

Cloquet/Scanlon Housing Study

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Overview

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- 2 Demographics
- 3 Economics
- 4 Housing Stock
- 5 Housing Markets
- 6 Next Steps

Forecasted Housing Need

Housing Growth Potential
Through **2025**

500 Units



Owned Housing

240 Units

Rented Housing

260 Units

Owned Housing Potential
Through **2025**

240 Units

Single-Family
200 Units

Multifamily
40 Units

Entry-
Level
10 Units

Move-Up
140 Units

Executive
50 Units

Entry-
Level
10 Units

Move-Up
20 Units

Executive
10 Units

Rented Housing Potential
Through **2025**
260 Units

Age-Restricted
140 Units

General-Occupancy
120 Units

Market Rate
80 Units

Affordable
60 Units

Market Rate
40 Units

Affordable
80 Units

Independent
50 Units

Assisted Living
20 Units

Memory Care
10 Units

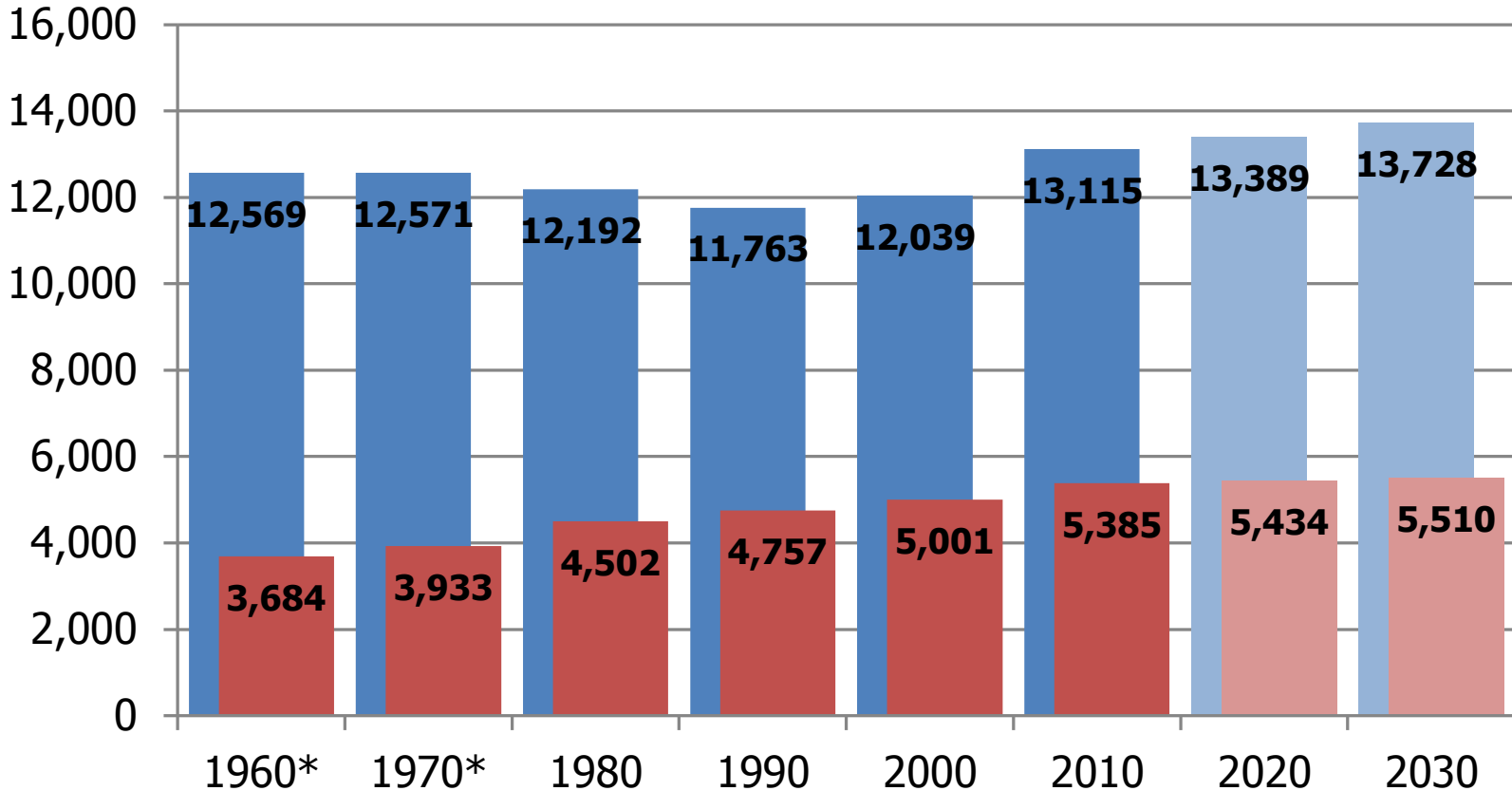
Where Does the Need Come From?

1. Household growth from newcomers to Cloquet/Scanlon
2. Household growth due to new household formation
3. Replacement of housing stock
4. Preferences for new forms of housing

