



Minnesota State Demographic Center

# Demographic Trends That Are Transforming Minnesota

## Presentation to the Appraisal Institute

Andi Egbert, Assistant Director, MN State Demographic Center

May 18, 2016 | St. Paul, MN

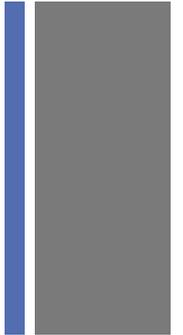
Website: [mn.gov/demography](http://mn.gov/demography) | Twitter: @MN\_StateData





# About the... MN State Demographic Center

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- Nonpartisan office in the state Department of Administration
- Staff of 4 FTEs including the State Demographer, Susan Brower
- Serve as a liaison to the Census Bureau and assist with the decennial census counts
- Create MN population estimates and projections
- Analyze, interpret and distribute data from the state, U.S. Census Bureau and other sources
- Offer data and technical assistance to legislators, all levels of government, organizations and citizens across the state
- Conduct custom analyses, issue reports, give presentations, and other activities to help MN to make data-informed decisions



+ 3 {  
Population Shifts  
Aging & Implications  
Who Lives Here?

Major trends for Minnesota

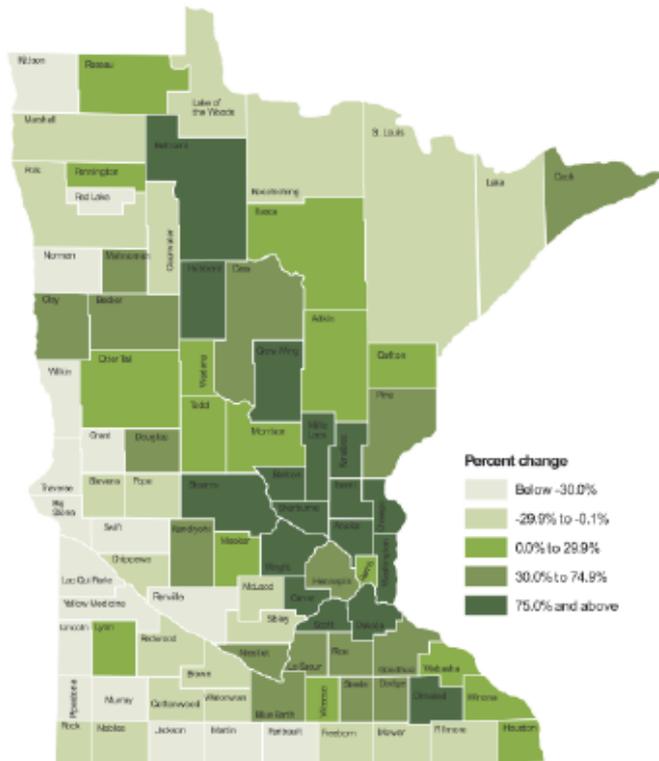


# Population Shifts



# The long, historic view... population change since 1960

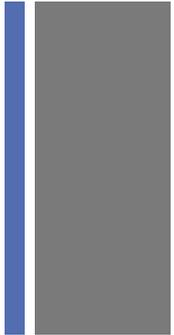
## Long-term population change, 1960-2013



Data source:  
U.S. Census Bureau,  
Population Estimate Program  
©Center for Rural Policy and Development



# QUIZ QUESTION



Where do 1 in 5 of Minnesota's residents live?



- A. The 7-county Twin Cities metro
- B. Otter Tail County
- C. Hennepin County



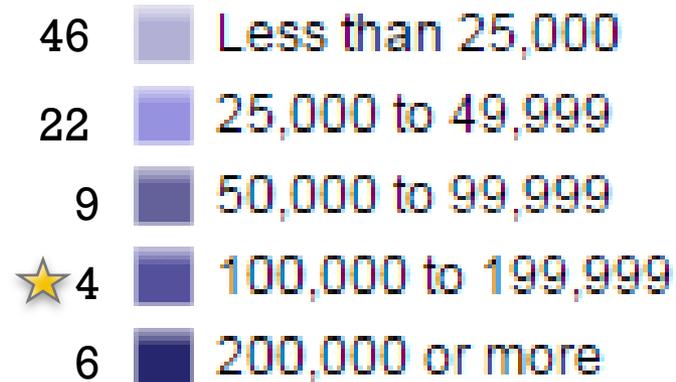
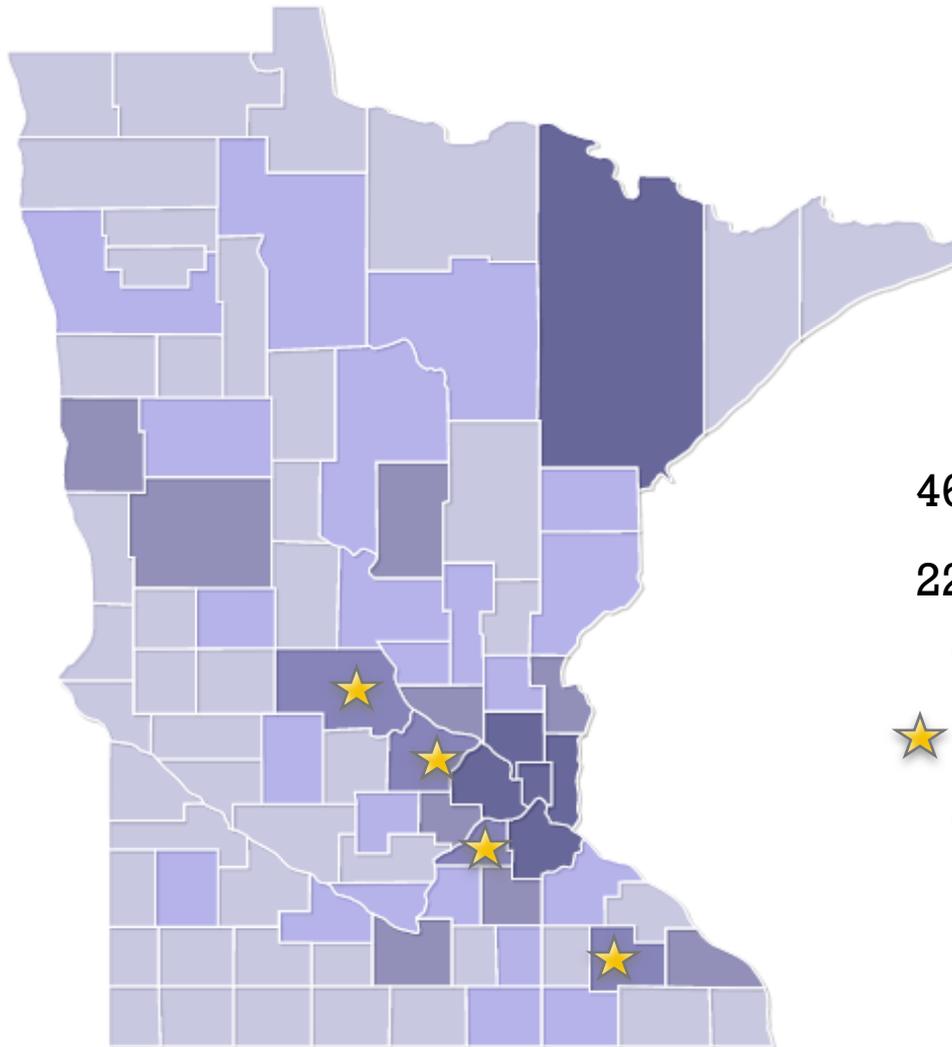
# Counties are not comparable units for measurement!

