- 303		- 250
(equals) Excess Demand for Aff/Sub Units	= 245		= 45	= 365		= 110
(times) Percent Capturable by Roseville	x 35%		35%	x 35%		x 35%
(equals) # of Units Supportable by Roseville	86	16		128	38	
¹ 2018 calculations define income-qualified households as all households with incomes less than \$45,000. Homeowner households with incomes between \$35,000 and \$44,999 are excluded from the market potential for financially-assisted housing. ² Existing units are deducted at market equilibrium, or 95% occupancy.						
Source: Maxfield Research & Consulting, LLC						

Estimated Demand for Skilled Nursing Care

As of July 2018, the Minnesota Department of Human Services reported the number of nursing beds has diminished to approximately 29,213 beds located in 378 facilities that are Medicaid certified and/or licensed. This equates to a statewide count of 34 beds per 1,000 people age 65 and older and 242 beds per 1,000 people age 85 and older.

The State continues to be aggressive in its efforts to reduce the State's bed count as alternative care options are made available to seniors. While the State as a whole has high utilization rates for long-term care beds, there are pockets of the State where demand continues to surpass supply. Comparing the bed to population ratios used to gauge market saturation (in the figure on the following page) shows that the utilization rate in the Roseville Market Area is slightly higher than the State for the 65+ population but lower for the 85+ population.

	2018		
	PMA	MN	US*
beds/1,000 pp 65+	45	34	42
beds/1,000 pp 85+	190	242	280

* 2014 is most recent for United States

Sources: MN Department of Human Services: Aging Initiative;
Maxfield Research & Consulting, LLC

The demand methodology for nursing home beds, as shown in Table G-9, begins with the senior population in 2018 and 2023 in each age cohort, age 65 to 84 and 85+. We apply specific utilization rates for each age cohort based on the most recent information available from the Minnesota Continuing Care Administration's Status of Long Term Care Report (2010). As of 2009, the utilization rate for the 65+ and 85+ population was 4.0% and 15.1%, respectively. Since 2005 however, utilization rates have decreased -5.4% annually for the 65+ population and -5.7% annually for the 85+ population. Therefore, adjustments were made to the 2018 and 2023 based on this annual decrease. Utilization rates of 2.2% for seniors age 65 to 84 and 11.2% for age 85+ are applied to equate to demand for an estimated 854 nursing beds in 2018.

TABLE G-9 SKILLED CARE DEMAND ROSEVILLE MARKET AREA 2018 & 2023						
2018				2023		
Age	NH Need*	Population	Bed Need	NH Need*	Population	Bed Need
65 to 84	2.2%	17,679	389	1.9%	20,602	391
85+	11.2%	4,155	465	9.9%	4,136	409
		21,834	854		24,738	801
			↓			↓
Local Demand			854			801
(plus) demand from outside the Market Area (15%)			151			+ 141
Total Demand			= 1,005			= 942
(beds/65+ pop.)			36.1			31.9
			Occupancy Rate			Occupancy Rate
			86.0%	90.0%		86.0% 90.0%
(Minus) Number of Existing Beds			678	709		678 709
Demand Potential for Beds			= 327	296		= 265 233
NOTE: Includes demand for long-term, short-term, respite and hospice care and is based on average length of stay for each component.						
Sources: Minnesota Continuing Care Administration; Maxfield Research & Consulting, LLC						

Due to the decline in disability rates, shortened nursing home stays and increased utilization of alternatives to nursing home services (i.e. home health care, assisted living facilities, memory care housing, etc.), the trend of declining utilization of nursing beds is forecast to continue. Based on forecast trend information provided by the Minnesota Continuing Care Administration, the 2018 utilization rates are adjusted to 1.9% among the 65 to 84 age cohort and 9.9% among the 85 and older age cohort. With growth in these cohorts but declining utilization, total beds demanded will decrease slightly to 801 beds through 2018.

We estimate that seniors currently residing outside the Roseville Market Area will generate 15% of the demand for skilled nursing – increasing total demand to 1,005 beds in 2018.

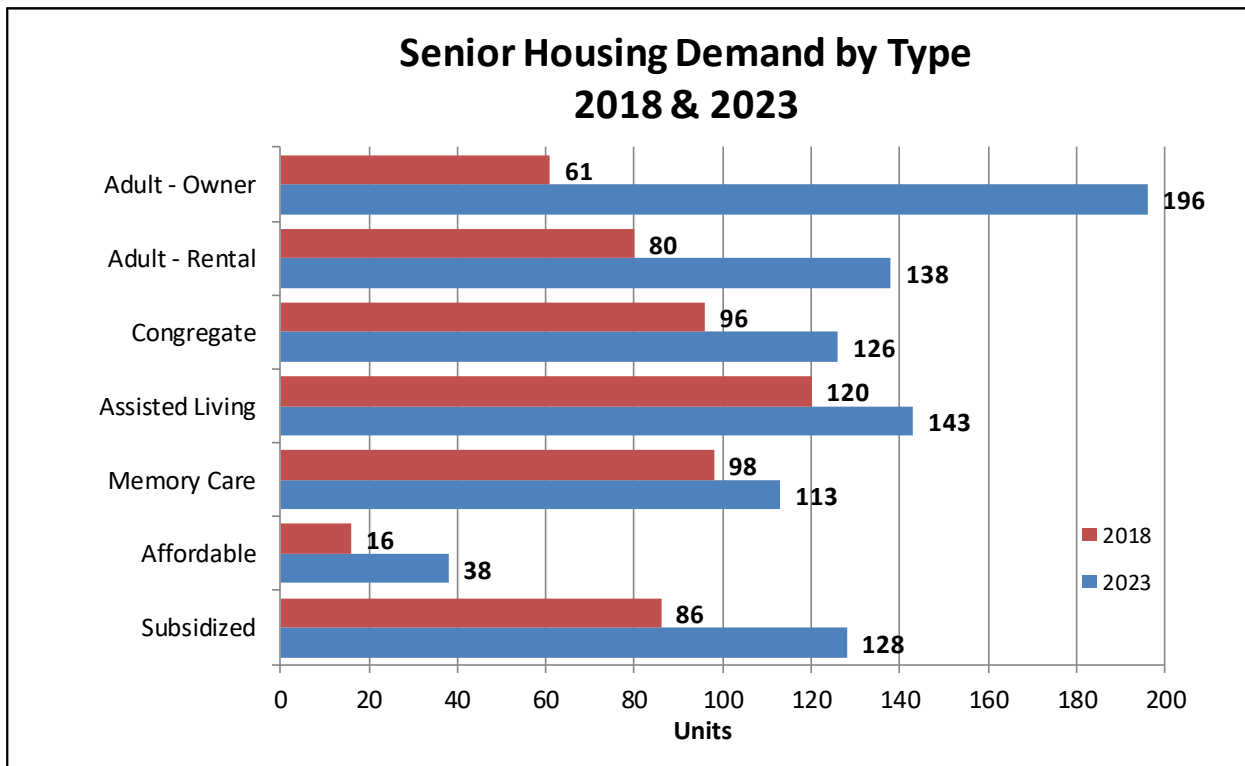
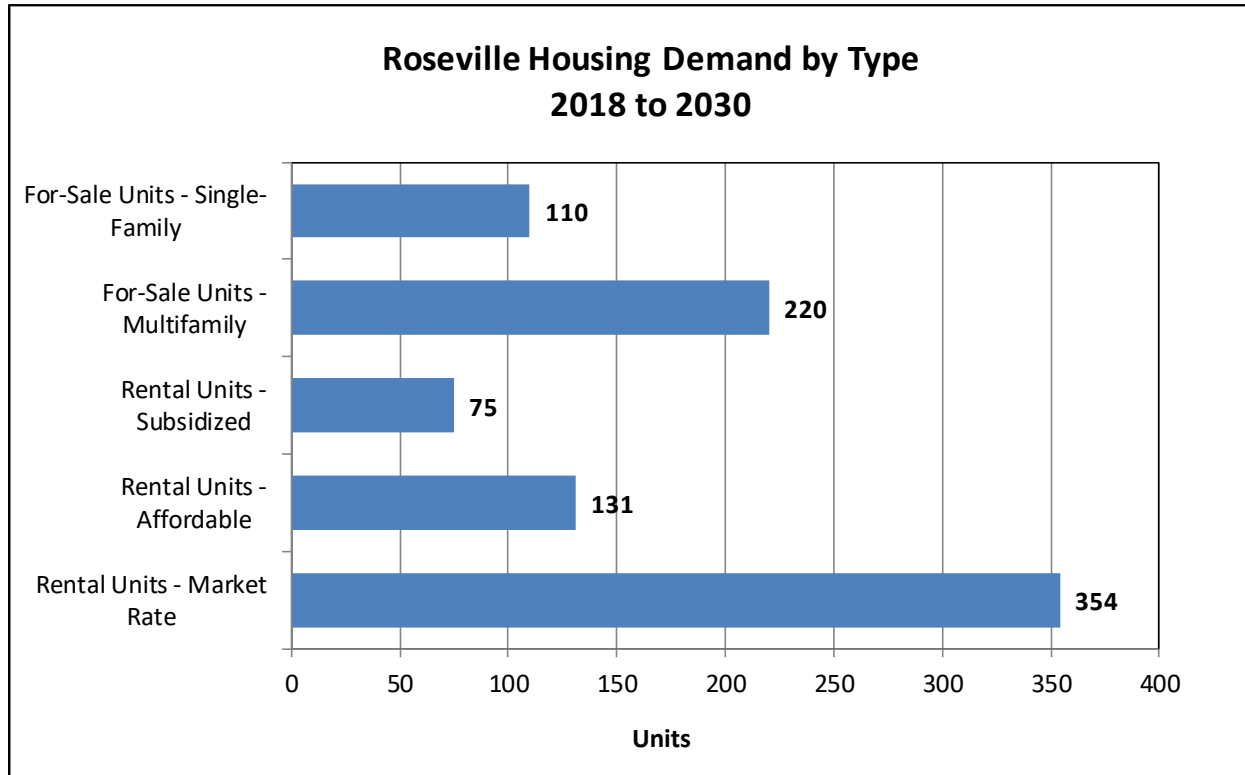
We subtract the existing nursing beds in the PMA at the most recent Minnesota statewide occupancy rate (86.0%) from the 2016 Kaiser Family Fund State Health Facts(KFF) as well as at 90.0% occupancy, for comparison purposes. Excess demand at the statewide occupancy rate is calculated for 327 beds in 2018, decreasing to 265 beds in 2023.

