

March 2007

07 - 0367

Regional

Regional

Notes

**Residential
Building
Permits**
issued in the
Twin Cities
Metropolitan Area

**January-December
2006**



390 N. Robert Street, St. Paul, Minnesota 55101

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RESIDENTIAL BUILDING PERMITS ISSUED IN THE TWIN CITIES REGION DURING 2006 (Preliminary)

The Twin Cities region followed the national trend toward a distinctly cooler housing construction climate in 2006. High production levels and price appreciation earlier in the decade were unsustainable over the long term, and a slower pace of construction will make it possible to absorb excess supply. Nationally, the number of new housing units authorized by building permits in 2006 was down 15 percent from 2005, while in the Twin Cities region the decrease was 28 percent. Among the nation's 25 largest metropolitan statistical areas, Minneapolis-St. Paul ranked mid-range in 2006 housing growth per capita (16th).

In the seven county area, permits were issued for 8,313 single-family housing units (down 27 percent from 2005) and 3,199 multifamily units (down 31 percent), according to preliminary data from the U.S. Census Bureau.

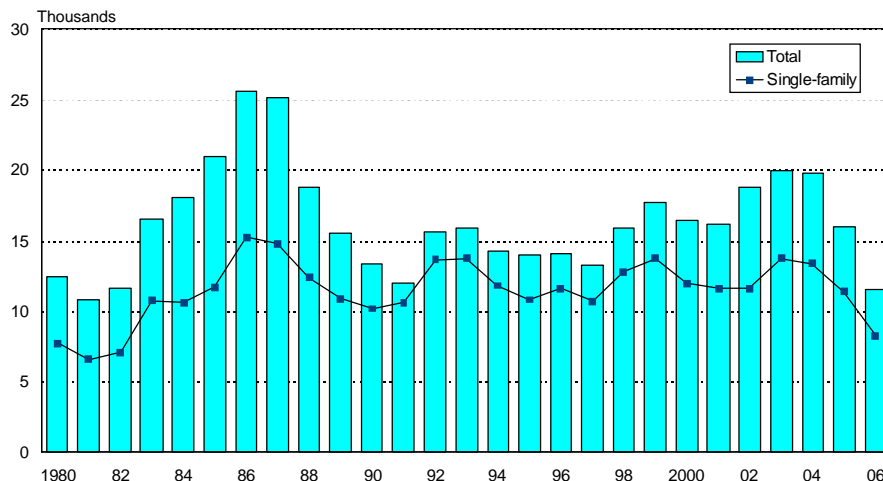
Despite a slower construction pace in 2005 and 2006, the region is on target to accommodate forecasted growth, considering above-target annual growth earlier in the decade. Trends in the distribution of new housing also remain in line with the goal of meeting a portion of housing need in areas where urban services are already in place. In 2006, 35 percent of permitted units were in developed areas, slightly higher than in recent years. Fifty-five percent were in developing suburbs, and less than ten percent in rural towns and surrounding areas.

Minneapolis, with 1,757 permitted housing units in 2006, was the leading permit-issuing city as it was in 2005. A majority of its total was in multifamily activity. Woodbury followed, with 713 single-family units. Other top cities were St. Paul (543), Lakeville (442), Brooklyn Park (440) and Blaine (425).

Average building permit valuation per unit increased 11 percent for single-family (\$248,500). The multifamily average, which had climbed sharply from 2004 to 2005, fell back in 2006 by 7 percent (\$141,600).

Housing construction in the six counties adjacent to the region accounted for 23 percent of the 13-county MSA total, slightly less than in 2005.

**Twin Cities Region
Residential Permits, January-December, 1980-2006**



Source: U.S. Census Bureau, Residential Building Permits Survey.

