

This *MetroStats* discusses population growth and related trends in the seven-county Twin Cities region.

City- and town-level annual estimates of population are authorized by Minnesota Statutes 473.24. The population estimates are one product of Metropolitan Council development monitoring and demographic research.

The Metropolitan Council employs a locally-detailed, housing-based methodology to estimate population between decennial censuses. The Council tracks housing stock changes (gains and losses) since 2010. Households are estimated as the product of housing stock and occupancy rates. Local populations are the product of households and persons per household rates.

A more detailed explanation of the Council's population estimates methodology is available at <http://stats.metc.state.mn.us/stats/aboutestimates.aspx>

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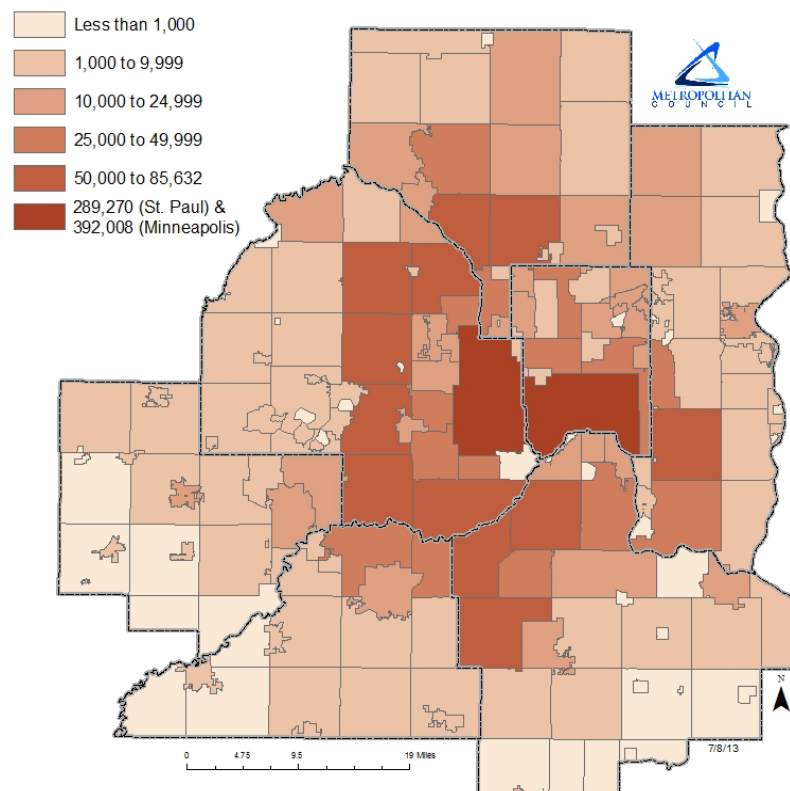
Twin Cities population in 2012

The seven-county Twin Cities region population topped 2.9 million in 2012. Since 2010, the area's population is up 59,000. Growth is advancing thanks to longer life expectancies, retention of young adults, and an uptick in net migration. Historically, migration has been a cyclical factor, advancing or receding with the region's economic fortunes. Since 2010, the Twin Cities' economic resilience and quality of life are again attracting new residents.

Beyond these factors, the Twin Cities' experience is part of a larger, nationwide trend of residential preference for central locations. Most of the nation's population growth since 2010 has located in major metro areas. According to US Census Bureau estimates:

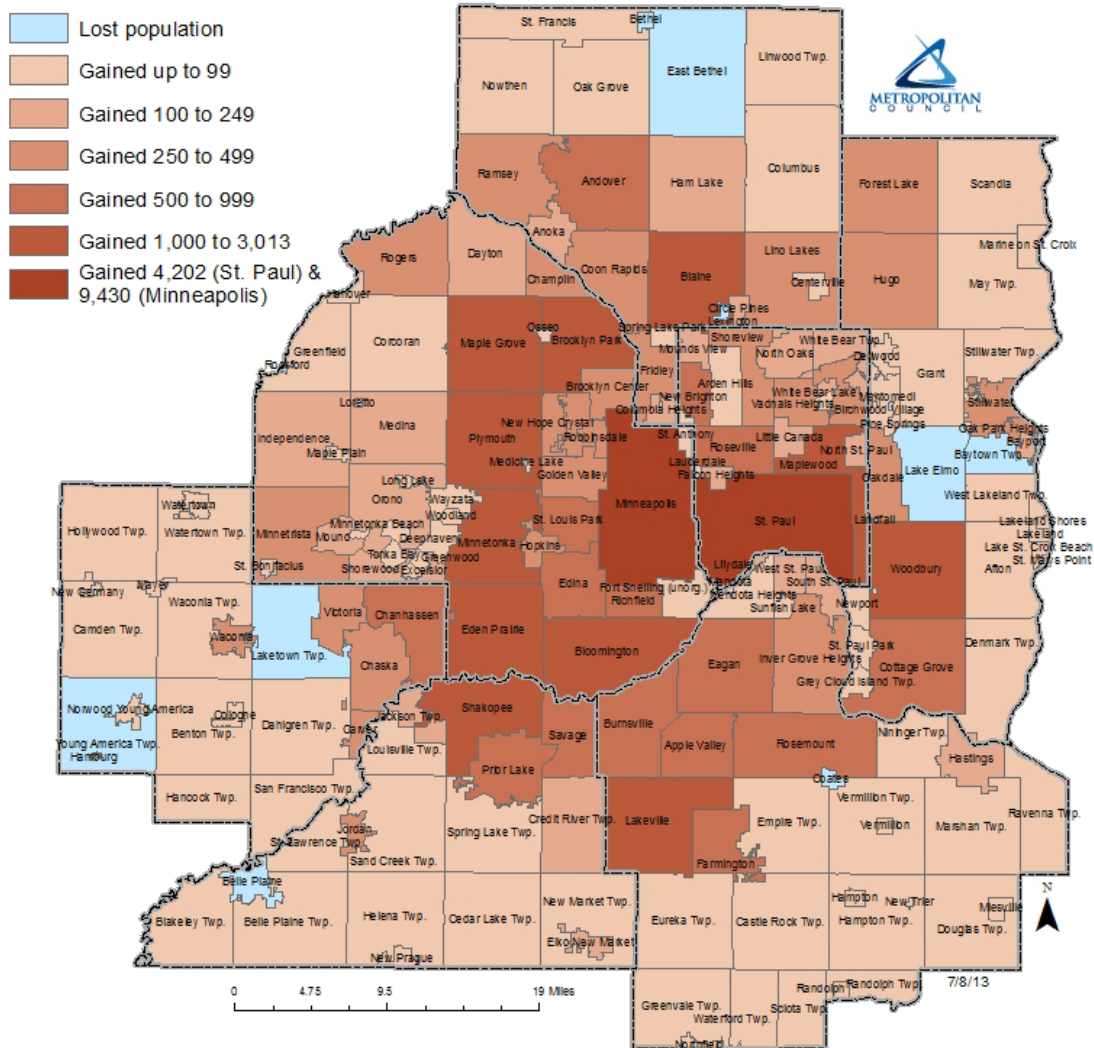
- The nation's largest 25 metro areas added 2.9 million people (2.2 percent growth) during 2010-2012.
- Smaller metros added a combined 2.3 million (up 1.7 percent).
- Non-metropolitan, rural counties *lost* a combined 110,000 people (-0.1 percent).