The excess demand assumes that no additional beds in the Roseville Market Area will be decertified to 2023.

Introduction/Overall Housing Recommendations

This section summarizes demand calculated for specific housing products in Roseville and recommends development concepts to meet the housing needs forecast for the City. All recommendations are based on findings of the *Comprehensive Housing Market Analysis*. The following table and charts illustrate calculated demand by product type. It is important to recognize that housing demand is highly contingent on projected household growth; household growth could be higher with available land for development and increased densities.

TABLE H-1 SUMMARY OF HOUSING DEMAND CITY OF ROSEVILLE October 2018		
Type of Use	2018-2030	
General-Occupancy		
Rental Units - Market Rate	354	
Rental Units - Affordable	131	
Rental Units - Subsidized	75	
For-Sale Units - Multifamily	220	
For-Sale Units - Single-Family	110	
Total General Occupancy Supportable	890	
	2018	2023
Age-Restricted (Senior)		
Market Rate		
Adult Few Services (Active Adult)	141	334
Ownership	61	196
Rental	80	138
Independent Living (Congregate)	96	126
Assisted Living	120	143
Memory Care	98	113
Total Market Rate Senior Supportable	455	716
Affordable/Subsidized		
Active Adult - Subsidized	86	128
Active Adult - Affordable	16	38
Total Affordable Senior Supportable	102	166
Note: Due to limited land availability, not all of the demand may be able to be developed in Roseville		
Source: Maxfield Research & Consulting, LLC		



Housing Opportunity Sites

A total of 30 sites were identified as opportunity sites in Roseville that could potentially be redeveloped with various housing products. Based on the 2040 Comprehensive Plan, most of these properties could be redeveloped with some type of medium- to -high density housing. A majority are guided to land use that will accommodate office, institutional and retail properties in addition to housing. The map on a following page shows the location of each site.

Given the limited vacant land supply, most new development will occur as a result of redevelopment through clearing of existing buildings. While all sites have strengths and weaknesses related to future development/redevelopment of housing, some sites will be more difficult to redevelop than others. Table H-2 provides a matrix analysis for each opportunity site. Based on the analysis, Maxfield Research suggests housing concepts and estimates development timeframes.

Some of the parcels will require more substantial redevelopment and/or more significant changes to the quality and character of the surrounding area to support new residential. This is reflected in the development timeframes on Table H-2 for each site or grouping of parcels. Acquisition costs, funding and other development dynamics will make some sites more attractive than others for redevelopment.

Redevelopment Priorities

Market Rate Rental

In 2013, Maxfield Research recommended the development of new market rate housing as a top priority of the City and that recommendation stands. The Rental Housing Analysis identified that no new market rate general occupancy rental product has been added to the City for more than 25 years. Many first-tier communities in the Twin Cities have experienced development of new market rate rental housing on in-fill and redevelopment sites and these units have absorbed rapidly in the market. Roseville is a highly desirable community with a substantial employment base and convenient central location. Many people would be attracted to new market rate rental housing in the community, particularly on property in the Twin Lakes redevelopment area.

In the 2013 analysis, we identified that the older age of the rental stock had resulted in units that were priced at or less than HUD guidelines for fair market rents. With the significant run-up in rental rates throughout the Twin Cities Metro Area, this is no longer the case. Although rent levels in Roseville may be considered affordable as compared to other areas of the Metro, the rapid increase in rents with limited improvements to rental properties has subsequently decreased the overall value to renters who are now paying substantially higher rents than five years ago for essentially the same features and amenities.

RECOMMENDATIONS AND CONCLUSIONS

A limited portion of the existing rental stock however, caters to those seeking newer contemporary market rate rental housing and would pay higher rents to have more luxury features and amenities.

While the development of affordable rental housing has not been able to satisfy the significant demand that exists, the development of market rate rental housing throughout the Twin Cities Metro Area has been strong and most of these new units have absorbed rapidly. Substantial and continued employment growth post-recession spurred new rental construction. Initially most of the development was focused on Downtown Minneapolis and Downtown St. Paul. Over the past three years, there has been substantial development in first and second-tier suburban areas where new rental housing has been well-received. Some areas where there have been heavy concentrations of new development are experiencing a slowing of absorption, but new units continue to lease within industry-acceptable periods.

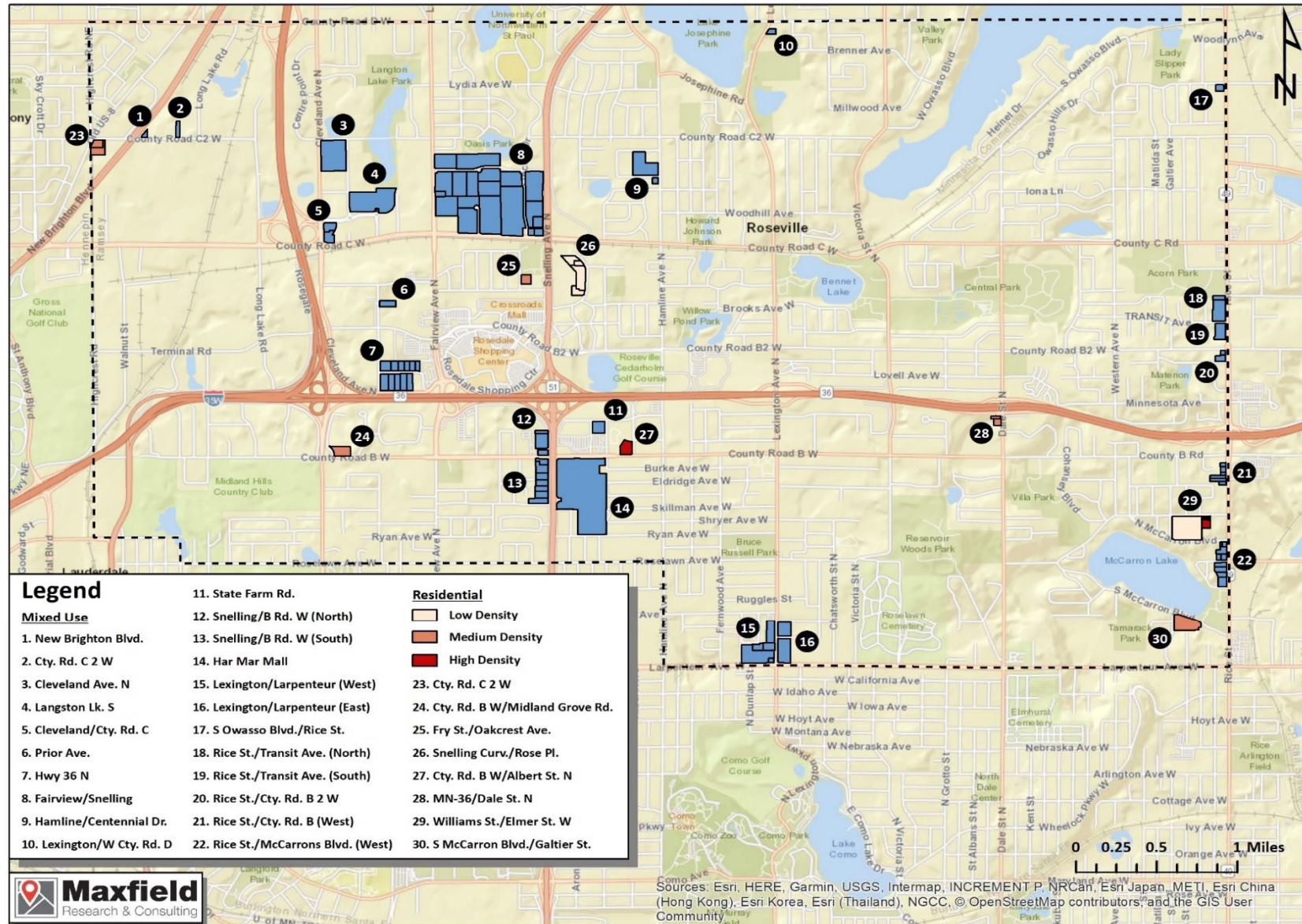
Many first-tier communities with limited land supplies have had challenges making sites available for new development. Where these new market rate properties have been developed however, they have been well-received by renters.