ABOUT THIS REPORT

This report summarizes preliminary data on new residential construction in the Minneapolis-St. Paul metropolitan area during 2006. It is based on building permit authorizations reported by local governmental units to the U.S. Department of Commerce, Bureau of the Census. After the end of each year, the annual data from the Commerce Department is replaced with final data prepared by the Metropolitan Council based on a survey of local building officials. Final regionwide data is typically 4 to 6 percent higher than the preliminary Commerce Department data.

In this report, permitted housing units are categorized as “single-family” and “multifamily”. Townhouses are included in the single-family category. (Final data from the Metropolitan Council enumerates townhouse units separately.) Housing permit data for individual cities appear in a table at the end of the report.

Please note that monthly totals published by the Commerce Department may not add to the year-to-date figures, since the Commerce Department makes corrections and additions to its database as the year progresses.

Questions about this information may be directed to Regan Carlson in the Metropolitan Council's Research Office, at (651) 602-1407 or regan.carlson@metc.state.mn.us

The Metropolitan Council also publishes information about nonresidential construction activity. See www.metrocouncil.org or contact the Data Center at (651) 602-1140.

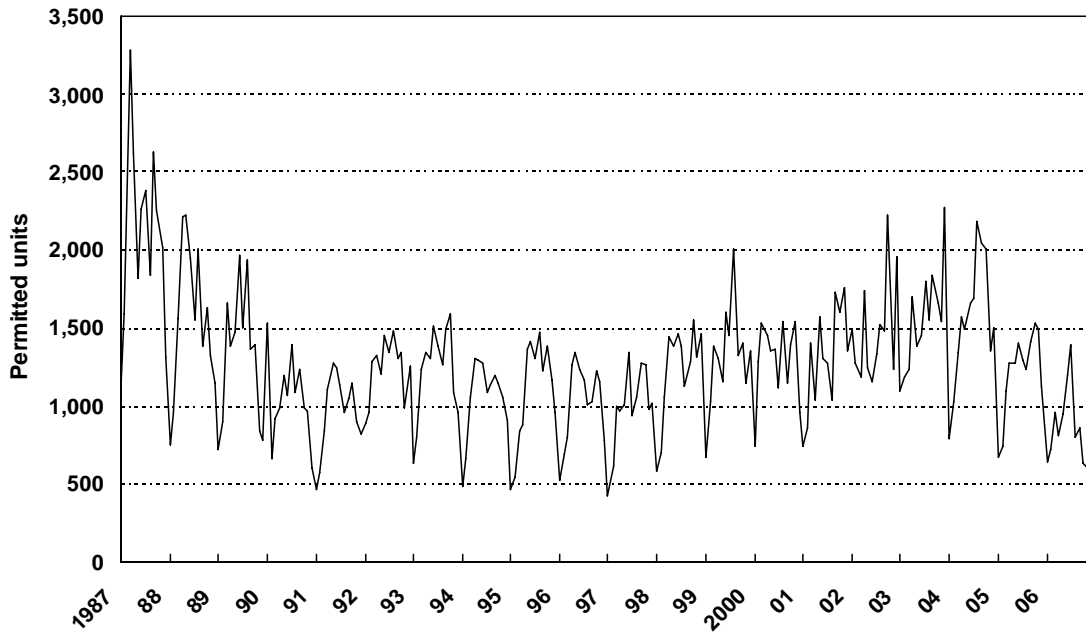
DEFINITIONS

Residential activity in this report is measured in terms of **housing units**. A housing unit is defined as a house or apartment unit intended for occupancy as separate living quarters. A unit may have direct access from the outside, or through a common hall. Each apartment in an apartment building is counted as one unit. Housing units do not include group quarters such as institutions, dormitories, hotels, and motels.

The **Twin Cities Region** includes seven counties under the jurisdiction of the Metropolitan Council: Anoka, Carver, Dakota, Hennepin, Ramsey, Scott and Washington Counties. The Minneapolis-St. Paul **Metropolitan Statistical Area (MSA)** includes these plus the adjacent counties of Chisago, Isanti, Sherburne, and Wright Counties in Minnesota and Pierce and St. Croix Counties in Wisconsin. Metropolitan statistical areas are defined by the U.S. Office of Management and Budget for the purpose of standardized data compilation and analysis.