5 largest MN counties in 2014:

1. **Hennepin (1.2M residents, 22% of state)**
  2. Ramsey (530K, 10% of state)
  3. Dakota (412K, 8% of state)
  4. Anoka (343K, 6% of state)
  5. Washington (249K, 5% of state)
- Everywhere else (2.7M, 50% of state)



# Counties by population size, 2014

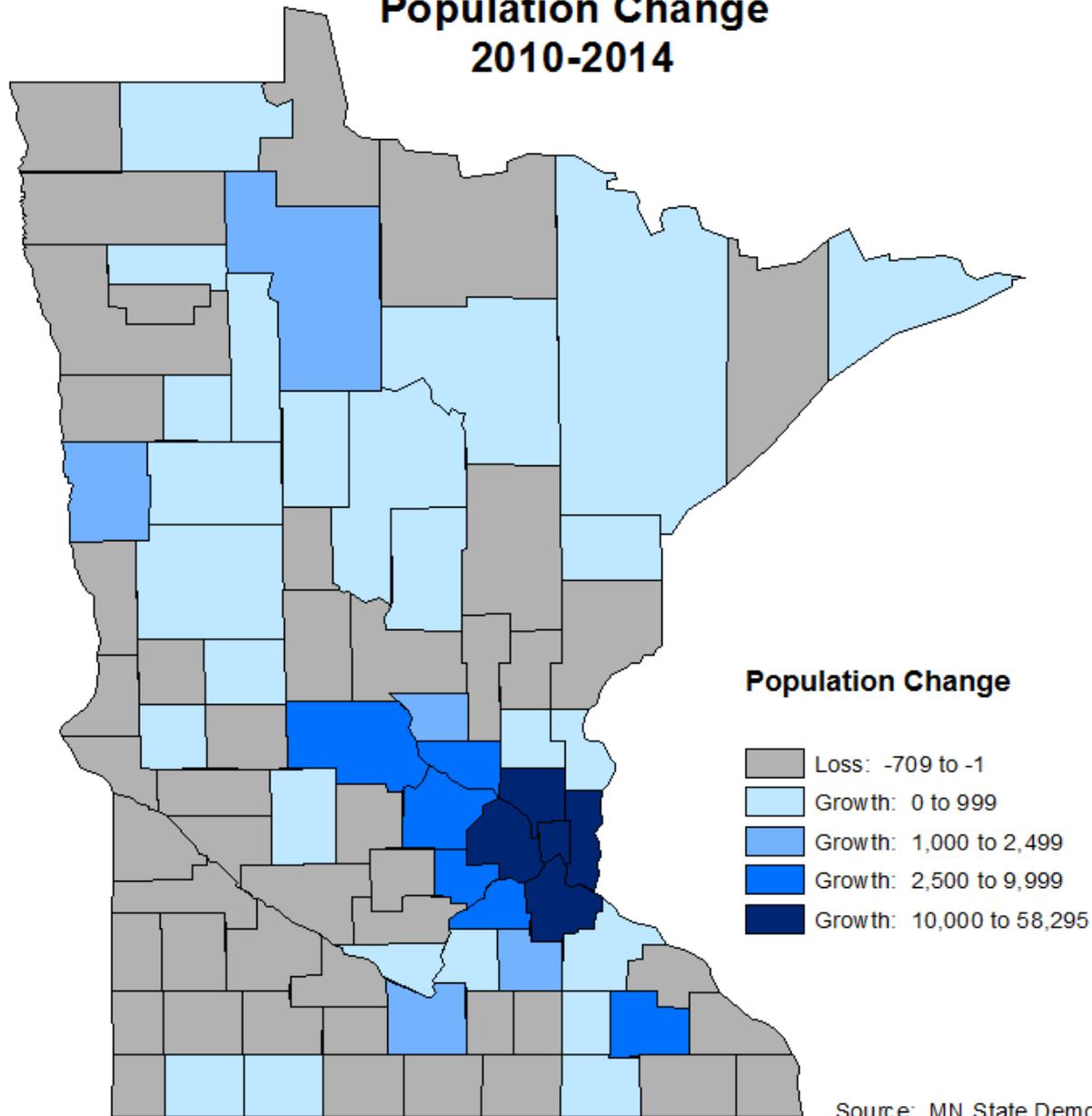


# + County highlights: Population change between 2010 and 2014

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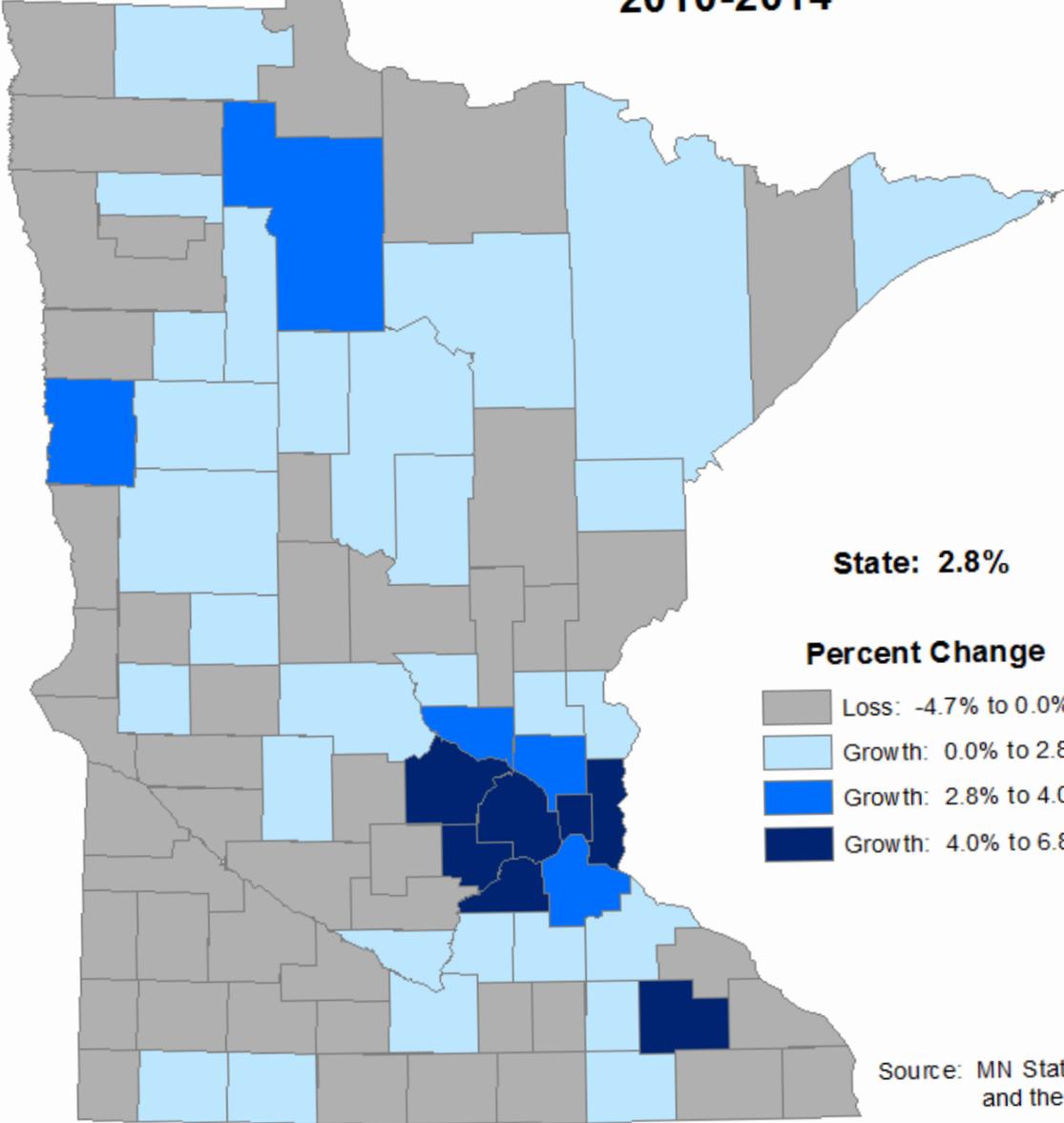
- Minnesota has 87 counties ranging in size from 3,400 residents (Traverse) to 1.2 million residents (Hennepin).
- Hennepin and Ramsey counties led all counties with population increases of about 58,000 and 21,000, respectively.
- 16 counties added 1,000+ residents.
- 46 counties have lost population since 2010.