Rental housing development remains at an all-time high across the Twin Cities and numerous projects are under construction or in the development pipeline. As mentioned, most of the early development occurred in Downtown Minneapolis and its Uptown neighborhood. Many suburban communities have now had at least one new market rate rental property developed with some communities having several. New rental properties recently completed or under construction in Downtown Minneapolis are charging average per square foot rents of \$2.50 to \$2.70 per square foot. Suburban properties are charging between \$1.80 to \$2.10 per square foot. A new market rate property in Roseville would fall within the previously mentioned price per square foot range for suburban communities as listed above.

The following map shows individual parcels and clusters of parcels across the City where housing could be developed as part of the current zoning or 2040 Land Use Zoning. The map highlights parcels with mixed use zoning and those with residential zoning (low-, medium and high-density).

Table H-2 presents information on the opportunity sites using the assigned number. Clusters of parcels are discussed as a combined site, although for mixed-use zoning, some of the parcels could be redeveloped separate from others or combined with others. For the largest clusters, housing is likely to be a component of the redevelopment, but not necessarily the largest component. Office and retail uses on some sites may continue to dominate depending on their locations.

Roseville Housing Opportunity Sites



RECOMMENDATIONS AND CONCLUSIONS

TABLE H-2
HOUSING OPPORTUNITY SITES
CITY OF ROSEVILLE
October 2018

Map Number	PID Number	Acres	Estimated Market Value Ramsey Co.	Current Zoning	Current Use	Surrounding Uses	Comp Plan Guided Use	Strengths	Weaknesses	Recommended Use	Timing
1	052923210007	0.4		HDR-1	Open vacant land	Aquarius Apartments to the northeast, older SF detached homes to the east on C2, vacant industrial property to the south and single-family homes across Old Highway 8	CDR Mixed Use	High visibility to Old Highway 8	Small size; challenging for mixed use	High-Density Affordable Rental	2023+
2	052923240015	0.9		HDR-1	Open vacant land	Single-family to the west, light industrial business to the east, Aquarius Apartments to the NW, open vacant industrial land to the south (Magellan)	CDR Mixed Use	High visibility to County Rd C2	Small narrow parcel; challenging for mixed use	Affordable rental Townhome product	2019+
3	042923320003	10.1		CMXU	Dorso, storage of truck trailers	Primarily office and office warehouse uses; some hospitality, retail south at Cleveland and Cty Rd C	Community Mixed Use	Convenient access from I-35W, high visibility from Cleveland Avenue	Surrounding land uses somewhat incompatible with housing; high-density multifamily may be appropriate, but location is not walkable	High-Density Market Rate/Affordable Rental	2025+
4	042923340036	12.3		CMXU-2	Open vacant land	Commercial retail/hospitality uses to the west; NE of Walmart	Community Mixed Use	Adjacent to WalMart; gateway to Twin Lakes redevelopment	Large parcel; convenient to retail goods and services within walking distance, adjacent mix of uses has medium to low compatibility with residential	High-Density Market Rate/Affordable Rental	2019+
5	092923240016	1.3		Regional Business	Open - Used as Surface Parking Lot	Office/Warehouse, commercial service and light industrial businesses; heavily commercial in nature	Core MX Use	Convenient to services at Rosedale Center and surrounding area	No residential orientation; surrounded by commercial and business uses	No Hsg Recommendation Commercial	
CONTINUED											

RECOMMENDATIONS AND CONCLUSIONS

TABLE H-2 Continued HOUSING OPPORTUNITY SITES CITY OF ROSEVILLE October 2018											
Map Number	PID Number	Acres	Estimated Market Value Ramsey Co.	Current Zoning	Current Use	Surrounding Uses	Comp Plan Guided Use	Strengths	Weaknesses	Recommended Use	Timing
6	0929233240016	1.3		Regional Business	Open - Used as Surface Parking Lot	Office/Warehouse, commercial service and light industrial businesses; heavily commercial in nature	Core MX Use	Convenient to services at Rosedale Center and surrounding area	No residential orientation; surrounded by commercial and business uses	No Recommendation office/retail use	
7	092923310002 092923310003 092923310004 092923310005 092923310006 092923310008 092923310009 092923310010 092923310011 092923310012 092923310013	12.3		Regional Business	Mix of Uses, primarily service business and restaurants including Good Earth, Red Lobster, Davanni's, Taco Bell, Wendy's, Baker's Square, Applebee's.	Highway 36 to the south, commercial retail and service businesses to the north, east and west	Core MX Use	High visibility from Highway 36; convenient access; easily accessible to goods and services	Predominantly commercial retail environment; not walkable or pedestrian-oriented	No hsg recommendation Commercial or retail use	
8	042923410030; 042923410032; 042923410034; 042923410042; 042923410043; 042923410045; 042923410046; 042923410047; 042923410048; 042923430001; 042923430002; 042923430003; 042923430005; 042923430013; 04292340014; 042923440022; 042923440023; 042923440032; 042923440034;	92.6		Community Business; Community Mixed Use	Rosedale Square North; multiple retail outlets; office and light industrial uses; health care offices	North-SF homes; south light industrial and retail uses; east - commercial retail, office, SF and MF apartments; business and retail uses to the west	Comm MX Use	Excellent visibility; on major highway corridor; convenient access	Mutiple tenants; would require careful planning and a "vision of the redevelopment of the entire area; would need to be phased; not currently walkable or highly desirable	Far northside parcels, high-density MF affordable/market rate; if fuller redevelopment, then owned MF THs	Rental 2023+ Medium density THs
9	032923310025; 032923310027	6.5		NBH Comm.; Community Comm.	Hamline Shopping Center; Superamerica	Presbyterian Homes and Services Corporate Headquarters adjacent; single-family homes surrounding	NBH Business; High-Density Res	Convenient access to goods and services; good visibility to major roadway; potential for walkable environment	Potential expansion of corporate campus by Presbyterian Homes	High-Density MF; Market Rate/Affordable	2025+
10	022923220040	0.6		NBH Business	Small multi-tenant strip center	Commercial uses to the south; SF homes to the east; Shores Sr Apts to the north; SF and park space to the west	NBH MX Use	Highly visible to adjacent roadways; near to lake and park; MF to the north	Small site, may be difficult to achieve economies of scale	High-Density MF; Market Rate/Affordable	2021+
CONTINUED											