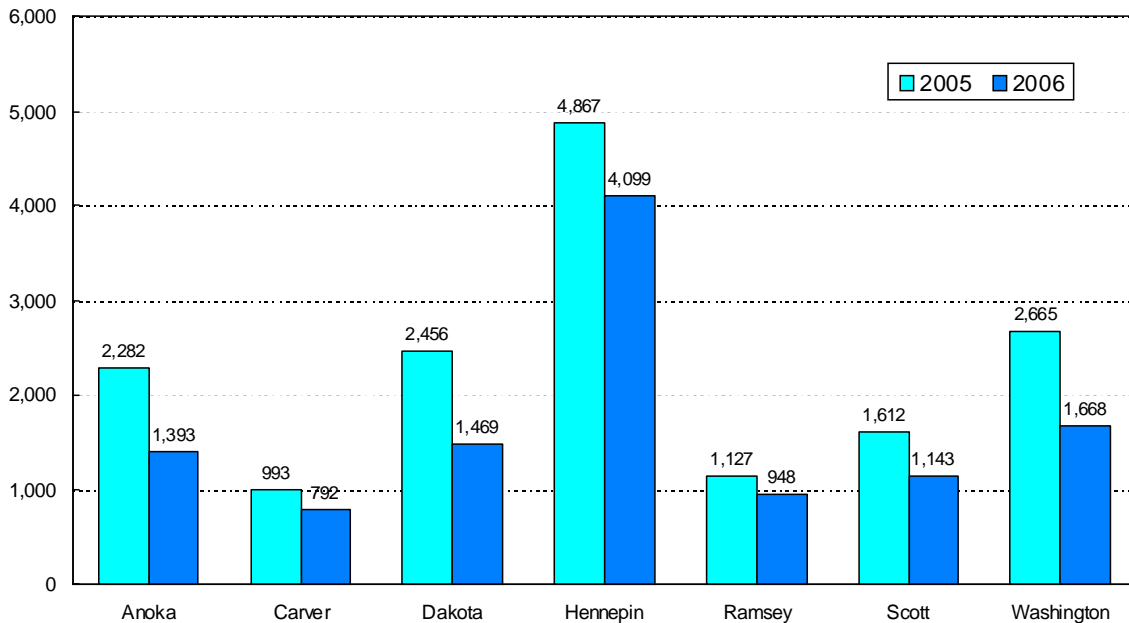
Valuation refers to the building cost assigned to a project at the time the permit is issued. Generally, the building permit valuation is determined by the local government official on the basis of average square footage costs for various types of construction, according to Minnesota Department of Administration guidelines. Consideration is also given to other factors. It is intended to measure the cost of construction, and in the majority of cases is lower than actual sales price. For instance, the cost of the lot is typically not included.

Twin Cities Region Residential Building Permits, January 1987- December 2006



Source: U.S. Census Bureau, Residential Building Permits Survey.

Twin Cities Region RESIDENTIAL BUILDING PERMITS BY COUNTY JANUARY-DECEMBER, 2005 AND 2006



Source: U.S. Census Bureau, Residential Building Permits Survey.