Demographics



Cloquet and Scanlon Growth Trends

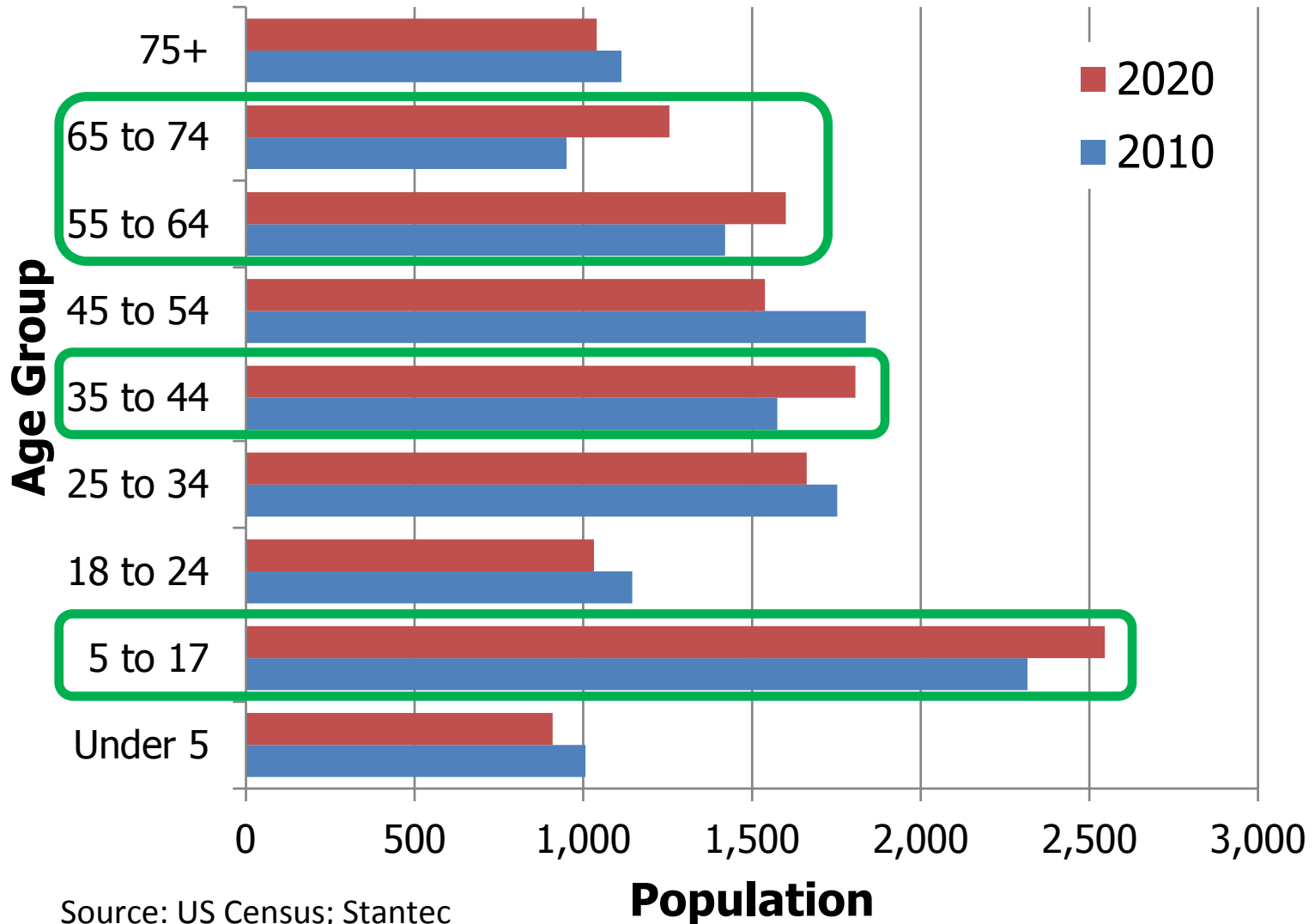


* Includes Knife Falls twp

Source: US Census

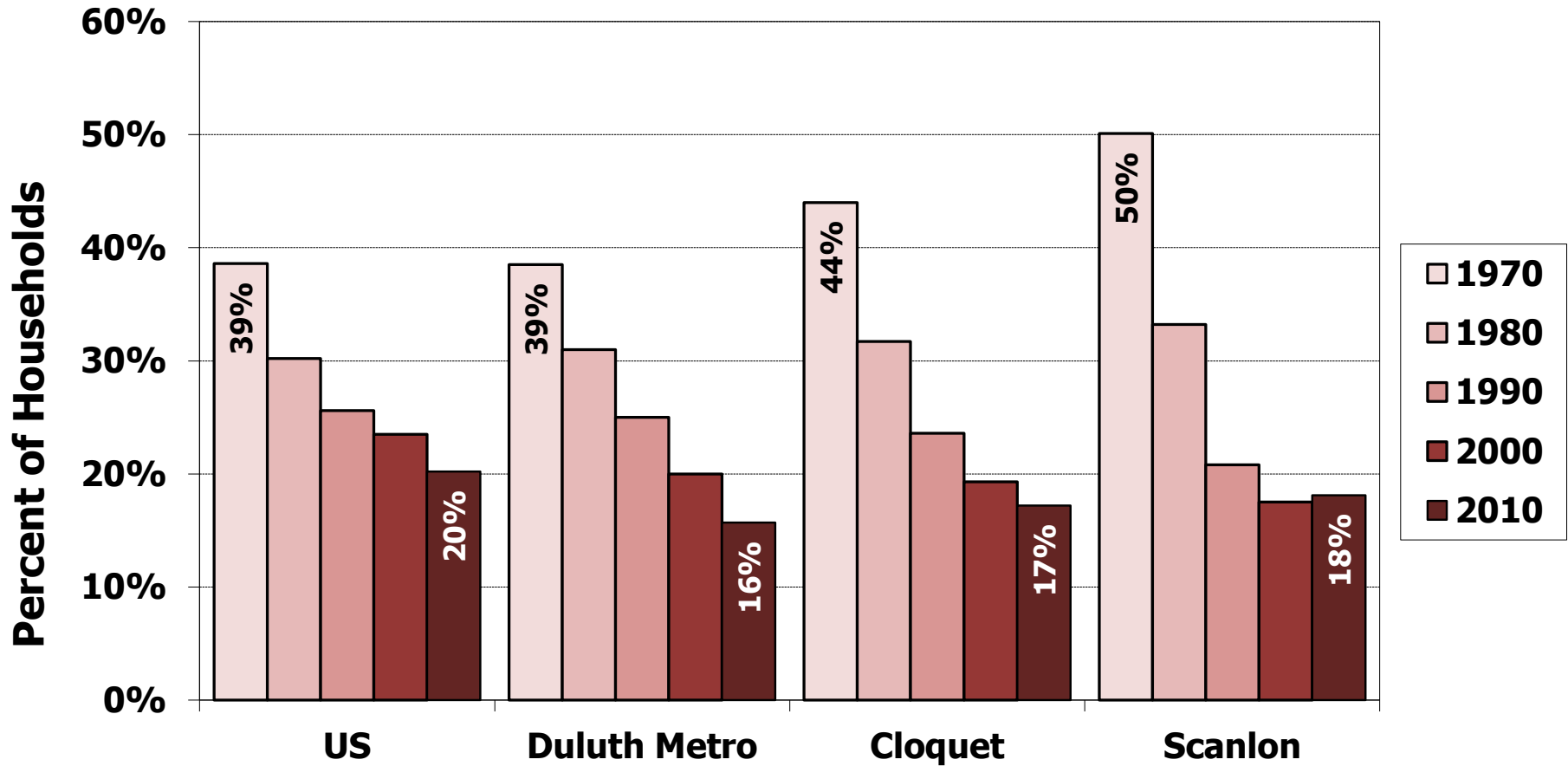
■ Population ■ Households

Age Distribution



Source: US Census; Stantec

Nuclear Families



Source: U.S. Census