RECOMMENDATIONS AND CONCLUSIONS

TABLE H-2 Continued HOUSING OPPORTUNITY SITES CITY OF ROSEVILLE October 2018											
Map Number	PID Number	Acres	Estimated Market Value Ramsey Co.	Current Zoning	Current Use	Surrounding Uses	Comp Plan Guided Use	Strengths	Weaknesses	Recommended Use	Timing
11	102923330002	1.9		Regional Business	Vacant parcel	Target to the west, retail shopping to the south, institutional to the north	Core MX Use	Convenient access to retail goods and services, within walking distance of post-secondary education; access to major highways	limited site size; may require additional height in building to achieve economies of scale	High-Density MF; Market Rate/Aff	2019+
12	092923440002; 092923440242; 092923440246	3.7		Community Business	Office, Community Comm.; Hwy Comm.	Regional retail to the east, strip retail to the south; HD MF to the north; SF and Business uses to the west	CDR MX Use	Excellent visibility; high traffic area; convenient access	Potential for substantial noise w/o buffering	High-Density MF; Market Rate/Aff	2023+
13	022923340024	7.8		Community Business	Retail and Service businesses - Arby's Caribou, McDonalds; KFC; Famous Dave's	Har Mar to the east, retail to the north and south, SF to the west	CDR MX Use	High visibility; excellent access to major roadways; MF in area; potential for walkability	No open space; very dense with commercial uses	High-Density MF; Market Rate/Aff	2025+
14	152923220017	41.7		Community Business	Har Mar Mall	Westwood Village Townhomes and Ramsey Square Condos to the east, single-family homes to the south and west.	Community MX Use	Well-known location; highly visible from major thoroughfares walkable within site	Very large parcel that would require significant planning to develop a mixed use neighborhood	High-Density MF; Market Rate/Aff; Medium Density-Owned THs	2030+
15	152923440009; 152923440055; 152923440068; 152923440069; 152923440070	10.5		Community Business	Apartments, Neighborhood Retail goods and services; small office	SF to the north; retail and SF to the south; NBH commercial to the east	CDR MX Use	Access to goods and services; generally walkable; partial redevelopment could be highly effective	Multiple parcels and owners; difficulty acquiring all parcels	High-Density MF; Market Rate/Aff;	2025+
16	142923330171	6.5		Community Business	Neighborhood retail goods and services	SF to the east and north; commercial to the west; commercial and SF homes to the south	CDR MX Use	Single parcel; convenient access and visibility; potential for walkability	Site may be viewed as too commercial	High-Density MF; Market Rate/Aff; Medium Density-Owned THs	2025+
CONTINUED											

RECOMMENDATIONS AND CONCLUSIONS

TABLE H-2 Continued HOUSING OPPORTUNITY SITES CITY OF ROSEVILLE October 2018											
Map Number	PID Number	Acres	Estimated Market Value Ramsey Co.	Current Zoning	Current Use	Surrounding Uses	Comp Plan Guided Use	Strengths	Weaknesses	Recommended Use	Timing
17	012923140107	0.7		NBH Business	Commercial Retail-Muffler Man	MF Senior Rental; Neighborhood retail goods and services; SF homes to the west and south	NBH MX Use	Excellent visibility to Rice Street; convenient access to retail goods and services	Noise from traffic on Rice Street; small site, may be difficult to achieve economies of scale w/new development	High-Density MF; Market Rate/Affordable	2022+
18	122923140002	3.5		Community Business	Oakwood Square-Office	Commercial use to the south; primarily surrounded by SF homes	CDR MX Use	Primarily commercial corridor; convenient access, high visibility	Not pedestrian-oriented or walkable; small parcel; may be difficult to achieve economies of scale	High-Density MF; Affordable	2023+
19	122923410089	2.2		Community Business	Strip retail center	Commercial use to the east and north; primarily surrounded by SF Homes	CDR MX Use	Convenient access and high visibility; high traffic corridor	Not pedestrian-oriented or walkable; small parcel; may be difficult to achieve economies of scale	High-Density MF; Affordable	2023+
20	122923410058; 122923410059	1.1		Community Business	Office space	Aging commercial corridor interspersed with new retail uses; SF homes adjacent to the commercial	CDR MX Use	Convenient access to Hwy 36 and other major highways; access to retail goods and services	Multiple parcels; single owner?	High-Density MF; Affordable	2023+
21	132923110007; 132923110010; 132923110011; 132923110012; 13292311089; 132923110146	2.5		Community Business	Single-family detached homes	Commercial retail and office uses to the north and south; SF homes to the west; commercial across Rice Street to the east	CDR MX Use	Convenient Access to retail goods and services, high visibility	Multiple parcels and owners; may be difficult to combine; most parcels narrow strips against the corridor	High-Density MF; Affordable	2023+
22	132923140015; 132923140019; 132923140020; 132923140094; 132923410005; 132923410034; 132923410034; 132923410048; 132923410049	5.3		Community Business	Neighborhood Commercial; light industrial; community commercial auto-oriented; apartments	Neighborhood and Community retail and service uses; SF homes surrounding the commercial corridor; near McCarron's Lake	CDR MX Use	High visibility; convenient access	Multiple parcels and owners; may be difficult to combine; most parcels narrow strips against the corridor	High-Density MF; Affordable	2025+
(CONTINUED)											

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TABLE H-2 (continued) HOUSING OPPORTUNITY SITES CITY OF ROSEVILLE October 2018											
Map Number	PID Number	Acres	Estimated Market Value Ramsey Co.	Current Zoning	Current Use	Surrounding Uses	Comp Plan Guided Use	Strengths	Weaknesses	Recommended Use	Timing
23	052923320001; 052922320002	2.7		Medium Density Residential	Single-Family Homes	Aquarius Apartments to the northeast, older SF detached homes to the east on C2, vacant industrial property to the south and single-family homes across Old Highway 8	Medium Density Residential	Neighborhood Orientation, convenient access to major thoroughfares	small size; limited number of units for economies of scale	Upzone to High-Density or Retain Medium Density; Market Rate/Aff	2023+
24	92923330006	202		Low-Density Residential	Single-Family Home	Midland Grove Condos to the north; SF to the south; SF to the east	Medium Density Residential	Convenient access to major thoroughfares; high visibility from Cty Rd B and from Cleveland Avenue	High-Density may receive push back from neighborhood; location not walkable or pedestrian-oriented	Market Rate MF or Medium Density Owned Townhomes	2020+
25	92923110004	1.2		NBH Business	Vacant Site	Rosewood Park to the north, Sunrise Senior Living to the east and south; SF Homes to the west	Medium Density Residential	Small, private site south of Rosewood Park; limited traffic	Surrounding land use compatible with medium density ownership	Market rate owned townhomes	2020+
26	092923440246; 102923220022; 102923220023; 102923220026; 102923220027	6.2		Medium-Density Residential	Open vacant land	Commercial retail/hospitality uses to the west; NE of Walmart	Low Density Residential	Private secluded area; within walking distance of retail goods and services; convenient to major thoroughfares	Low-density residential may not provide enough economies of scale	Low-Density Detached Villas or MF Owned Twinhomes	2020+
27	102923340006	2.0		High-Density Residential	Vacant Site	Predominantly retail uses; some office; older multifamily	High-Density Residential	High visibility, convenient access; walkable	High traffic area; limited neighborhood orientation	High-Density MF; Market Rate/Aff	2019+
CONTINUED											

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TABLE H-2 Continued HOUSING OPPORTUNITY SITES CITY OF ROSEVILLE October 2018											
Map Number	PID Number	Acres	Estimated Market Value Ramsey Co.	Current Zoning	Current Use	Surrounding Uses	Comp Plan Guided Use	Strengths	Weaknesses	Recommended Use	Timing
28	112923440008; 112923440009	1.0		Institutional	Single-Family	Single-Family homes to the south and west; Highway 36 to the north; single-family and MF to the east	Medium-Density Residential	Convenient access to major thoroughfares; high visibility	Limited residential orientation	Affordable Townhomes or High-Density MF Affordable	2021+
29	132923140014; 132923140020	9.6		Low-Density Residential	National Guard Armory and Small MF Building	SF Homes to the west and south; Millpond Apartments and Galilee Lutheran Church to the east; small older MF to the northeast	Low-Density Residential	Secluded Site; adjacent to other single-family homes	New residential may not "fit" as well with older single-family homes and Millpond Apartments; buyers may be hesitant about resale value	Small lot single-family or medium-density owned townhomes	2023+
30	132923140044	4.6		Medium-Density Residential	Single-Family Home	North-SF homes; south light industrial and retail uses; east - commercial retail, office, SF and MF apartments; business and retail uses to the west	Medium-Density Residential	South of McCarron's Lake; surrounded by single-family homes on larger lots; good location; generally private	Traffic on South McCarron's may not be suitable for low-density	Owned Residential; twinhomes, townhomes	2020+
31	022923320109 032923410049 022923320107 022923320104 022923320111 022923320112 022923320105 022923320113 022923320110 022923320108 022923320103 022923320106 022923320102	4.08 acres		Medium-Density Residential	Vacant Land	North-Parkland; East-SF Homes; West-Apartments/Townhomes; South-SF Homes.	Medium-Density Residential	Near to recreational amenities; parcels are set back from Lexington offering options for increased density in strong neighborhood;	High traffic counts on Lexington may reduce desirability, but should not be significant;	Owned residential; twinhomes, townhomes, villas, small lot, small home single-family	2020+
Sources: City of Roseville; Maxfield Research and Consulting LLC											