**TOP 20 CITIES ISSUING NEW RESIDENTIAL BUILDING PERMITS
DURING 2006**

Single Family Leaders	# of Units	Multifamily Leaders	# of Units	Leading in Total Units	# of Units
Woodbury	713	Minneapolis	1,539	Minneapolis	1,757
Brooklyn Park	428	St. Paul	403	Woodbury	713
Blaine	425	Edina	132	St. Paul	543
Lakeville	406	Chaska	127	Lakeville	442
Maple Grove	365	Rosemount	79	Brooklyn Park	440
Hugo	338	Mendota Heights	71	Blaine	425
Shakopee	276	Savage	62	Maple Grove	365
Plymouth	221	Oakdale	61	Hugo	338
Minneapolis	218	Maplewood	56	Shakopee	276
Farmington	200	Prior Lake	54	Plymouth	253
Cottage Grove	185	Bloomington	50	Rosemount	224
Prior Lake	164	Chanhassen	48	Prior Lake	218
Hastings	161	Vadnais Heights	48	Chaska	201
Ramsey	160	Inver Grove Heights	42	Farmington	200
Eden Prairie	157	Roseville	42	Cottage Grove	185
Rogers	154	New Hope	41	Edina	180
Andover	151	Coon Rapids	38	Chanhassen	179
Rosemount	145	Forest Lake	38	Coon Rapids	172
St. Paul	140	Lakeville	36	Hastings	169
Coon Rapids	134	West St. Paul	35	Rogers	168
TOP 10 SUBTOTAL:	3,590		2,584		5,552
PCT. OF REGION	43.2%		80.8%		48.2%
TOP 20 SUBTOTAL:	5,141		3,002		7,448
PCT. OF REGION	61.8%		93.8%		64.7%
REGION TOTAL	8,313		3,199		11,512

**RESIDENTIAL BUILDING PERMITS BY PLANNING AREA
2006**

PLANNING AREA	TOTAL (NUMBER OF UNITS)	SHARE OF REGIONAL TOTAL
Central Cities	2,300	20.0
Developed Suburbs	1,776	15.4
Developing Suburbs	6,352	55.2
Rural Area	1,084	9.4
REGION	11,512	100.0

RESIDENTIAL BUILDING PERMITS 2006				
	SINGLE FAMILY		MULTIFAMILY	
COUNTY	Number of Units	Total Permit Valuation	Number of Units	Total Permit Valuation
Anoka	1,355	251,329,951	38	\$3,610,000
Carver	580	161,688,944	212	24,627,312
Dakota	1,170	258,575,474	299	37,893,722
Hennepin	2,223	639,452,298	1,876	289,436,582
Ramsey	397	82,726,349	551	70,291,685
Scott	1,019	277,687,604	124	14,002,842
Washington	1,569	394,088,766	99	13,029,922
REGION	8,313	\$2,065,549,386	3,199	\$452,892,065
Chisago	254	40,017,440	0	\$0
Isanti	249	35,202,947	131	14,933,153
Pierce (Wisc.)	260	42,761,413	49	4,675,000
St. Croix (Wisc.)	464	88,409,689	23	3,038,000
Sherburne	721	133,224,445	0	0
Wright	1,266	241,377,176	10	1,331,493
MSA	11,527	\$2,646,542,496	3,412	\$476,869,711

RESIDENTIAL BUILDING PERMITS 2005				
	SINGLE FAMILY		MULTIFAMILY	
COUNTY	Number of Units	Total Permit Valuation	Number of Units	Total Permit Valuation
Anoka	2,156	\$375,655,477	126	\$12,421,320
Carver	842	210,970,735	151	21,556,609
Dakota	1,490	321,506,359	966	122,577,863
Hennepin	2,320	641,436,150	2,547	440,133,522
Ramsey	616	114,621,494	511	70,841,829
Scott	1,433	334,197,504	179	16,899,855
Washington	2,520	547,558,855	145	18,817,807
REGION	11,377	\$2,545,946,574	4,625	\$703,248,805
Chisago	350	\$52,182,405	0	\$0
Isanti	483	67,897,010	62	7,154,728
Pierce (Wisc.)	378	66,824,534	12	1,457,000
St. Croix (Wisc.)	767	139,931,508	117	10,622,900
Sherburne	1,138	191,642,274	0	0
Wright	2,068	365,101,334	90	8,415,046
MSA	16,561	\$3,429,525,639	4,906	\$730,898,479