# Population Change 2010-2014



Source: MN State Demographic Center  
and the Metropolitan Council

# Percent Population Change 2010-2014



# + Top 10 fastest growing MN cities

		2014	2010	2010-2014
Rank	City	population	population	growth
1	Minneapolis city	411,273	382,578	28,695
2	St. Paul city	299,641	285,068	14,573
3	Blaine city	62,066	57,186	4,880
4	Rochester city	111,007	106,769	4,238
5	Woodbury city	66,119	61,961	4,158
6	Bloomington city	86,652	82,893	3,759
7	Rogers city	12,230	8,597	3,633
8	Lakeville city	59,361	55,954	3,407
9	Moorhead city*	41,181	38,065	3,116
10	Plymouth city	73,633	70,576	3,057

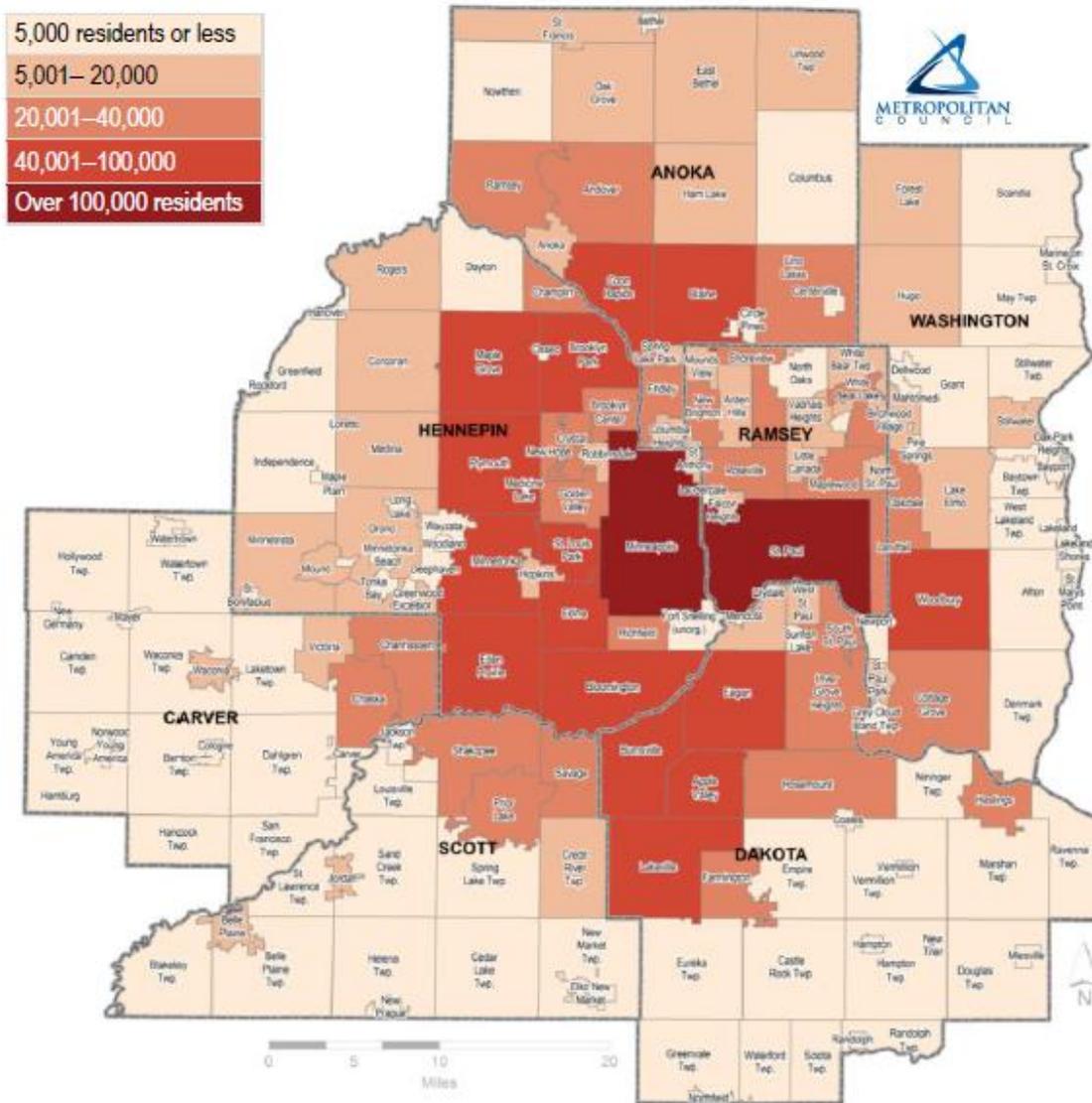
\* Included anticipated growth from annexation of Oakport Township so as to be considered for future state aid considerations.