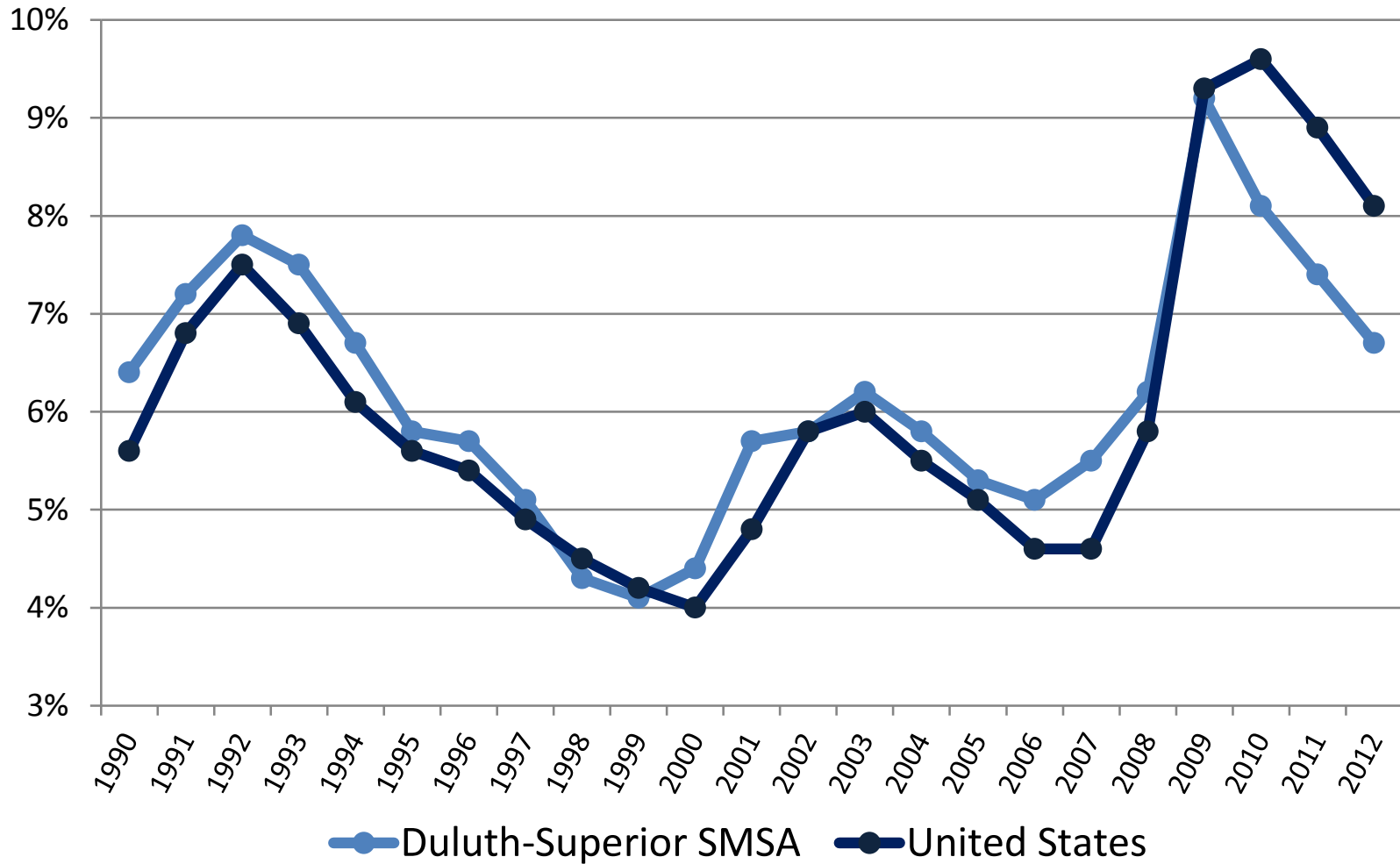
Demographic Summary

- Growth is forecasted to be modest but consistent
- We are aging; but echo boom or Millennials are keeping us youthful
- Household size is shrinking
- Attitudes toward homeownership are changing
- Incomes are holding steady