MULTI-UNIT PERMITS BY TYPE, 2006	Total Units	Duplex Units	Buildings with 3-4 units:		Buildings with 5+ units:	
			Bldgs.	Units	Bldgs	Units
Minneapolis	1,539	8	9	27	22	1,504
St. Paul	403	10	2	6	8	387
Edina	132	4	0	0	1	128
Chaska	127	4	1	3	4	120
Rosemount	79	0	7	27	7	52
Mendota Heights	71	0	0	0	2	71
Savage	62	0	3	12	5	50
Oakdale	61	0	0	0	2	61
Maplewood	56	0	0	0	2	56
Prior Lake	54	0	0	0	1	54
Bloomington	50	0	0	0	1	50
Chanhassen	48	0	0	0	1	48
Vadnais Heights	48	0	0	0	1	48
Inver Grove Heights	42	2	0	0	1	40
Roseville	42	0	0	0	1	42
New Hope	41	0	0	0	1	41
Coon Rapids	38	0	2	8	2	30
Forest Lake	38	0	0	0	6	38
Lakeville	36	6	2	6	3	24
West St. Paul	35	0	0	0	1	35
Plymouth	32	0	1	4	2	28
Eagan	24	2	6	22	0	0
Hopkins	23	0	0	0	1	23
Watertown	21	2	2	8	2	11
Mound	20	0	0	0	1	20
Carver	16	0	0	0	2	16
Rogers	14	0	1	4	1	10
Brooklyn Park	12	0	3	12	0	0
Hastings	8	4	1	4	0	0
New Market	4	0	1	4	0	0
Jordan	4	4	0	0	0	0
Shorewood	4	4	0	0	0	0
Apple Valley	4	0	1	4	0	0
Wayzata	4	4	0	0	0	0
Champlin	3	0	1	3	0	0
Minnetonka	2	2	0	0	0	0
New Brighton	2	2	0	0	0	0
REGION	3,199	58	43	154	81	2,987

RESIDENTIAL BUILDING PERMITS ISSUED DURING 2006 (preliminary)
TWIN CITIES METROPOLITAN AREA

	<u>SINGLE-FAMILY (UNITS)</u>	<u>MULTI-FAMILY (UNITS)</u>	<u>TOTAL UNITS</u>	<u>AVERAGE SINGLE-FAMILY VALUATION</u>	<u>number of months reported</u>
METRO AREA	8,313	3,199	11,512	\$248,472	
ANOKA COUNTY TOTAL	1,355	38	1,393	185,483	
CARVER COUNTY TOTAL	580	212	792	278,774	
DAKOTA COUNTY TOTAL	1,170	299	1,469	221,005	
HENNEPIN COUNTY TOTAL	2,223	1,876	4,099	287,653	
RAMSEY COUNTY TOTAL	397	551	948	208,379	
SCOTT COUNTY TOTAL	1,019	124	1,143	272,510	
WASHINGTON COUNTY TOTAL	1,569	99	1,668	251,172	
ANOKA COUNTY					
Andover	151	0	151	164,531	12
Anoka	10	0	10	154,444	12
Bethel	3	0	3	173,667	12
Blaine**	425	0	425	193,864	12
Burns township	25	0	25	243,643	12
Centerville	9	0	9	271,667	12
Circle Pines	2	0	2	224,254	12
Columbia Heights	125	0	125	162,217	12
Columbus	9	0	9	260,290	12
Coon Rapids	134	38	172	161,722	12
East Bethel	38	0	38	258,790	12
Fridley	11	0	11	189,184	12
Ham Lake	62	0	62	195,673	11
Hilltop	0	0	0		11
Lexington	0	0	0		12
Lino Lakes	91	0	91	174,836	12
Linwood township	0	0	0		0
Oak Grove	53	0	53	254,377	11
Ramsey	160	0	160	165,937	11
Spring Lake Park**	0	0	0		0
St. Francis	47	0	47	186,474	12
Carver	56	16	72	235,466	12
Carver County Unincorporated Area*	27	0	27	286,208	12
Chanhassen**	131	48	179	352,656	12
Chaska	74	127	201	245,205	12
Cologne	0	0	0		0
Hamburg	0	0	0		12
Mayer	60	0	60	187,328	12
New Germany	5	0	5	157,634	12
Norwood Young America	6	0	6	193,982	12
Victoria	97	0	97	333,747	12
Waconia	98	0	98	263,271	12
Watertown	26	21	47	194,859	12