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Affordable Rental

As mentioned previously, demand for affordable rental units remains strong throughout the Twin Cities. Roseville's central location, the significant employment base and high retail employment base, make it attractive to moderate-income households. Demand for affordable rental housing was identified at 121 units between 2018 and 2030. Given the current shortage of affordable rental in the Twin Cities Metro Area and households' tendencies to relocate where they can find affordable housing, this figure is likely much higher. Although a substantial amount of the existing rental stock is affordable to households with incomes at or less than 60% of AMI, many of these units are smaller unit types (studio or one-bedroom units), which cannot comfortably accommodate family households. New affordable targeted to larger families (i.e. two- and three-bedroom units) would likely attract existing Roseville residents residing in older market rate properties that would prefer a larger unit and modern amenities. In addition, affordable housing will be attractive to households outside Roseville who want to reside in a community with housing that is close to employment, shopping, and schools.

Aeon's *Sienna Green II* is an example of this housing product absorbed rapidly and has continued to perform well and remain fully-occupied since it opened in 2012.

Affordable rental townhome units (two- and three-bedroom units), although challenging to develop with limited funding have been exceptionally popular in other markets throughout the Twin Cities. Project for Pride in Living is developing an affordable property of this type in Apple Valley and Dakota County CDA has developed several of these communities in Dakota County cities including Lakeville, Apple Valley and Eagan.

Subsidized Rental

Adding new rental units in Roseville may free up some units in existing older buildings, which would enable households that need affordable housing to lease these units. With record high demand for rental housing in general across the Metro Area, there are fewer landlords willing to accept Housing Choice Vouchers. Virtually no new subsidized housing is being developed in the Twin Cities other than a small number of units usually reserved for household that require supportive living services such as long-term homeless, those with substance abuse, mental health issues, or other physical or mental health needs. The City may want to consider working with key non-profits to develop small numbers of units on sites that offer access to transit, services and employment in proximity to a redevelopment site or a small number of units combined with market rate or affordable housing to fill some of these needs.

For-Sale Single Family Housing

As a first-tier suburb in the Twin Cities Metropolitan Area, Roseville has a limited amount of vacant land. New single-family homes have and are being developed in small numbers. Single-family development was recently constructed in Wheaton Woods (sold out) and Farrington Estates (one lot remaining).

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Sites #26 and #29 are currently zoned low-density. Site #30 is zoned medium-density, but we believe the characteristics of the property are attractive for single-family homes. Single-family homes could possibly be developed on parcels close to Oasis Park in Site #8, but this would be a long-term plan and would require a redevelopment vision for the entire area.

In addition to single-family detached units, detached villas (association-maintained) and targeted to empty-nesters are becoming increasingly popular. These units are developed on smaller lots and although suburban pricing for these units has generally been at the executive level, there is a strong demand for smaller lots and smaller home sizes at a much lower price point (under \$300,000). Single-level homes with lower levels (walk-out, lookout) or slab on grade could appeal to a broad spectrum of buyers (young, mid-age and older households). Features of the units could be targeted to the segment, but the common denominator is the pricing. Young buyers want to enter the market and older buyers want to cash out of their single-family homes and typically reduce their housing costs.

For-Sale Multifamily Housing

Based on the availability of land, demographics of the resident base and forecast trends, we find demand for 220 new attached multifamily housing units between 2018 and 2030. Attached units could be developed as townhomes, twin homes, condominiums or a combination of these products, depending on the location and the size of the property. Although condominiums experienced a severe downturn during the housing slowdown and post-recession, new condominium product has been successfully developed in St. Louis Park, Minnetonka, Wayzata and Downtown Minneapolis. More developers are considering development of new condominium product primarily targeted to empty-nesters and the onerous liability placed on contractors, architects and developers has now been limited under new revisions by the State.

Attached housing products remain similar to those that have been developed over time, although it is now rare to see back-to-back townhome product, and the increase in detached villa product has captured some of the demand for twinhomes. Given some price sensitivity among older buyers in Roseville, we recommend focusing on the twinhome product rather than detached villas.

- Side-by-Side Townhomes – This housing product is designed with four or more separate living units and can be built in a variety of configurations. With the relative affordability of these units and multi-level living, side-by-side, multi-story townhomes with attached tick-under garages have the greatest appeal among entry-level households without children, young families and singles and/or roommates across the age span.

Households typically choose this housing product for the maintenance-free lifestyle and is lower price point in relation to single-family homes. Price points of resale townhomes have increased substantially and new construction, although below single-family homes usually begins in the high-\$200,000s to low \$300,000s. As this is an ownership product, sites that

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require medium to high densities, that may be isolated, have greater privacy or are narrow or small may be best suited to the development of a small number of townhome units.

- *Twinhomes and One-Level Townhomes* – By definition, a twin home is basically two units with a shared wall with each owner owning half of the lot the home is on. Some one-level living units are designed in three- or four-unit buildings in a variety of configurations. The swell of support for single-level living has been primarily generated by baby boomers and older adults, which is increasing the demand for low-maintenance housing alternatives to their single-family homes but are not ready to move to service-enhanced housing. Housing products designed to meet the needs of these aging Roseville residents, many of whom want to remain in the City, provided they can find their desired product and price point, is needed now and in the future.

There is a demand for single-level attached product at price points of \$325,000 or less. Although seniors will move to this housing product with substantial equity from their existing single-family homes, the lower resale prices in Roseville have created price sensitivity for products that are priced much higher than \$325,000.

We consider the following opportunity Sites attractive for owned townhome development:

Site #2 – (west of Long Lake Road, north of County Road C2);

Site #25 – (east of Fry Street North and north of Oakcrest Avenue);

Site #26 – (west of Snelling Curve, south of County Road C);

Site #28 – (west of Dale Street and south of Highway 36);

Site #30 – (south of South McCarrons Boulevard, west of Rice Street)

Senior Housing

Since 2013, 261 units of senior housing (active adult and service-enriched) have been delivered in Roseville. These include 41 additional units at Applewood Pointe at Langton Lake, 105 units at Applewood Pointe at Central Park, and 115 units at *Cherrywood Pointe at Lexington*.

Demand calculations indicate there is additional demand for senior housing in Roseville. Although Roseville already has an array of senior housing options, much of the forecast growth in Roseville is a result of the existing population base aging into the older adult and senior age cohorts. Although additional active adult and independent living units could be developed in the short-term, assisted living and memory care housing is experiencing some softness. This may be due, in part, to unit designs at specific properties. The following section discusses additional age-restricted products that may be considered in the short-term.

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Similar to other established suburbs in the Metro Area, Roseville's age distribution is weighted toward the older adult and senior cohorts. The development of additional senior housing serves a two-fold purpose in meeting the housing needs in Roseville and other established communities: older adult and senior residents are able to relocate to new age-restricted housing in Roseville and existing homes and rental units previously 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 usually means that a greater percentage of housing need is satisfied by housing unit turnover.