Economics

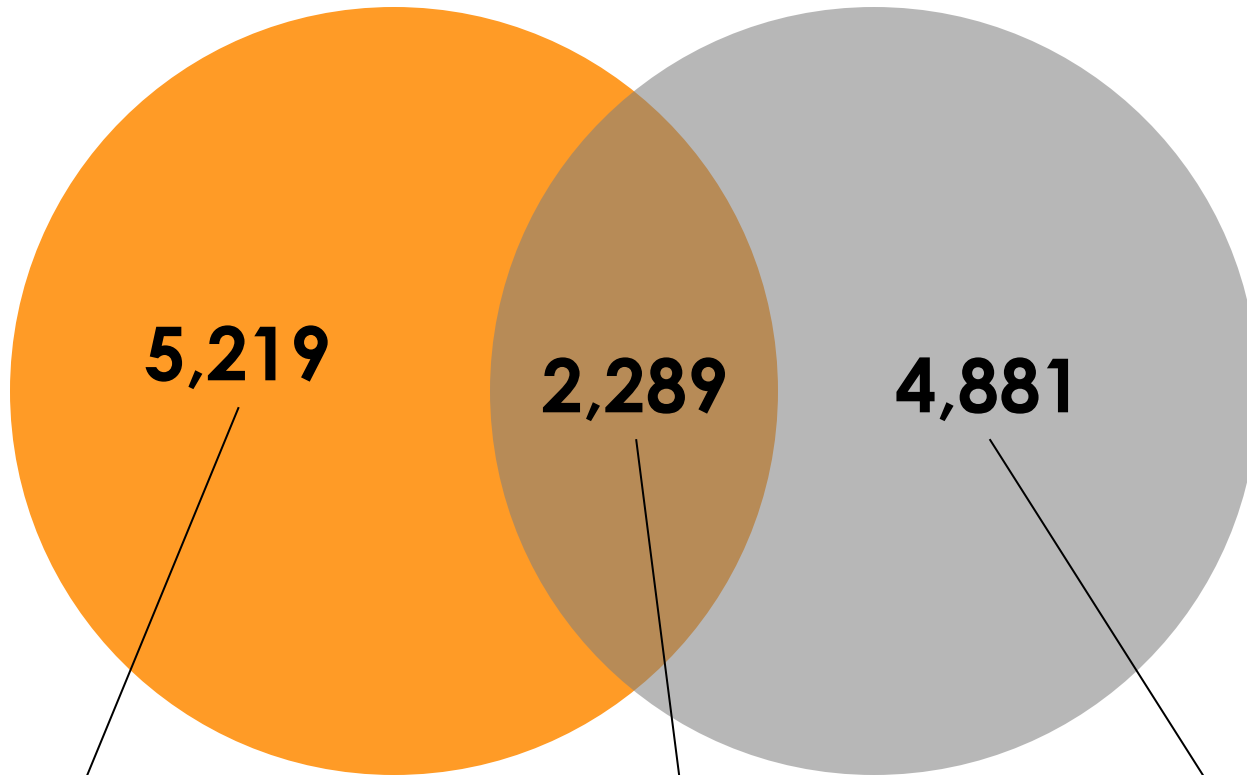


Unemployment



Source: Minnesota Department of Employment and Economic Development

Commute Patterns



Persons who **work** in Cloquet and Scanlon, but live elsewhere

Persons who **live** in Cloquet and Scanlon, but work elsewhere

Persons who **live and work** in Cloquet and Scanlon