# Focus on the 7- county metro

2014 population  
(red=greatest)

Figure 1. Total population based on 2014 estimates for cities and townships



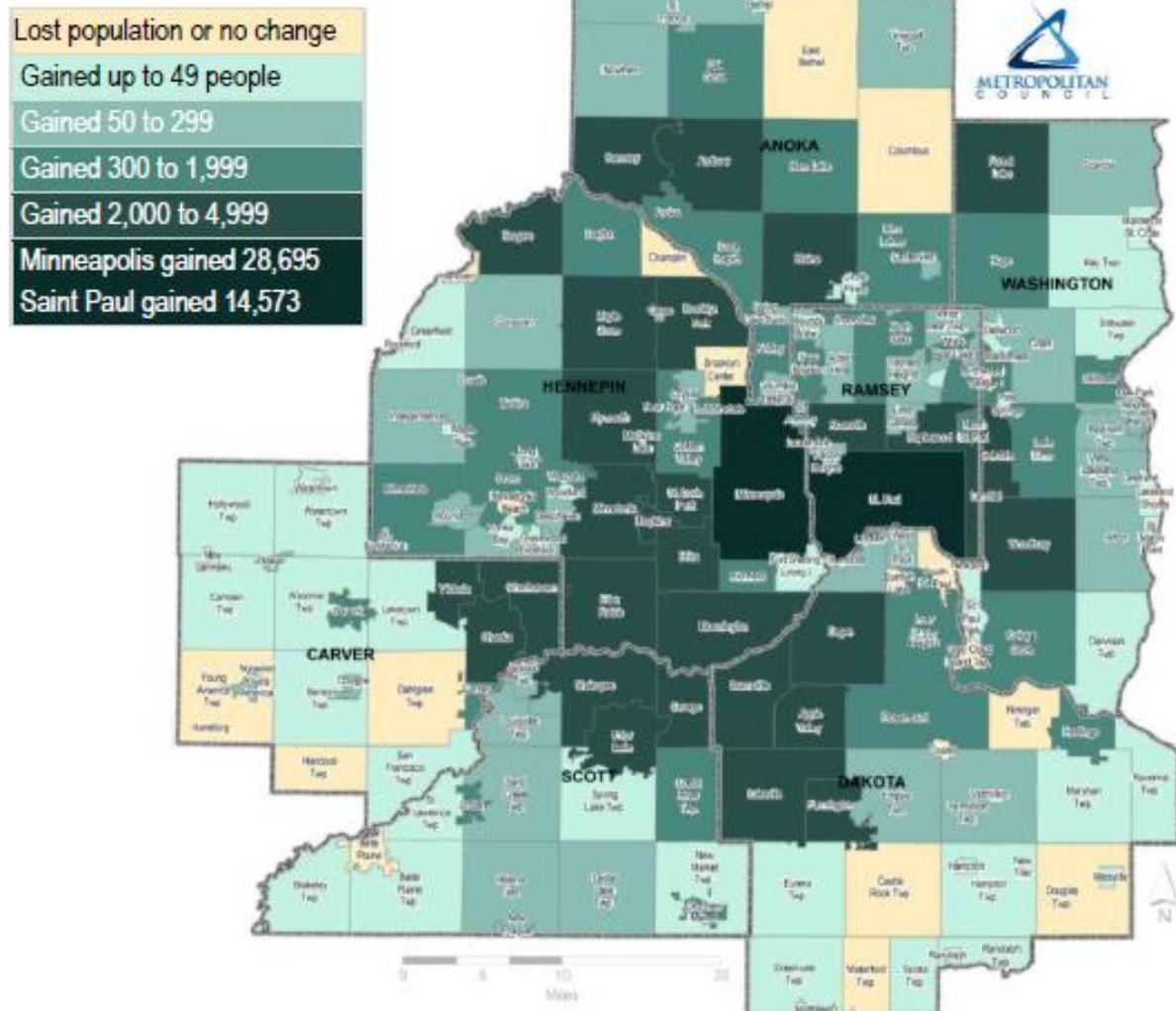
Source: Metropolitan Council's 2014 Population Estimates.