- Active Adult Rental – There is no active adult rental housing in Roseville, either market rate or affordable. Dominion has recently developed affordable age-restricted housing in several communities in the Twin Cities and additional properties are under construction. New properties are found in Crystal, Prior Lake, Apple Valley with new construction slated for Stillwater and Woodbury in the near future. At 60% AMI, units are affordable to one- and two-person households with incomes of about \$40,000 to \$45,000 annually. These properties have been very well-received and have leased rapidly. The development size is usually between 180 and 200 units, making these properties difficult to develop on small in-fill sites. Vacancy rates for this product is very low, generally less than 1.0%, among these properties. New market rate housing also attracts empty-nesters and young seniors that prefer to rent their housing, but do not need services.
- Active Adult Ownership – Currently, there are six active adult ownership properties in Roseville, four cooperatives and two condominiums. There are virtually no vacant units among any of these properties. With continued increases in the older adult age cohorts, owner-occupied, age-restricted housing will continue to be a product of choice for active seniors and demand for this housing product is anticipated to remain strong over the next decade.
- Active Adult Subsidized – Financing subsidized senior housing is extremely challenging as federal funding for this type of housing has all but disappeared. Therefore, any new age-restricted subsidized development would have to rely several different funding sources to ensure feasibility. A public-private partnership could assist with the development of a limited number of subsidized units along with an age-restricted affordable property.
- Service-Enhanced Senior Housing – Although there is demand for additional assisted living and memory care units in Roseville, assisted living and memory care vacancies are reduced from 2013, but are essentially at or close to market equilibrium. With the recent opening of *Cherrywood Pointe at Lexington*, we believe there is sufficient supply to meet short-term demand. ***Additional assisted living and memory care senior housing (103 units) is planned at Roseville Senior Living (2600 Dale Street), which would essentially meet the remaining demand for assisted living and memory care housing in Roseville over the next five years.***

Opportunity Sites – Suggested Housing Products

The following paragraphs discuss the sites that offer the best opportunities in the short-term for new housing development, depending on the development readiness of the site.

Short-Term

We have identified the following sites as those with the highest short-term potential for development considering their locations, adjacent and surrounding land uses and current zoning.

Multifamily (Rental) Housing

Site 4 in the Twin Lakes Redevelopment Area has convenient access to major thoroughfares, is within walking distance of retail goods and services and could be developed with a mix of uses including high-density market rate and affordable housing. The property has been cleared of existing uses, is vacant and essentially ready for development. The site is large enough to support a relatively high number of units.

Site 11 is south of Commerce Street and east of Pascal Street and is adjacent to Target and National American University. The property is zoned mixed-use and a new high-density development on this property would be required to incorporate some commercial office, retail or institutional use in conjunction with the housing. Because of its location, there may be an opportunity to attract office or retail development because of the adjacent users, some of which may be interested in leasing additional space in proximity to their existing buildings. If users for the non-residential component can be found easily, the development potential for this property, is, in our opinion, short-term.

Site 23 on Old Highway 8, north of County Road C has convenient access to major thoroughfares, is highly visible from Old Highway 8 and is zoned for medium-density housing but could potentially support high-density residential use. High-density use would require the property be up-zoned. A new rental property could be developed on this site in the short-term, either market rate or affordable. The property is not in an area that could be considered a pedestrian-oriented or walkable area but is within walking distance of limited convenience goods.

Site 24 in the NE corner of the intersection of Cleveland Avenue and County Road B West is highly visible and easily accessible from the adjacent roadways. High-density residential development would be suited to this location and would have convenient access to nearby employment concentrations. The property is currently zoned medium density and zoning would have to be increased to accommodate high-density residential. The property is relatively small but should be able to accommodate a modest size building of 50 units or more depending on the able to accommodate the necessary on-site parking. The property is not in what could be considered a pedestrian-oriented or walkable area and is not within walking distance of neighborhood goods and services.

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Site 27 is north of County Road B and adjacent to Albert Street North. Adjacent and surrounding land uses include single-family homes, rental housing, and retail goods and services. The property is highly visible from County Road B and easily accessible via major thoroughfares. The Roseville library is situated a short distance from the property on Hamline Avenue. The Site is vacant and ready for development. This property could support high-density rental housing, market rate or affordable, in the short-term. Developing the site as mixed-use with commercial space on the first floor would make the development of this property more challenging. This site would also be well-suited to the development of active adult, few services rental, market rate or affordable.

Site 28 is in the SW corner of Highway 36 and Dale Street, north of Sandhurst Avenue. The site is occupied by single-family homes and is zoned for medium-density development. This property would also be suitable for high-density residential but would require rezoning. This site could be appropriate for an affordable rental townhome development that would incorporate primarily two- and three-bedroom units. One drawback of the Site is that it is not within walking distance of retail goods and services and is not generally well served by public transit. The Site could also be developed with a small high-density market rate rental building.

Alternate Site (under a development agreement)

The Roseville Senior Living site at 2600 Dale Street (intersection with County Road C) is currently planned to be developed with assisted living and memory care housing. If this development does not proceed, this property could be developed with a high-density residential use, although the size of the property may restrict the ability to accommodate sufficient parking on the site. The property would be well-suited to a modest size market rate building roughly 50 to 60 units. A similar site is currently being developed in Minnetonka in the Glen Lake neighborhood.

Many other mixed-use sites identified on the map are suitable for the development of rental housing, but would require combining several parcels, relocating existing users and/or a larger vision for the use of the entire site. We consider these sites as long-term opportunities for high-density development.

Medium-Density Housing

Sites 23 and 24 above, under their current zoning, could also be considered for the development of attached townhome units. Townhome development was substantially reduced during and shortly after the recession and housing values plummeted and buyers increased their purchases of single-family homes. With the substantial increase in new home pricing, (\$450,000 or higher, on average), more developers are building two- and three-story townhomes targeted to an entry-level buyer. Pricing for these types of units typically begin at about \$300,000, but for these sites, should be priced at \$250,000 to \$275,000. Those desiring to enter the owner housing market and who do not want or cannot afford a new single-family home, may be interested in a new townhome. The existing single-family home stock in Roseville however, is typically priced at or below the price of new construction townhomes. Sites 23

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and 25, at medium density would be able to accommodate only a limited number of units. The smaller number of units may result in higher pricing, which would may price out the intended target market.

Site 25 east of Fry Street North and north of Oakcrest Avenue at the south end of Rosebrook Park is zoned medium density and would be well-suited to the development of an in-fill multi-story townhome product or attached single-level product. Single-level units on this small site would be few and most likely expensive, considering development costs. We would not recommend single-level units on this site because of price considerations which may overshoot the current market for this product in Roseville at this location.

Site 28 at the intersection of Dale Street, south of Highway 36 in the southwest quadrant is currently zoned for medium-density housing. We believe that this property's zoning should be increased to high-density given its current location at the intersection of two major thoroughfares. Although the property is small, development would be more likely to occur on the property if a greater number of units could be accommodated. The property is currently vacant and open. Affordable medium-density housing would work well for this property, but it may be difficult to develop market rate medium density as the cost to develop and price to buyers/renters may not be perceived as compatible with the location of the Site.

Site 30, south of McCarrons Lake and north of South McCarrons Boulevard is zoned for medium density residential. This property is immediately adjacent to McCarrons Lake and is currently occupied with smaller buildings, which would be removed. Developing this property as medium density would increase the number of units and accommodate more households. However, the location and general characteristics of the property tend to favor single-family development. Single-family homes near the property are generally larger in size on larger lots. The Site is somewhat removed from Rice Street, a high-traffic commercial corridor and could accommodate single-family homes. Lot sizes would be smaller than most of the surrounding parcels. Medium-density product (i.e. single-level twinhomes, detached villas or townhomes) are also likely to work well on the property. If possible, we view this Site as a strong opportunity for short-term development.

Site 31, east of Lexington Avenue and south of County Road C2 is zoned for medium-density residential. The parcels adjacent to Lexington Avenue are vacant. This property would be highly appropriate for multi-story attached townhomes. The primary challenge with the site is how to provide access to the property that would avoid direct access out to Lexington Avenue, especially during peak traffic periods. If developed with higher-end homes, buyers may be deterred by higher traffic volumes on Lexington Avenue.

Single-Family Housing

Site 26, south of County Road C and west of Snelling Curve, is currently zoned for low-density development and would be well-suited for single-family homes or detached villas or a medium-density product such as single-level twinhomes or multi-story attached townhomes. Medium-

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density product would require a rezoning. The Site is secluded, but easily accessible to retail goods and services and major transportation thoroughfares. The property is combined of several parcels, which may be challenging to combine into one development site. In the short-term or long-term, we view this site as ideally suited for housing. Based on current needs in the community, we would recommend a detached villa, or a single-level attached housing product.

Site 29, north of North of North McCarrons Boulevard and east of Williams Street North is zoned for low-density housing. The existing surrounding land uses are primarily older, single-family homes, and older rental housing. If this property is developed with single-family homes, we recommend a housing product that would appeal to first-time home buyers, where lots and homes would be smaller in size to reduce pricing that would be appropriate and would fit with the surrounding neighborhood. If developing single-family product results in substantially higher costs or challenges, we recommend up-zoning the property to medium-density to accommodate an attached housing product on the property. We view the development timing of this site as medium to long-term because the existing building must be removed to make way for new housing on the property.