**RESIDENTIAL BUILDING PERMITS ISSUED DURING 2006 (preliminary)
TWIN CITIES METROPOLITAN AREA**

	<u>SINGLE-FAMILY (UNITS)</u>	<u>MULTI-FAMILY (UNITS)</u>	<u>TOTAL UNITS</u>	<u>AVERAGE SINGLE-FAMILY VALUATION</u>	<u>number of months reported</u>
Apple Valley	14	4	18	214,857	3
Burnsville	20	0	20	247,261	12
Castle Rock township	1	0	1	166,591	12
Coates	0	0	0		12
Douglas township	1	0	1	180,000	11
Eagan	49	24	73	216,367	7
Empire township	15	0	15	252,043	12
Eureka township	3	0	3	245,812	12
Farmington	200	0	200	177,428	12
Greenvale township	4	0	4	314,909	12
Hampton	2	0	2	155,445	12
Hampton township	3	0	3	177,142	12
Hastings**	161	8	169	130,328	12
Inver Grove Heights	42	42	84	387,786	12
Lakeville	406	36	442	234,842	12
Lilydale	0	0	0		12
Marshan township	0	0	0		12
Mendota	4	0	4	737,500	11
Mendota Heights	54	71	125	289,417	12
Miesville	2	0	2	327,500	12
New Trier	0	0	0		12
Nininger township	3	0	3	257,581	12
Randolph	0	0	0		1
Randolph township	7	0	7	123,798	10
Ravenna township	0	0	0		0
Rosemount	145	79	224	255,776	12
Sciota township	5	0	5	229,052	12
South St. Paul	13	0	13	195,769	9
Sunfish Lake	1	0	1	118,000	11
Vermillion	0	0	0		12
Vermillion township	4	0	4	235,200	12
Waterford township	1	0	1	261,278	5
West St. Paul	10	35	45	198,145	12
Bloomington	51	50	101	216,470	10
Brooklyn Center	2	0	2	170,000	12
Brooklyn Park	428	12	440	218,229	12
Champlin	67	3	70	141,121	11
Corcoran	11	0	11	531,735	12
Crystal	25	0	25	210,499	12
Dayton**	9	0	9	493,778	12
Deephaven	20	0	20	253,884	12
Eden Prairie	157	0	157	267,078	12
Edina	48	132	180	611,131	11
Excelsior	10	0	10	250,000	10
Golden Valley	4	0	4	656,786	12
Greenfield	25	0	25	475,081	9