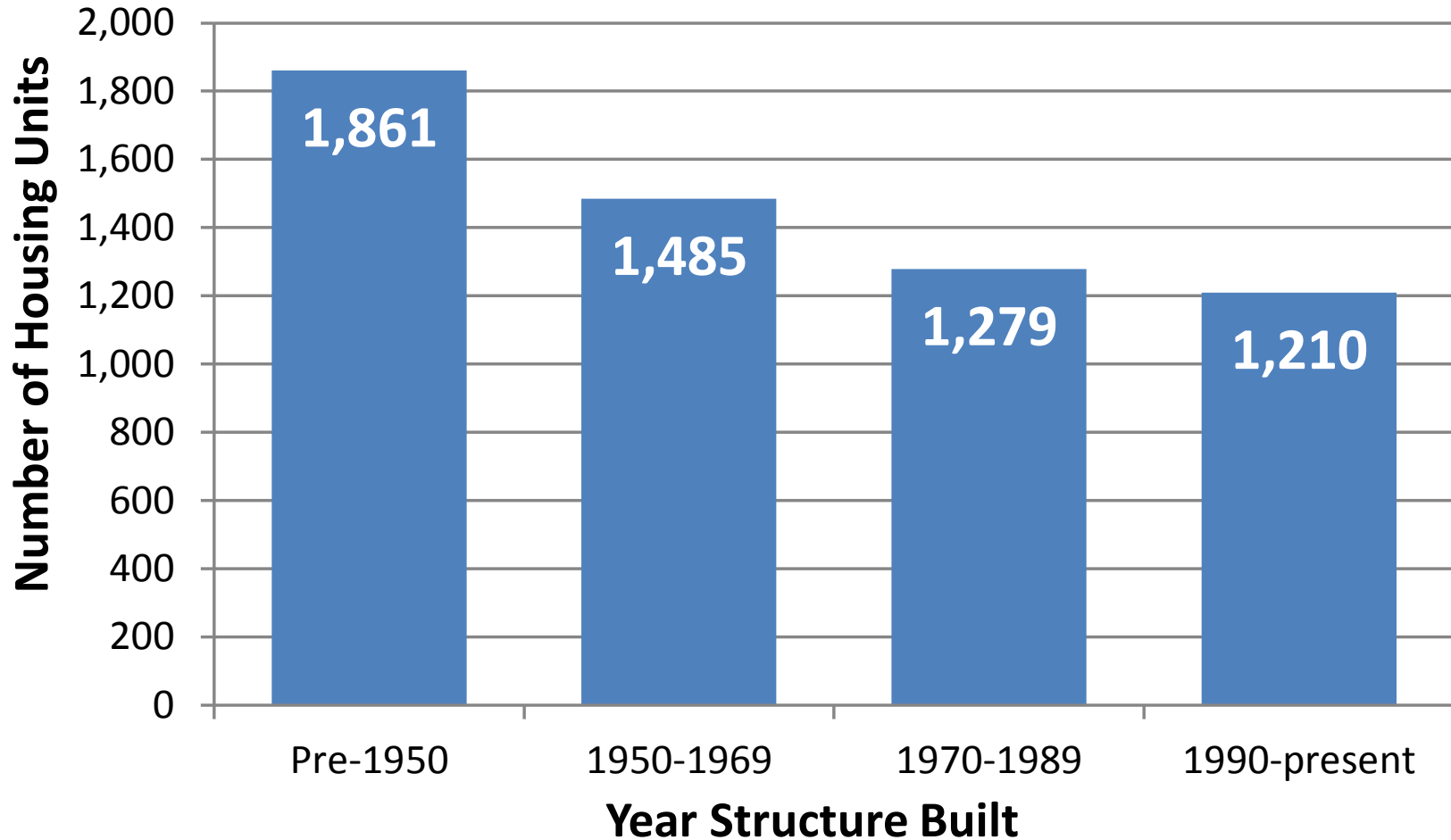
Economic Summary

- Overall economy is improving
- Cloquet is an important employment center
- Diversity of employment is seen as a positive
- Average wages in Cloquet are about 10% below the region

Housing Stock



Age of Housing Stock



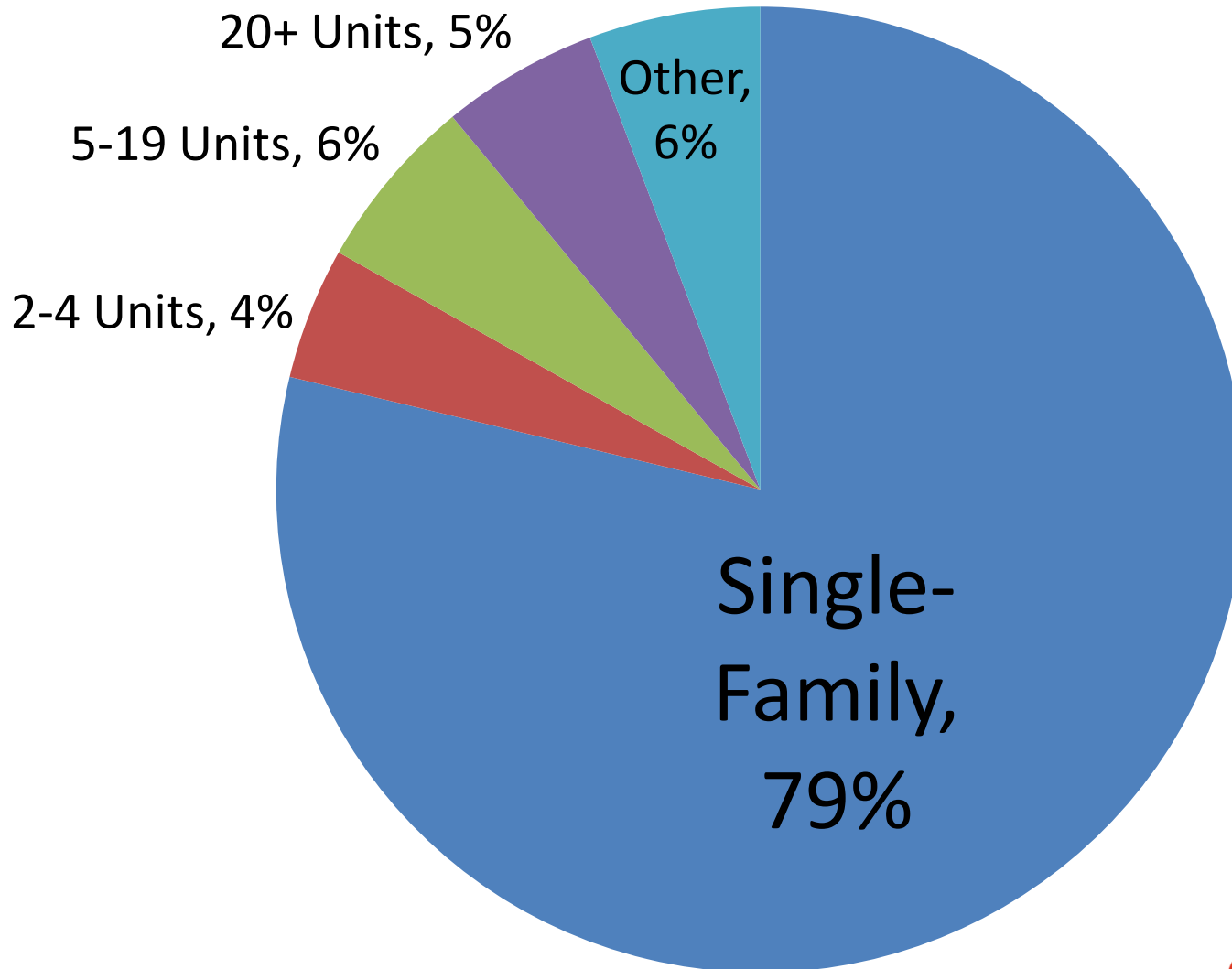
Source: US Census, American Community Survey 2007-2011