Site 31 may also be suitable for small lot, small home development targeted to first-time homebuyers. Again, there may be a challenge with developing single-family homes if the only access to the property is directly onto and off Lexington Avenue. Lot widths for existing parcels are between 81 and 84 feet. Developing smaller lot widths of 40 to 50 feet could effectively double the number of single-family units that could be developed on the property.

Medium-Term or Long-Term

Sites currently zoned for mixed-use development that are either vacant or are currently occupied with an existing use or uses will require more planning and effort to redevelop. Some of these sites are situated in areas where the surrounding land uses are not generally considered compatible with a new medium-or high-density residential property.

The following sites would be suited for the development of high-density housing in combination with other uses but would require more resources and more effort to acquire, combine and redevelop the properties. The smaller of these sites may be able to be acquired more rapidly and could therefore, be developed in the medium, rather than long-term.

Medium Term

Site #12 - (north of County Road B, west of Snelling Avenue)
Site #17 – (west of Rice Street, south of Owasso Blvd)
Site #18 - (west of Rice Street, north of Transit Avenue)
Site #19 – (west of Rice Street, south of Transit Avenue)
Site #20 – (west of Rice Street, south of County Rd B2)
Site #29 – (east of Williams St., south of Elmer)

Long-Term

Site #13 - (south of County Road B, west of Snelling Avenue)

Site #14 - (east of Snelling Avenue, Har Mar Mall)

Site #15 – (west of Lexington Avenue, north of Larpenteur Avenue)

Site #16 – (east of Lexington Avenue, north of Larpenteur Avenue)

Development Challenged Due to Compatibility with Adjacent and Surrounding Land Uses

Site #3 – (Cleveland Avenue, south of County Road C2)

Site #5 – (Cleveland Avenue, west of Walmart)

Site #6 – (Prior Avenue North, south of County Road B2)

Site #7 – (Highway 36 Frontage Road, east of Prior Avenue North)

Site #8 – (South of Oasis Park, east of Fairview Avenue)

Over time, these properties may be improved with other uses that would make them more compatible with new housing, particularly if some of the existing restaurants would remain as first floor tenants (Sites #6 and #7). Typically, the formats for these types of tenants is not conducive to mixed-use as parking and drive-thru service would likely present problems for residents as well as the retail tenants. Although having restaurants in proximity to housing is desirable, other factors such as restaurant hours, smells, trash removal and parking often create challenges when trying to combine these uses.

Site 8 is a large cluster of properties that include office, industrial and retail uses. Redevelopment of one or more of these sites could include housing, most likely high-density although medium density would be appropriate south of Oasis Park. Combining uses within this large cluster and the large number of buildings and sites makes this location perhaps the most challenging redevelopment area in Roseville.

Development Challenged Due to Size, Location and Zoning

The following parcels are identified as challenging to redevelop:

Site #1 (East of Old Highway 8, north of County Road C2) – Small site, mixed-use zoning

Site #2 (North of County Road C2, west of Long Lake Road) – Narrow, small site, mixed-use zoning

Site #10 (east of Lexington Avenue, south of West County Rd D)-small site, mixed-use zoning

These properties could be redeveloped in the short-term with medium-density or high-density affordable housing, but the incorporation of another use on the property is unlikely to be economically viable if combined with commercial. Incorporating commercial at the street level with housing above is difficult in locations where there is not already a high concentration of retail and usually a strong pedestrian-oriented and walkable area. None of the sites listed above possess these characteristics.

Challenges and Opportunities

Table H-2 recommends housing products and suggested development timeframes on the 30 housing opportunity sites. In addition to the obvious challenges of development in a first-tier community such as Roseville (i.e. limited land and the need for redevelopment), the following paragraphs discuss other challenges that the City is facing in meeting current and future housing needs.

- **Overall Tight Housing Supply (Metro-Wide).** The substantial rise in employment that occurred in the Twin Cities post-recession, rising construction costs, lack of available construction labor and a swell in the number of young households moving into the workforce, has placed extreme pressure on our ability to meet housing demand at virtually all price points, most significantly for households that need affordable and subsidized housing. Roseville's large employment base and enviable location between Downtown Minneapolis and Downtown St. Paul have long secured its position as attractive to owners and renters. Although limited, sites are available and new housing can be accommodated. The usual arguments toward medium and high-density housing such as lowering home values, increased traffic and reduced safety are often unfounded. Roseville can continue to increase its tax base, provide more amenities for its residents and enhance and maintain its quality of life with prudent redevelopment of its infrastructure and aging commercial and housing base. New housing and creative mixed-use development will ensure that Roseville retains its desirability for years to come.

Although housing demand in Roseville could be higher, the City can effectively use its existing land (vacant and already developed) to develop new housing to increase the balance between new and old. New housing creates movement in the existing market, causing a portion of households that can afford higher housing costs move up and freeing lower cost housing for lower income households.

- **Housing Densities.** Virtually every first-tier community in the Twin Cities is planning and making efforts to increase housing densities to satisfy the demand for housing with limited land availability. Redevelopment of existing, dated commercial and industrial properties is occurring in Roseville to support new configurations of mixing housing with other uses. Due to high redevelopment costs, higher density housing products will be necessary to support these efforts. While higher density products can capitalize on economies of scale, higher density does not always mean "affordable" and that affordable is a relative term. Communities are struggling with how to provide more affordable housing, but we continue to insist on better building materials, more features and amenities, and more safety and security measures in large scale developments. In our effort to create high quality housing, we almost inevitably create housing that is "unaffordable" to a large portion of the population. Creative ideas and processes are needed to achieve the objective.

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The chart below shows net housing densities by product type. Because of the limited land supply available in Roseville, we recommend that new construction have smaller lot widths than those shown on this table. The City may want to explore the potential development of a small lot, small house subdivision to appeal to first-time homebuyers seeking to purchase at a price point below the current standard in the market.

TYPICAL HOUSING DENSITIES BY PRODUCT TYPE	
Product Type	Net Units Per Acre
DETACHED HOUSING	
Single Family	
Executive (90' wide lot+)	1.75 - 2.50
Standard (60'-80' wide lot)	2.75 - 3.75
Small Lot (less than 50')	4.00 - 5.00
Detached Townhomes/Villas	4.50 - 6.00
ATTACHED HOUSING	
Twin Homes	6.50 - 8.00
Townhomes/Rowhomes	10.00 - 14.00
Low/Mid-Rise Multifamily	40.00 - 50.00
Six-Story Multifamily	65.00 - 75.00
Hi-Rise Multifamily	85+
Sources: Maxfield Research Inc., Urban Land Institute, <i>Site Planning</i>	

Housing Affordability. A portion of households that can afford higher-priced housing will elect to spend a lower portion of their income for housing (i.e. less than 30%). Market rate housing is comprised of households that may choose to spend less, equal to or more than they could theoretically afford at the 30% level. With less movement in the housing market and stagnant wages in several industry segments (including retail, hospitality and service positions), households requiring affordable housing have increased substantially while the supply of this type of housing has decreased.

The older housing stock among owned and rental housing in Roseville is being fulfilled largely by the product in the marketplace as identified in the housing market analysis sections for rental and for-sale. As prices have increased, Roseville is positioned in the middle compared to its immediate neighbors in terms of price points for owned and rental housing. Nevertheless, housing costs continue to rise dramatically. First-time homebuyers regularly experience bid situations and renters have experienced a 22% essentially pure increase in rental rates over the past five years not influenced by the development of new Class A product.

Although Roseville has a large share of affordable housing, the need for more is projected to continue to rise. We do not advocate that the topic of affordable housing dominate housing discussions, but that there is an awareness of ongoing need that is unsatisfied in today's economic climate and that balancing new housing with the maintenance of the ex-

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isting housing stock. We have recommended trying to encourage the development of additional larger size units (two- and three-bedroom units for families) in a townhome format. Affordable independent living housing for seniors would also be well-received.

We continue to recommend targeting housing assistance programs toward workforce housing production – or households earning between 60% and 120% of AMI.