Twin Cities Metropolitan Area Population, 2012



Population growth in the Twin Cities has been accompanied by household growth. The metro area had 1,135,000 households in 2012, up 18,000 since 2010. During the same two years, new development added 11,000 new housing units. The balance of growth is drawing down vacancy rates of the existing housing supply. This is good news for home sellers and the real estate industry.

Twin Cities Metropolitan Area Population Change, 2012



While the home-building industry is beginning to rebound from the recession, new housing additions are still outpaced by new household formation and migration to the Twin Cities region. The gain in households is pulling vacancy rates down to historically low levels. The US Census Bureau’s Housing Vacancy Survey finds the largest change is a decline in the rental apartment vacancy rate, from 7.4 percent in 2010 down to 5.3 percent in 2012.¹ Metropolitan Council’s estimates show household growth in core areas where most rental apartments are located.

¹ US Census Bureau, Housing Vacancy Survey (CPS/HVS), Table 6, available at <http://www.census.gov/housing/hvs/data/ann12ind.html>

Finally, housing market research in the Twin Cities and elsewhere reveals a greater interest in urban living and rental arrangements. Some of this may be due to lingering economic concerns and home-buyers' cautiousness. But longer-term, there is a real shift in residential preferences. Both Baby Boomers and newly independent Millennials are placing greater value on central locations and urban amenities.

Population Growth Leaders, 2010-2012		
	Population, April 1, 2012	Added during 2010-2012
Minneapolis	392,008	9,430
St. Paul	289,270	4,202
Blaine	60,199	3,013
Bloomington	85,632	2,739
Maple Grove	63,928	2,361
Woodbury	64,238	2,277
Plymouth	72,644	2,068
Brooklyn Park	77,446	1,665
Eden Prairie	62,004	1,207
Shakopee	38,252	1,176
Lakeville	57,048	1,094
Maplewood	39,065	1,047
Minnetonka	50,747	1,013
St. Louis Park	46,230	980
Edina	48,829	888
Subtotal, 15 cities	1,447,540	35,160
Metro Area total	2,909,001	59,434

The spatial distribution of the region's growth reflects the combination of new building activity, falling vacancy rates, and an apparent shift in residential preferences. Within major metro areas like the Twin Cities, development activity is accelerating in central locations. Since 2010, Minneapolis leads all cities in Minnesota in new housing additions. Other places seeing a renewed building boom are a mix of developed first-ring suburbs and developing, second-ring suburbs.

Population by Geographic Planning Area.

The two central cities account for 23 percent of the region's population growth since 2010. Minneapolis added 9,430 residents to its population thanks to a combination of new housing development and falling vacancy rates. Saint Paul added less new housing, but still gained 4,202 residents. While the current urban renewal is encouraging, the two cities remain below their 1970 population levels.

Fully developed suburbs account for 35 percent of the metro's growth since 2010. These are communities where land is at least 85 percent developed. In both the fully developed suburbs and central cities, the new addition of housing and population may be constrained by land availability. Still, many cities in this category find growth viable,

as the cities and developers pursue infill and higher-density housing options. In the category of fully developed suburbs, growth leaders include Bloomington (gaining 2,739 residents), Brooklyn Park (gaining 1,665 residents), and Maplewood (gaining 1,047 residents).

Metropolitan Council defines developing communities as those where urban services are available – or will be available – and where less than 85 percent of land is developed. Over the long-term, the available land supply of second-ring, developing suburbs remains an advantage. Even as core areas see a rebound, the developing suburbs account for 38 percent of the region's growth since 2010. In the category of developing suburbs, growth leaders include Blaine (gaining 3,013 residents), Maple Grove (gaining 2,361 residents), Woodbury (gaining 2,277 residents), and Plymouth (gaining 2,068 residents).

Outside the developed core and the developing suburbs, the Twin Cities area has a number of rural townships and small rural center municipalities. As a group, these communities account for only 4 percent of the region's growth since 2010.