# Focus on the 7- county metro

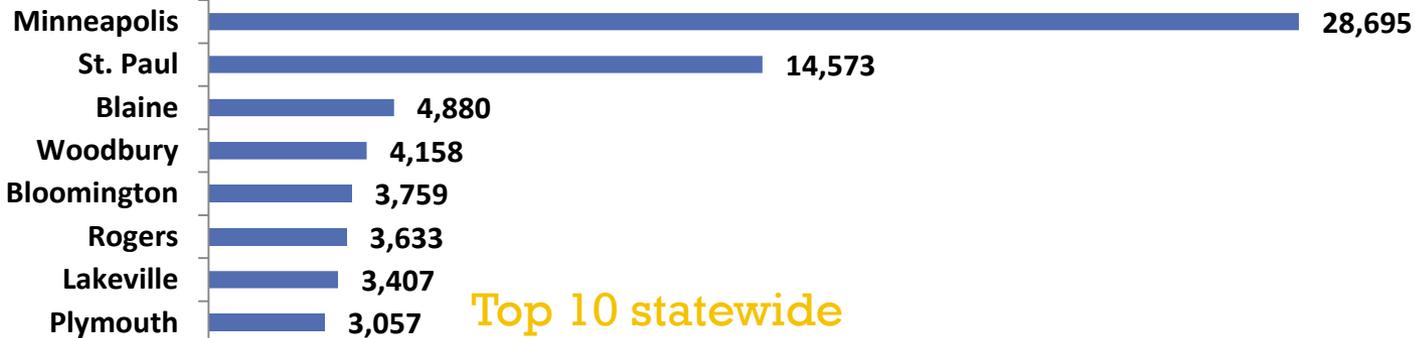
Population change, 2010-2014  
(darkest green=greatest)

Figure 3. Population change between 2010 and 2014 for cities and townships

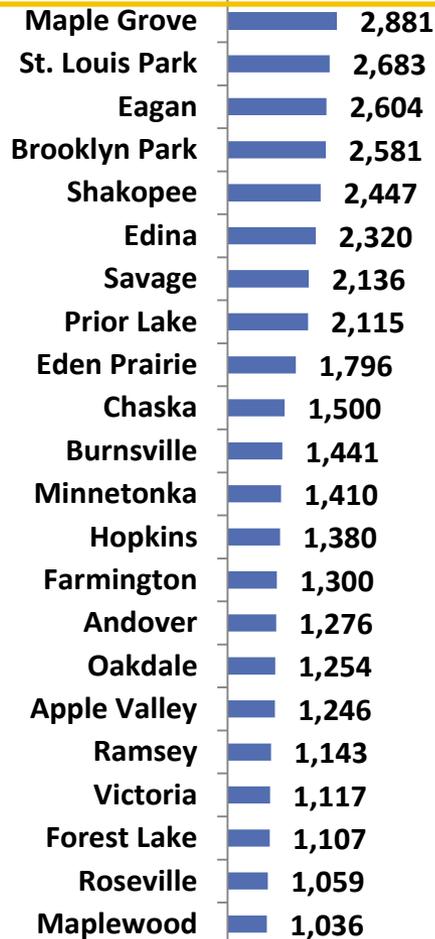


Source: Metropolitan Council's 2014 Population Estimates.

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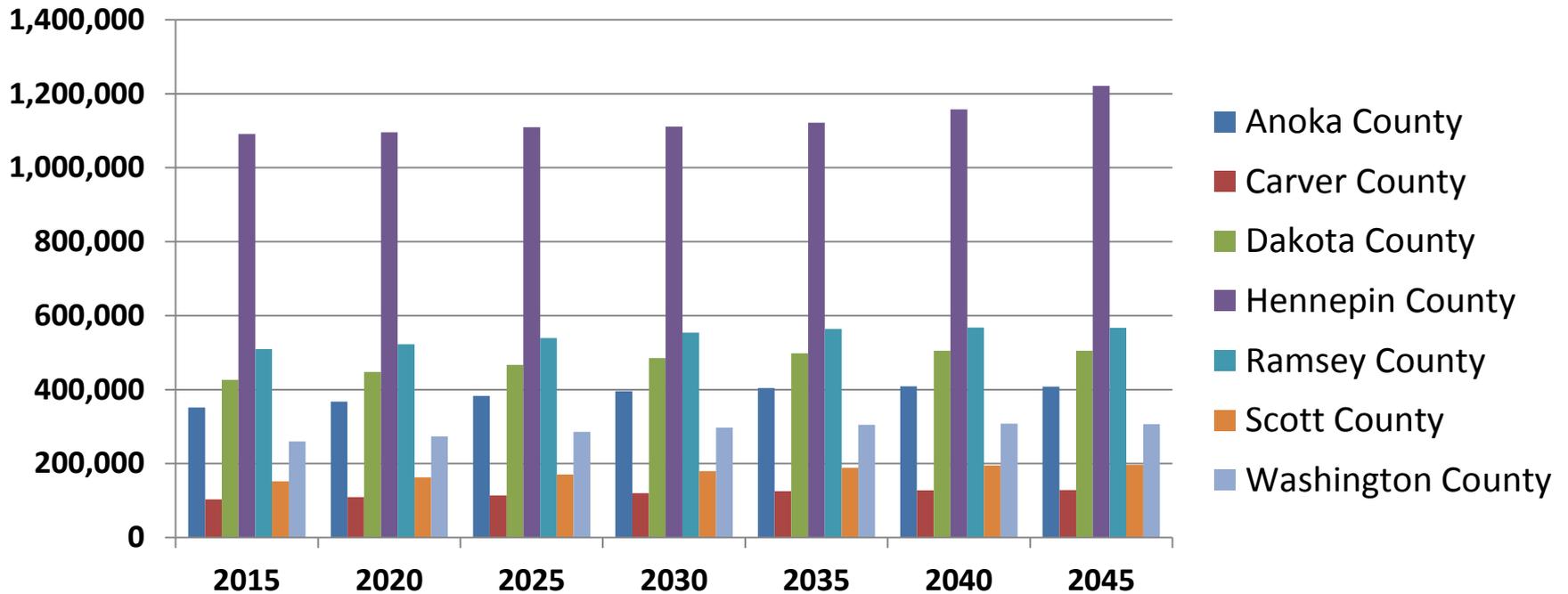
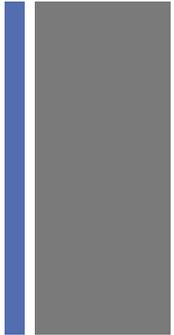
Top 10 statewide