15%

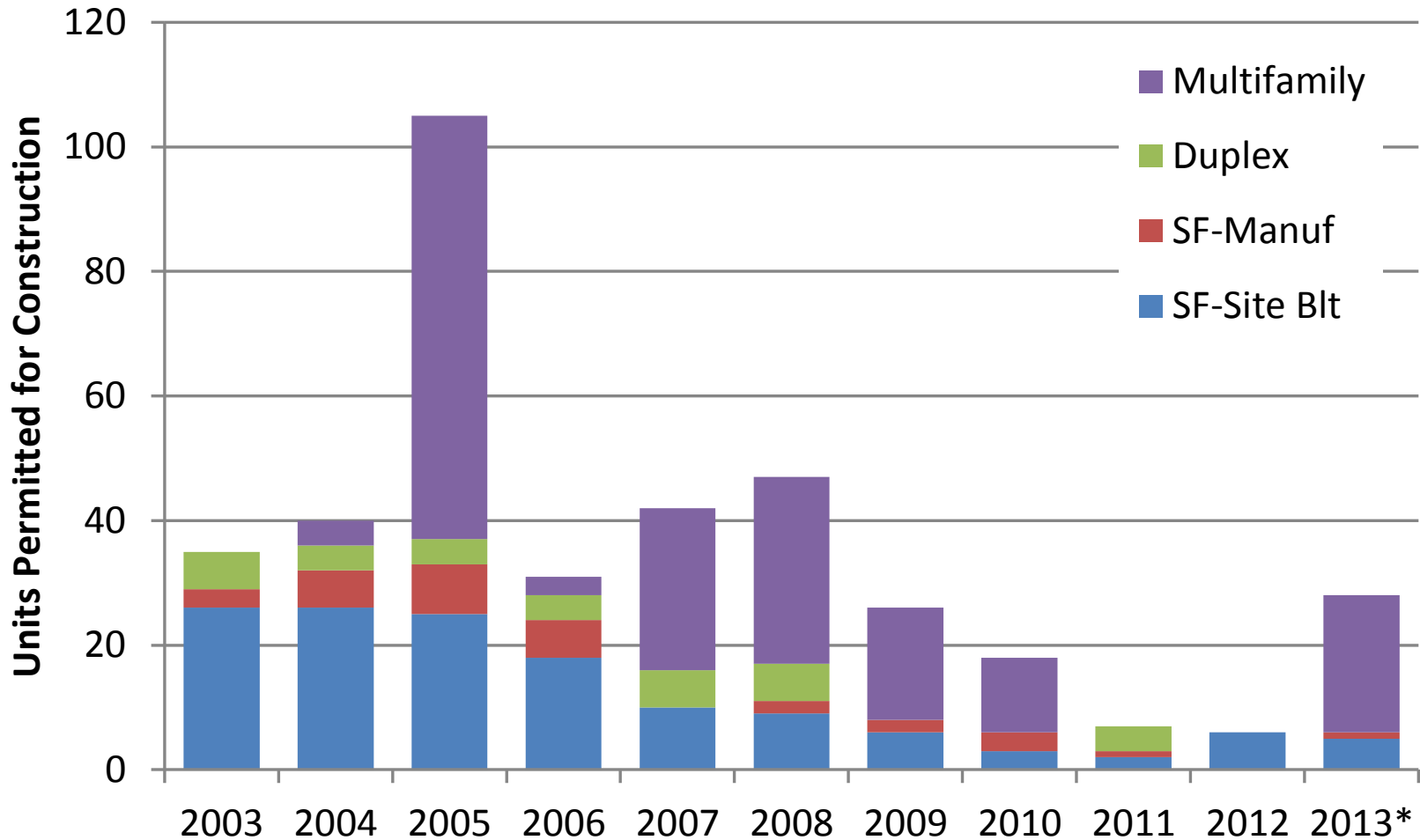
of all single-family homes (612)
were built in 1919 or 1920



Housing Structure Types



Construction Activity



Source: City of Cloquet

Housing Stock Summary

- Housing stock dominated by older, smaller single-family dwellings
- Recent trend in new construction has been toward more multifamily types