**RESIDENTIAL BUILDING PERMITS ISSUED DURING 2006 (preliminary)
TWIN CITIES METROPOLITAN AREA**

	<u>SINGLE-FAMILY (UNITS)</u>	<u>MULTI-FAMILY (UNITS)</u>	<u>TOTAL UNITS</u>	<u>AVERAGE SINGLE-FAMILY VALUATION</u>	<u>number of months reported</u>
Greenwood	3	0	3	516,667	12
Hassan township	11	0	11	473,864	12
Hopkins	4	23	27	273,250	12
Independence	2	0	2	533,470	10
Long Lake	0	0	0		9
Loretto	0	0	0		12
Maple Grove	365	0	365	239,908	12
Maple Plain	2	0	2	199,590	12
Medicine Lake	2	0	2	288,500	11
Medina	42	0	42	747,611	12
Minneapolis	218	1,539	1,757	212,538	12
Minnetonka	73	2	75	527,854	11
Minnetonka Beach	1	0	1	921,000	10
Minnetrista	63	0	63	502,637	12
Mound	30	20	50	357,272	12
New Hope	4	41	45	274,500	12
Orono	32	0	32	641,482	12
Osseo	20	0	20	140,550	12
Plymouth	221	32	253	258,325	12
Richfield	1	0	1	130,000	12
Robbinsdale	57	0	57	167,422	12
Rogers	154	14	168	269,661	12
Shorewood	33	4	37	451,934	12
Spring Park	3	0	3	377,667	12
St. Anthony**	11	0	11	160,000	12
St. Bonifacius	1	0	1	259,585	12
St. Louis Park	0	0	0		0
Tonka Bay	7	0	7	789,286	12
Wayzata	6	4	10	492,833	12
Woodland	0	0	0		12
Arden Hills	8	0	8	470,985	12
Falcon Heights	0	0	0		11
Gem Lake	2	0	2	736,500	6
Lauderdale	0	0	0		12
Little Canada	17	0	17	245,700	12
Maplewood	104	56	160	193,794	12
Mounds View	12	0	12	140,624	12
New Brighton	3	2	5	241,000	12
North Oaks	4	0	4	818,500	12
North St. Paul	12	0	12	195,974	12
Roseville	19	42	61	378,705	12
Shoreview	31	0	31	181,925	12
St. Paul	140	403	543	157,005	12
Vadnais Heights	11	48	59	248,182	12
White Bear Lake**	22	0	22	227,370	12
White Bear township	12	0	12	214,163	12

**RESIDENTIAL BUILDING PERMITS ISSUED DURING 2006 (preliminary)
TWIN CITIES METROPOLITAN AREA**

	<u>SINGLE-FAMILY (UNITS)</u>	<u>MULTI-FAMILY (UNITS)</u>	<u>TOTAL UNITS</u>	<u>AVERAGE SINGLE-FAMILY VALUATION</u>	<u>number of months reported</u>
Belle Plaine	58	0	58	172,414	12
Jordan	52	4	56	248,002	12
New Market	55	4	59	277,982	12
New Prague**	110	0	110	239,201	12
Prior Lake	164	54	218	269,537	12
Savage	87	62	149	191,556	12
Scott County Unincorporated Area*	217	0	217	382,218	12
Shakopee	276	0	276	251,376	12
Afton	7	0	7	429,286	12
Bayport	9	0	9	343,875	12
Baytown township	0	0	0		0
Birchwood Village	0	0	0		12
Cottage Grove	185	0	185	269,899	12
Dellwood	1	0	1	625,000	12
Denmark township	14	0	14	463,687	12
Forest Lake	92	38	130	187,455	12
Grant	2	0	2	611,500	12
Grey Cloud Island township	0	0	0		12
Hugo	338	0	338	139,719	12
Lake Elmo	29	0	29	434,962	12
Lake St. Croix Beach	0	0	0		2
Lakeland***	3	0	3	255,000	12
Landfall	0	0	0		12
Mahtomedi	28	0	28	310,727	12
Marine on St. Croix	3	0	3	484,833	12
May township	12	0	12	398,289	12
New Scandia township	13	0	13	357,113	12
Newport	2	0	2	177,000	12
Oak Park Heights	11	0	11	196,364	12
Oakdale	19	61	80	138,678	12
Pine Springs	0	0	0		0
St. Marys Point	0	0	0		12
St. Paul Park	28	0	28	241,415	12
Stillwater	48	0	48	286,088	11
Stillwater township	4	0	4	558,668	12
West Lakeland township	8	0	8	542,500	12
Willernie	0	0	0		11
Woodbury	713	0	713	280,612	12


*Balance of county areas:

Carver County: Townships of Camden, Dahlgren, Hancock, Hollywood, Laketown, San Francisco, Waconia, Watertown, Young America.

Scott County: Townships of Belle Blaine, Blakeley, Cedar Lake, Credit River, Helena, Jackson, Louisville, New Market, St. Lawrence, Sand Creek; City of Elko

**Includes portion that is in another county.

***Includes Lakeland Shores and City of Lakeland.

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