7-county metro cities  
adding net 1,000+ people,  
between 2010 and 2014

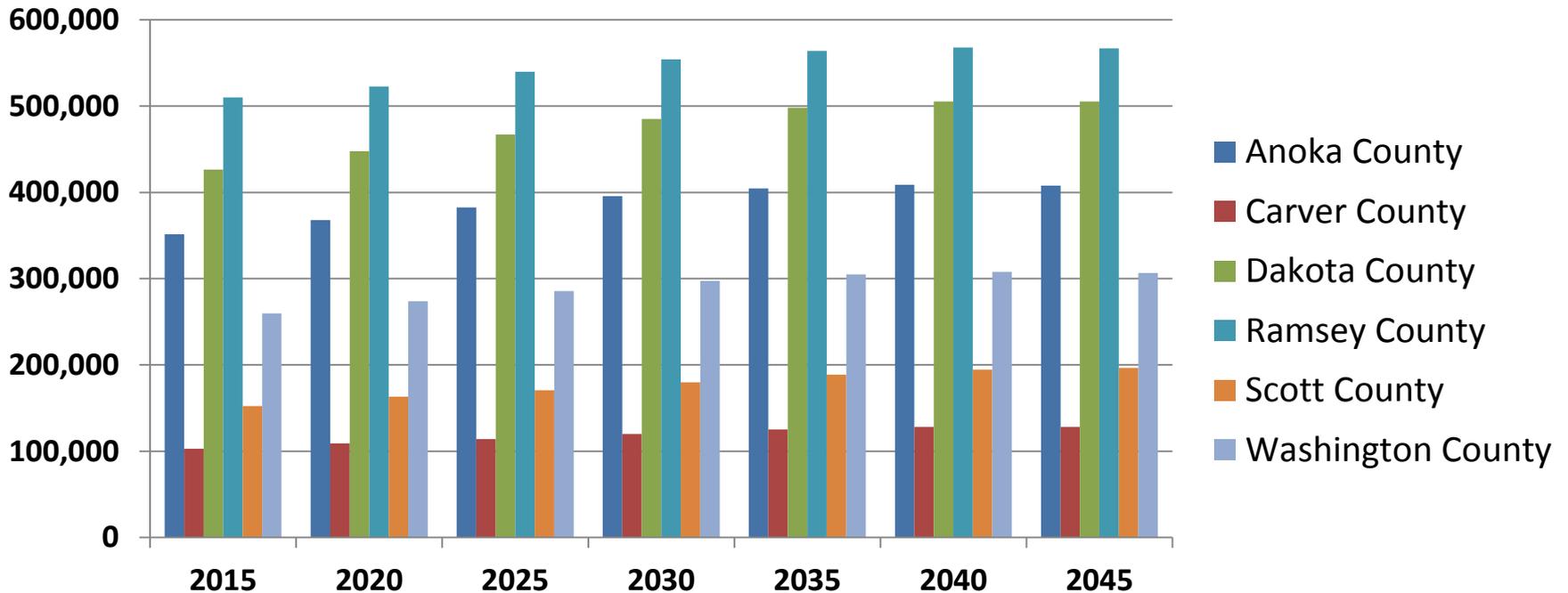
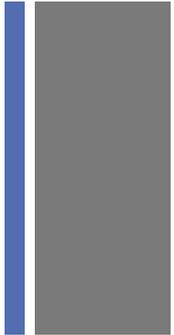


# All metro counties projected to continue growing through 2045





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Dakota County closes in on Ramsey County population in coming decades (Note: Hennepin removed from graph)

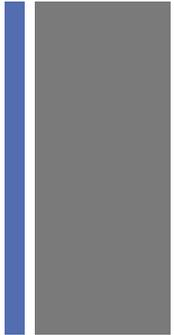


# Aging

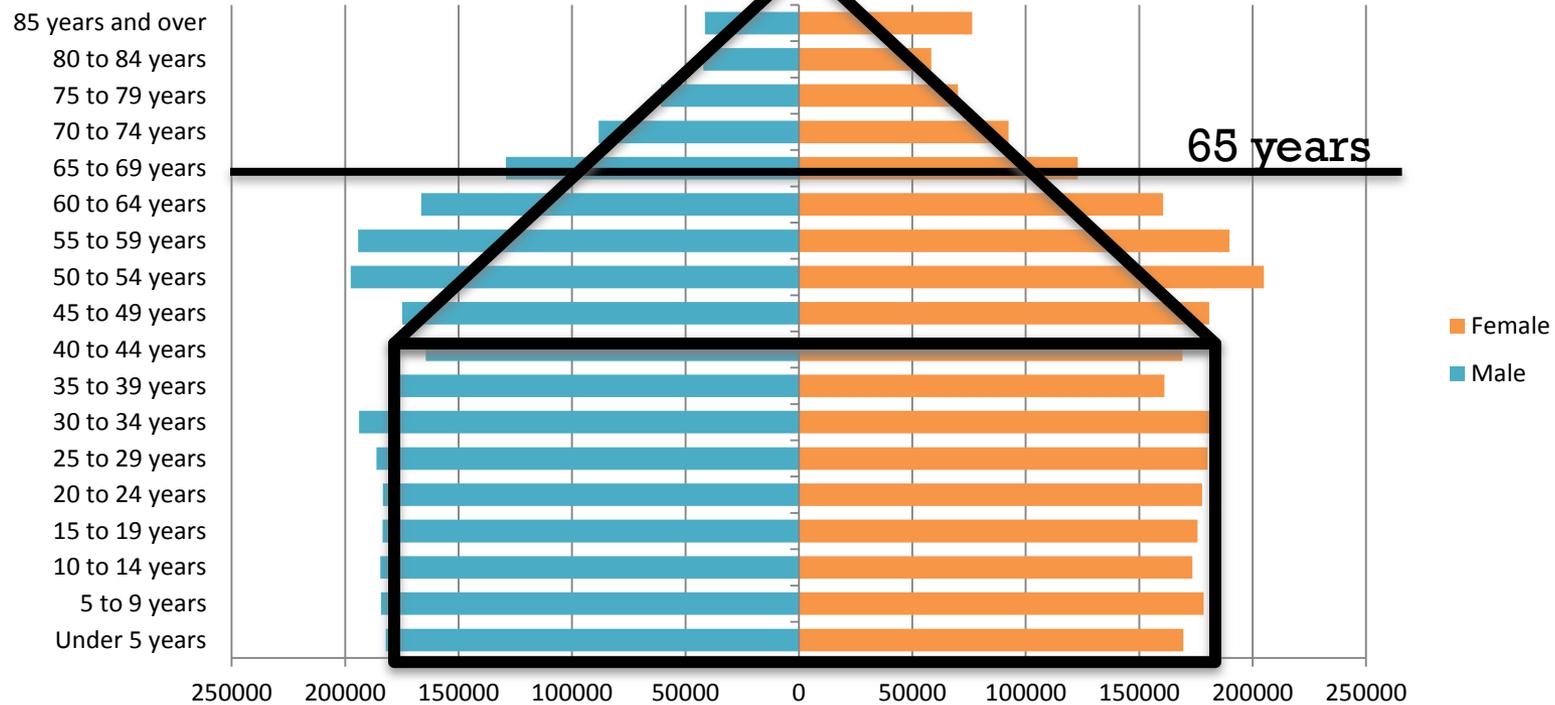
And implications  
for housing and beyond