Housing Markets

FOX
REAL ESTATE
735-7555

Century 21
Diablo Valley Realty
682-4663

Vincent Cirelli
(925) 945-2868
www.vincentcirelli.com

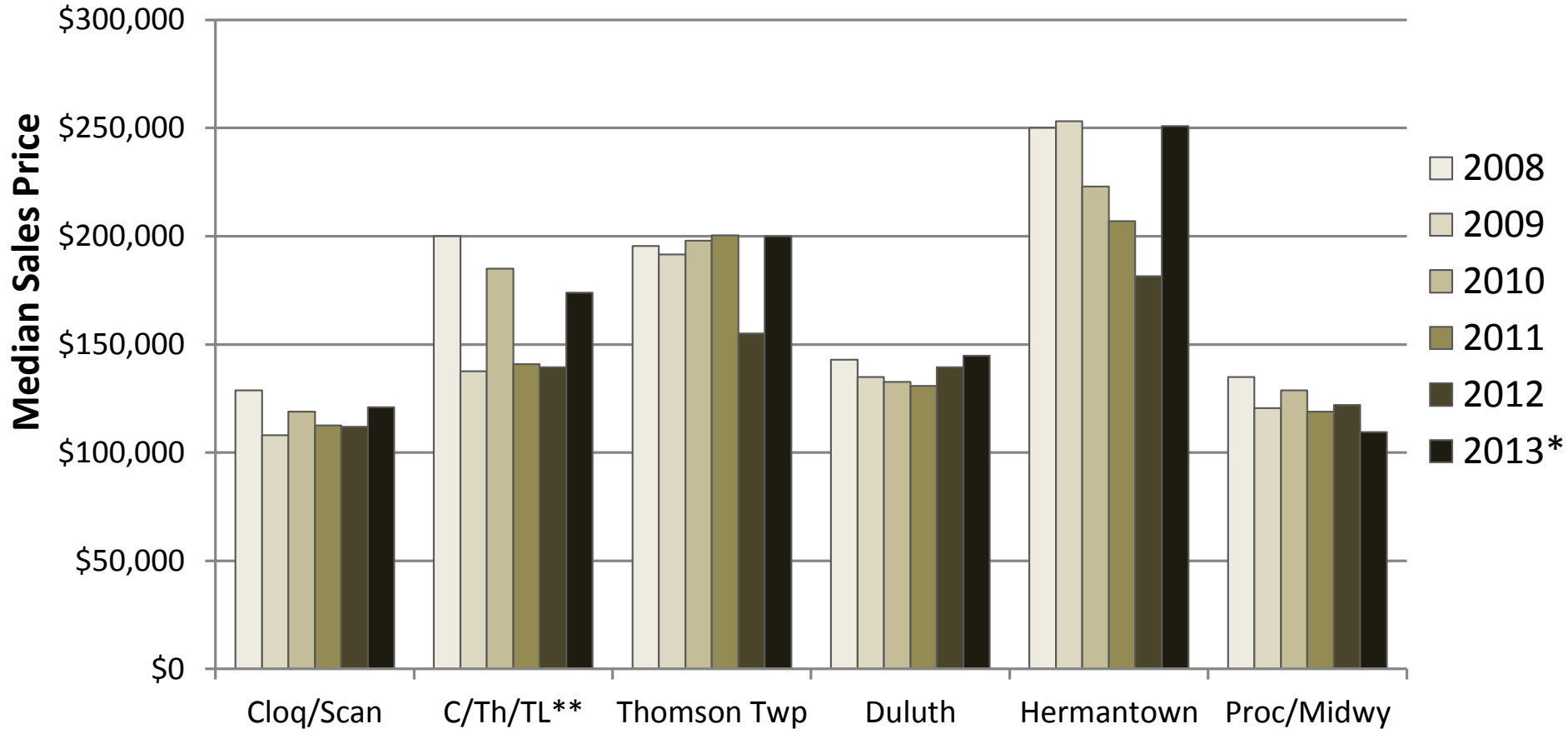
1240 Walker 206

INTERO
REAL ESTATE SERVICES
Teresa McKinney
925.487.2629

REMODELED

WILLIAMS
8500
1236-305

Median Home Sales Price



* January through October

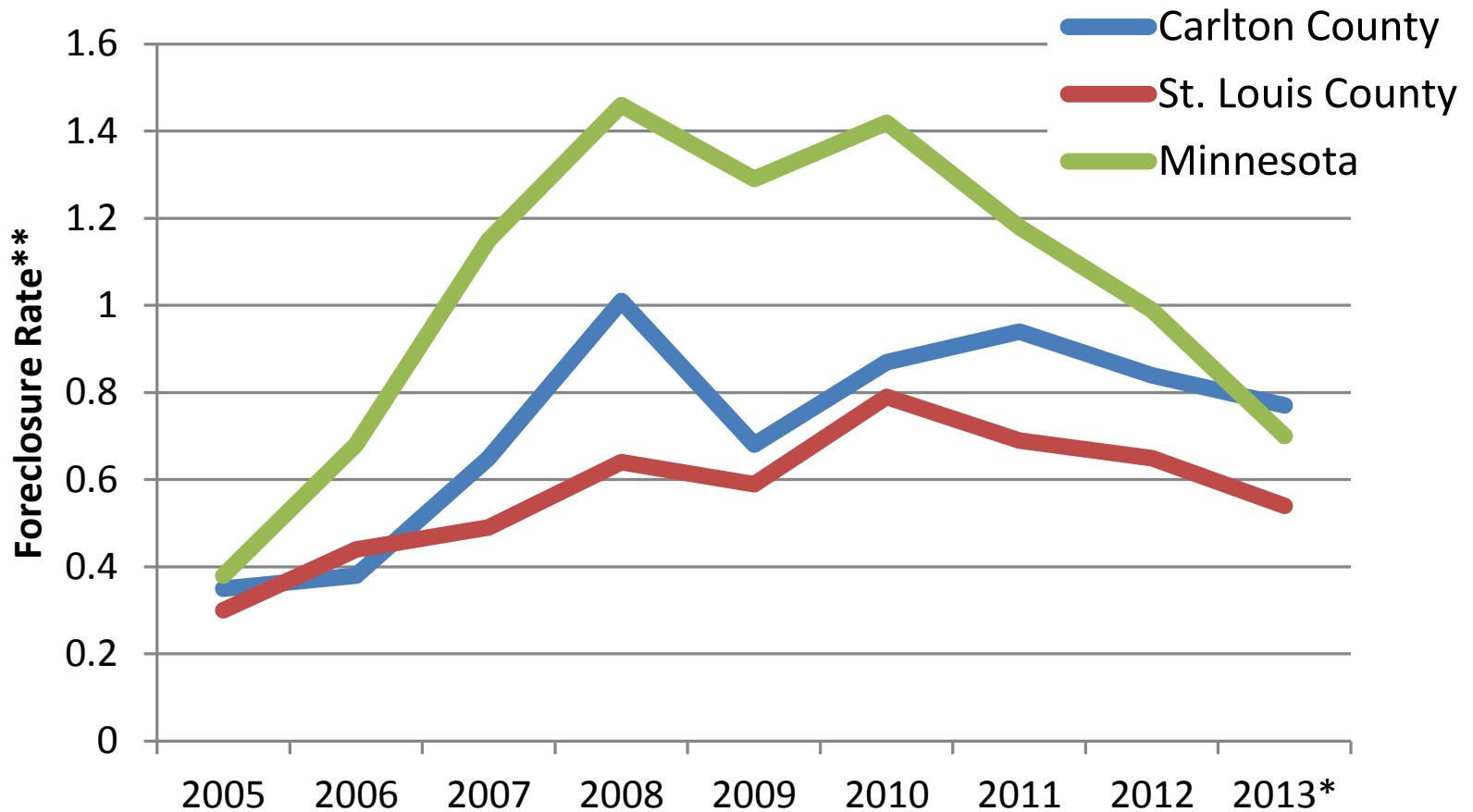
** Includes Carlton (city), Thomson (village), and Twin Lakes twp