- **Redevelopment Sites, Adjacent Land Uses and Age of the Housing Stock.** Many of the opportunity sites have been identified as redevelopment. Some sites have several parcels clustered that, combined could be considered as one site. Although our recommendation identifies these Sites as potentially developable in the short-term with affordable rental housing, the redevelopment costs and financing gaps may not justify short-term redevelopment of these properties. The City should perhaps wait on investing resources into some of these locations to consider how redevelopment can more fully benefit the adjacent neighborhood and satisfy various housing needs in the community. The highest priority sites as those that have already been addressed as the most promising short-term opportunities.
- **Multifamily Development Costs.** It may be difficult to construct new multifamily product with amenities today's renters desire given achievable rents and development costs. Maxfield Research tracks development and construction costs for new rental housing across Minnesota. In the Twin Cities core, the average cost per unit now typically begins at \$300,000. A new affordable rental under construction in Downtown Minneapolis has a per unit cost of \$400,000. Minimum average rents per square foot to support new construction are about \$1.90 and higher. Therefore, given redevelopment and acquisition costs, nearly all new market rate rental development is also likely to require some assistance from the City. Affordable housing experiences an even large financial gap. The high cost of new housing will affect the ability of some sites to be developed with products that will meet market demand at an acceptable price. Over-pricing product for the location means that valuable financial resources may be used inefficiently.
- **Land Banking.** Land Banking is a program of acquiring land with the purpose of developing in the future. After a holding period, the land can be sold to a developer (often at a price lower than market) with the purpose of developing housing. The city should consider establishing a land bank to which private land may be donated and public property may be held for future affordable housing development.
- **Housing Programs.** Roseville offers several programs to promote and preserve the existing housing stock. Some of the key programs offered include:
 - Foreclosure Prevention – Partnered with a third party such as the Minnesota Home Ownership Center or Lutheran Social Service Financial Counseling. Provides counseling and financial assistance to homeowners facing possible foreclosure. The Sustainable Home Ownership Program (SHOP), is a non-profit program of the Greater Metropolitan

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Housing Corporation in partnership with the Dayton's Bluff Neighborhood Housing Services. SHOP can assist families that are at risk of losing their homes.

- O Roseville Home Improvement Loans – Provides loans for single-family, townhomes, condominiums and duplexes, although townhomes and condominiums are eligible for only interior improvements. The City works with the Center for Energy and Environment (CEE), a Ramsey County organization, through their Lending Center. CEE offers home improvement loans for almost any type of home improvement, including solar and geothermal improvements. CEE supports several cities including Roseville that offer loan, grant and down payment assistance for their residents. The CEE Lending Center also provides free advice on energy assistance programs and home improvement loans.

SUMMARY HOME IMPROVEMENT LOAN ACTIVITY THROUGH CEE CITY OF ROSEVILLE				
Roseville Home Improvement Loans	2017		2018	
	No.	Dollars	No.	Dollars
No. Application Packets Requested/Mailed	6	n/a	3	n/a
No. Residential Advisor Visits	4	n/a	6	n/a
No. Loans in Process for the City	7	n/a	9	n/a
Closed Loans (Dollar Amounts)	3	\$58,379	0	\$0
Leveraged Loans (Dollar Amounts)	7	\$43,384	7	\$97,839
* 2018 data through August 31, 2018				
Note: Types of projects include furnace, insulation, air conditioning, windows/doors, garage, lighting, solar-PV, water heater.				
Source: City of Roseville				

- O Multifamily Rental Property Loans – CEE offers landlords increase the energy efficiency of their properties by providing financing of up to \$20,000 for energy efficient projects. Qualified projects include air conditioning, new furnace, new windows, insulation, and hot water heaters. For properties that need substantial rehabilitation, the Roseville HRA will consider requests for more funds than the maximum. Also assists condominium associations to obtain below market rate financing for improvements.
- O Green Remodeling Plan Book – originally conceived as an online resource for residents to assist them with their home improvement projects by approaching those projects in a sustainable, “green” manner using sustainable materials and healthy sustainable practices. Updates are completed every three to four years and the most recent (2016) is also available as a PDF download. The plan book is 92 pages and covers a diverse array of topics related to interior and exterior remodeling. The City of Roseville also awards a local Green Award. Residential properties are eligible to be recognized.

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- o Housing Replacement Program – The City strives to bring new investment and improvements to the City by acquiring and demolishing older homes and reselling the land to a qualified builder for the construction of a new home. The program requires new construction to meet certain guidelines. Currently, there are no lots available for purchase.
- o Rental Licensing Program – The City of Roseville requires a rental license for all buildings of five or more units. The license program was implemented in 2013 and helps assure that MRDs with five or more units are safe, sanitary and well-maintained. Beginning in 2018, the Roseville Fire Department now manages the RL Program. An estimated 33% of units were inspected each year. The rental license is valid for one year and must be renewed each year. The inspections are now annual and occur at the same time as the fire inspection. The grading scale for the rental inspection has been eliminated and the inspection is now a pass/fail grade.

In addition to the City housing programs, the following bullet points summarize programs administered through Ramsey County.

- o Energy Conservation Deferred Loan Program – Provides 10-year deferred payment loans to improve energy efficiency to 1-4 units owner-occupied properties. Loans are restricted to low and moderate-income households (maximum income of \$71,900 for a family of four) and must be recommended through an energy audit. Roseville is offering 200 Roseville residents free energy audits (value of \$60). This program requires an energy audit before receiving financing, which is a cost of \$60. Financing is available for loans up to \$10,000. Ramsey County also assists with home weatherization.
- o Ramsey County Residential Rehabilitation Deferred Loan Program – For low income homeowners, the loan will be forgiven after 10 years in the home. For moderate income homeowners, the loan must be repaid in full when the homeowner refinances, sells, transfers interest or moves from the property. In both cases, there is no interest and no monthly payment. Home improvement deferred payment loans for up to \$18,000 may be used for basic and necessary improvements which make the home more livable, more energy efficient, or more accessible for disabled persons. Only available for residents of suburban Ramsey County.
- o Ramsey County FirstHOME Buyer Assistance Program – Helps first home buyers purchase homes more affordably by providing deferred loans that can be used for down payment assistance, closing costs, and occasionally, health/safety/code improvements. Eligible buyers may qualify for up to \$10,000 with 0% interest to help bring their monthly costs down to the 30% of income level. Buyers are responsible for a minimum investment of \$2,000. The principal-only subordinate mortgage must be repaid upon resale. Eligible income is 80% of the Metro Area's AMI by household size and buyer's must demonstrate a minimum of three years of full-time, permanent, uninterrupted employment history.

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Other initiatives the EDA could consider are:

- o Housing Collaboration – Host meetings (quarterly, bi-annually, or annually) with rental property owners, property management companies, Realtors, etc. to discuss key issues and topics related to the for-sale and rental housing sectors in Roseville.
- o Density Bonuses – With the cost of land as a typical barrier to providing housing that is more affordable, increasing densities can result in lower housing costs by reducing the land costs per unit. The City of Roseville can offer density bonuses where applicable to encourage medium and high-density residential development while also promoting an affordability component.
- o Waiver or Reduction of Development Fees – There are several fees developers must pay including impact fees, utility and connection fees, park land dedication fees, etc. To help facilitate housing that is more affordable, some fees could be waived or reduced to bring desired housing products to the market at a more affordable price.

City Priorities

Based on the findings of our analysis, the following is a priority summary. Priorities are identified in sequential order, beginning with the task/product type deemed most important.

1. Encourage and support the development of market rate general occupancy rental housing targeted to more affluent renters (more than one property over the next five years).
2. Encourage and support the development of an active adult age-restricted rental community, either affordable (60% AMI or market rate).
3. Encourage and support the development of small lot, small house, two-level and single-level detached or attached homes.
4. Encourage and support the development of an affordable rental townhome community (60% or less of AMI) for families (two- and three-bedroom units).
5. Identify features and amenities that may be added to neighborhoods that would improve and promote enhanced livability. These amenities may be supported by City funding but may benefit adjacent property owners and residents.

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6. Prioritize mixed-use redevelopment sites. Consider how market-driven building and development patterns may best suit sites that are targeted for redevelopment. Monitor the potential availability of properties that could be acquired and land-banked for future redevelopment.
7. Reassess the need for additional senior housing products and specifically, assisted living and memory care. Consider a balance between sites targeted for traditional multifamily development and those that could be developed with senior housing.
8. Consider exploring a small lot, small house subdivision that would provide an option for entry-level buyers that want to purchase a home at a price point below that of standard market pricing.

APPENDIX

Pending Developments - Roseville