# What Minnesota looked like... last year



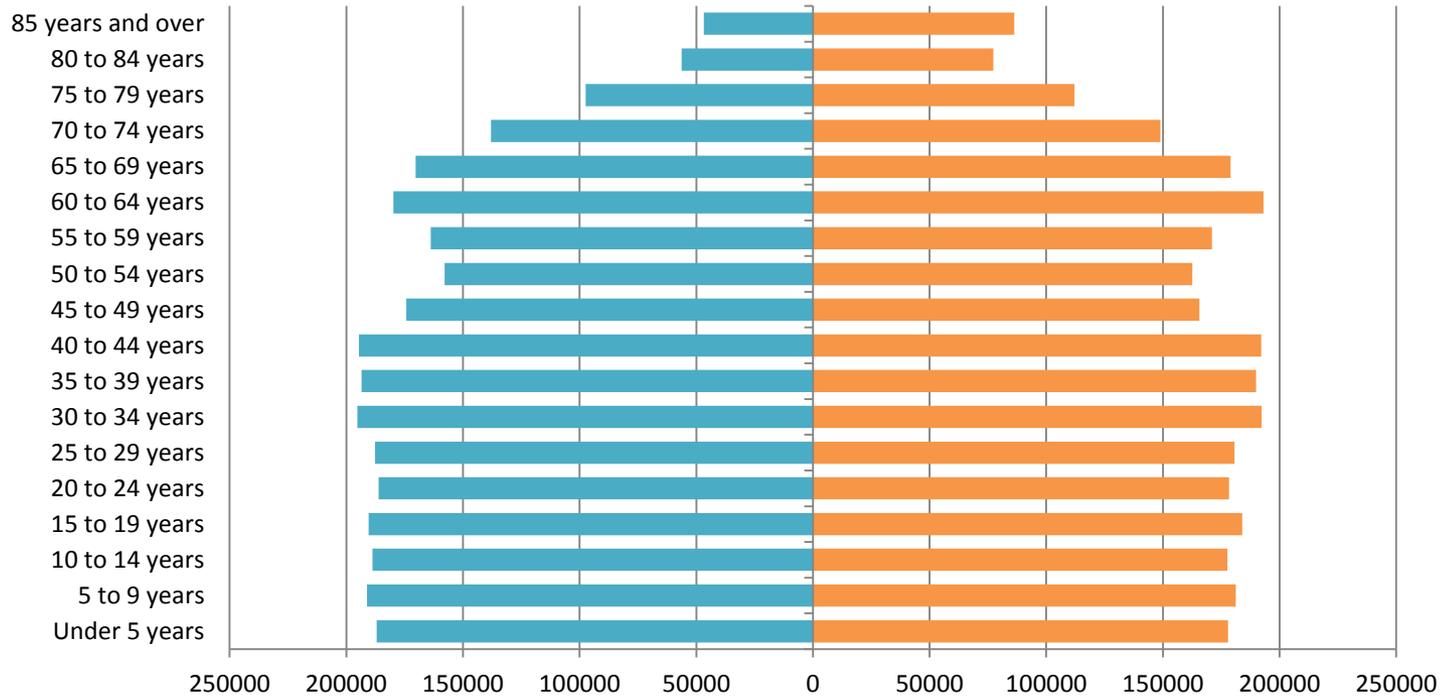
Population by age and sex  
Minnesota, 2015





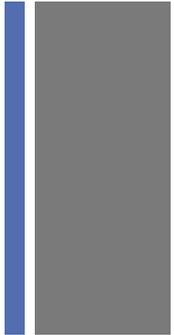
# What Minnesota will look like... in 9 years