Source: Duluth Area Association of Realtors: MLS



There are 400+ vacant lots with municipal sewer and water, none of which are in active subdivisions

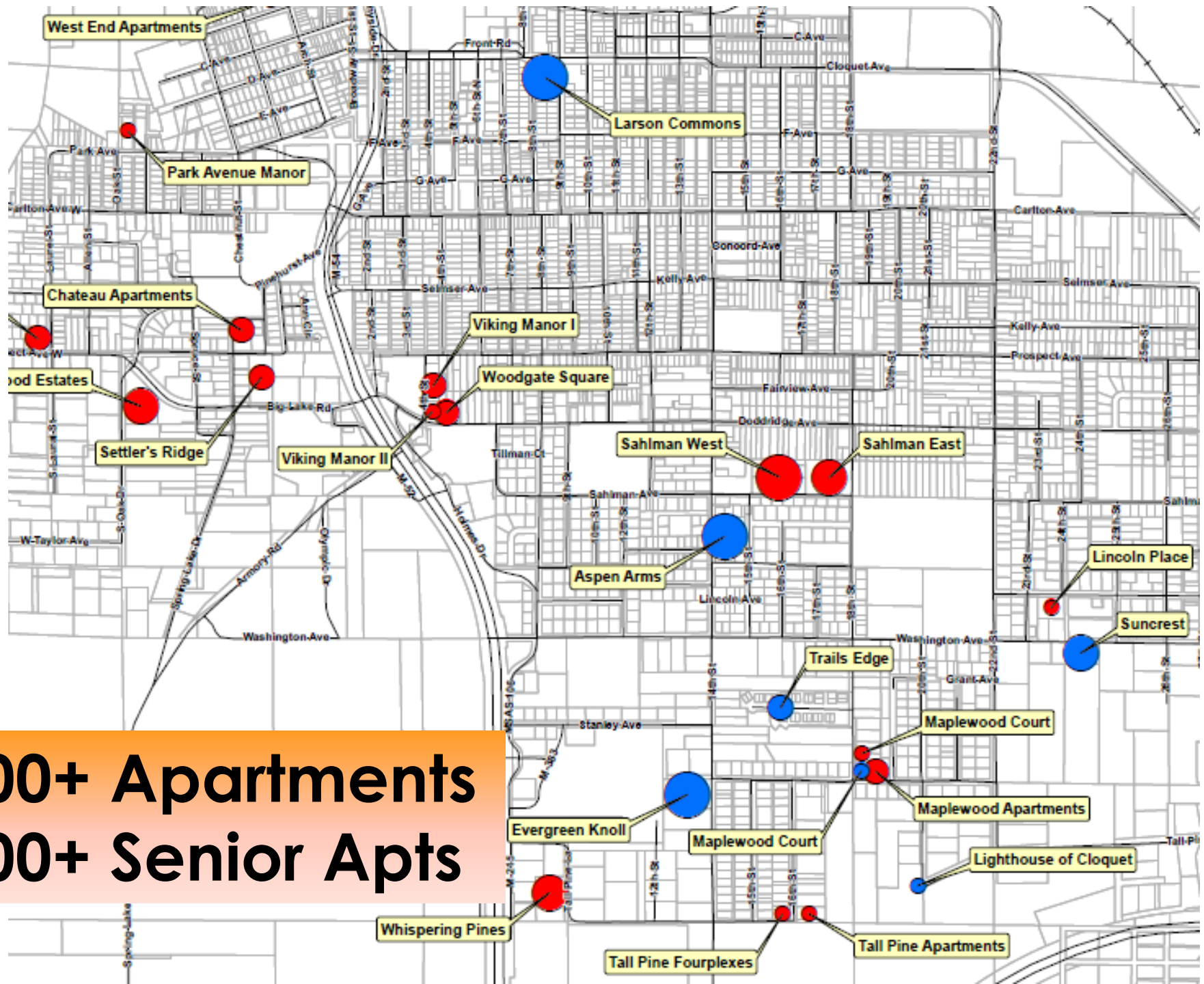
Home Foreclosure Rates



*Projected

** Foreclosures as a percent of total residential parcels

Source: www.HousingLink.org: Foreclosures in Minnesota: A Report Based on County Sherriff's Sale Data



600+ Apartments
400+ Senior Apts



**540 Single-Family Homes
are not “Homesteaded”**

Housing Market Summary: For-Sale

- For-sale market is improving, though prices still well below 2008 market peak
- Foreclosures are declining and lessening impact on the market
- Despite numerous “vacant” lots, minimal supply in active subdivisions
- Good schools, employment, and services attracting families to Cloquet

Housing Market Summary: Rental

- Rental market is healthy
- Demand driven by growth in low-wage industries
- Affordability is an issue because market rate rents average \$650/mo
- Despite expansion, senior market remains strong
- Single-family rentals are significant

A large, dark-colored sign shaped like a pine tree. The sign features the text "Welcome to" in a simple sans-serif font, followed by "Cloquet" in a large, stylized, outlined font. The sign is set against a background of dense evergreen trees.

Welcome to
Cloquet



Next Steps:
Recommendations

Recommendations

- Work with property owners to combine small vacant lots
- Strategically extend municipal services into areas with numerous vacant lots
- Improve aging infrastructure

Recommendations (con't)

- Encourage homeownership
- Encourage a diverse mix of housing styles
- Focus on developing owner housing that young families can obtain

Questions?