Population by age and sex  
Minnesota, 2025

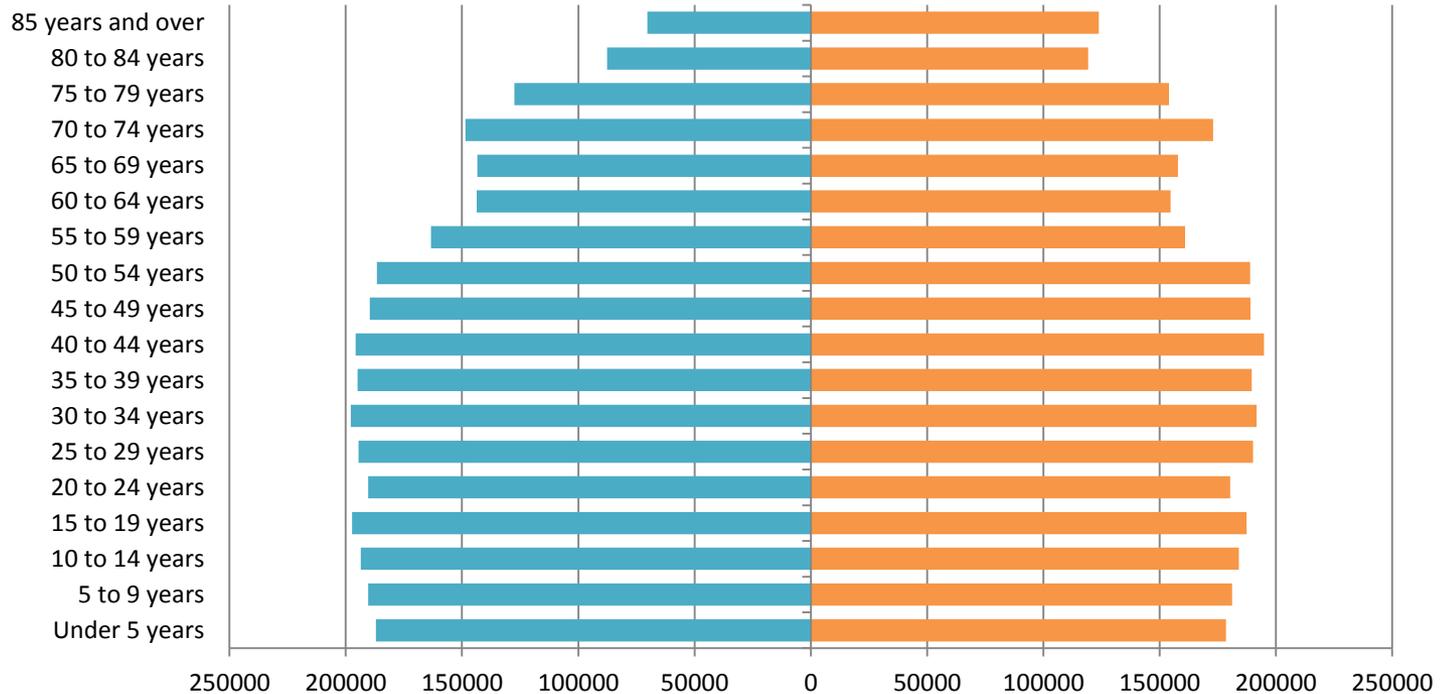




# What Minnesota will look like... in 19 years



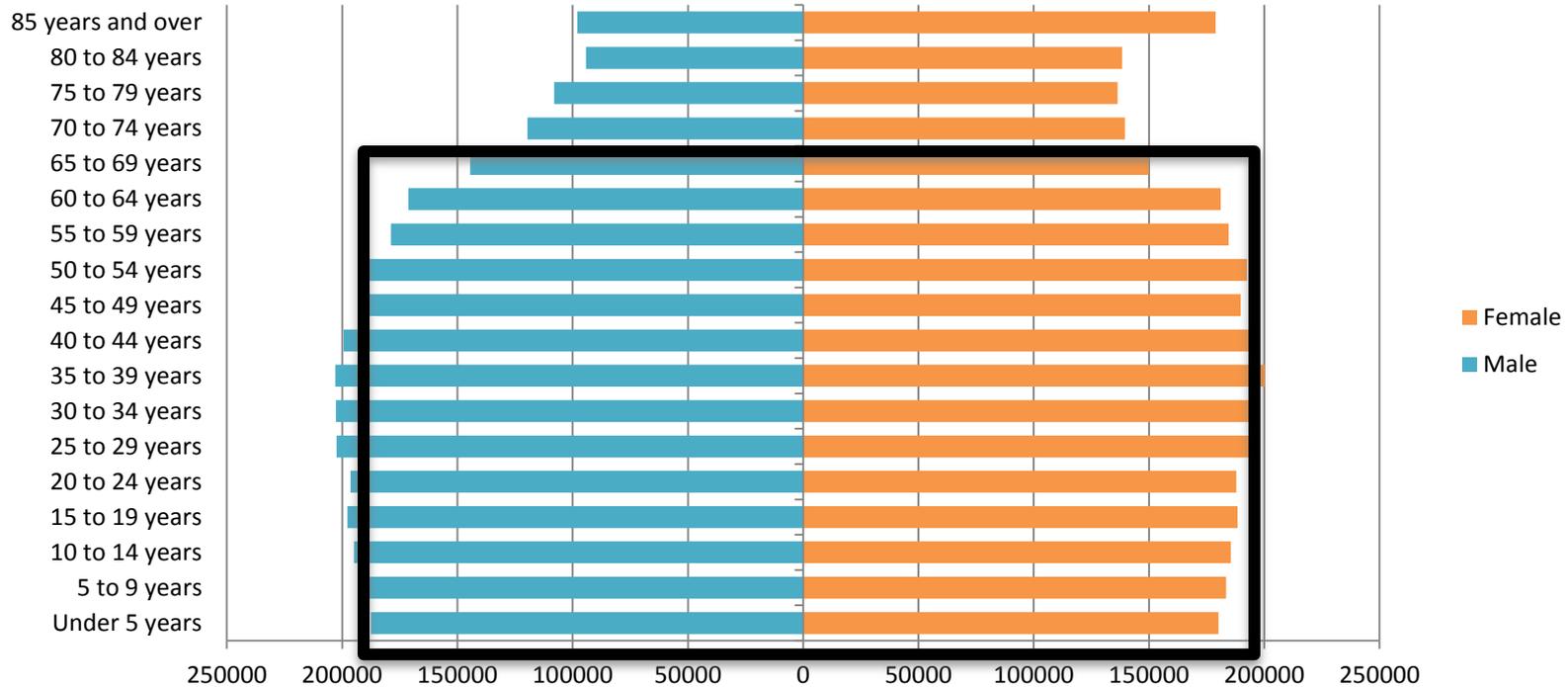
**Population by age and sex**  
Minnesota, 2035





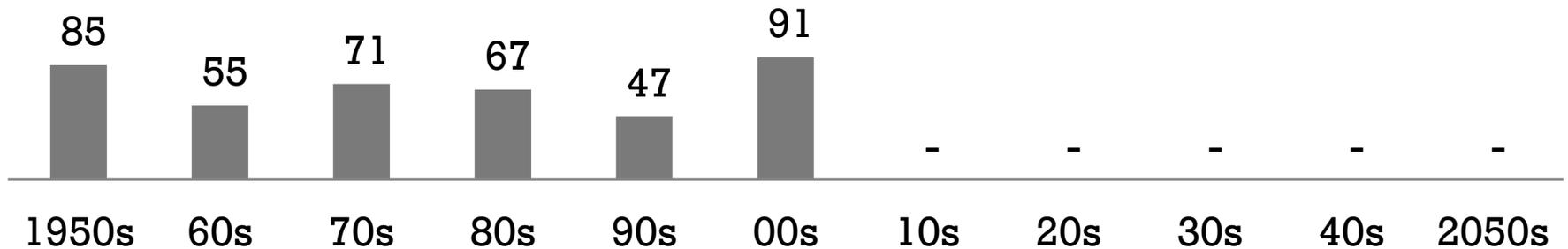
# What Minnesota will look like... in 29 years

Population by age and sex  
Minnesota, 2045



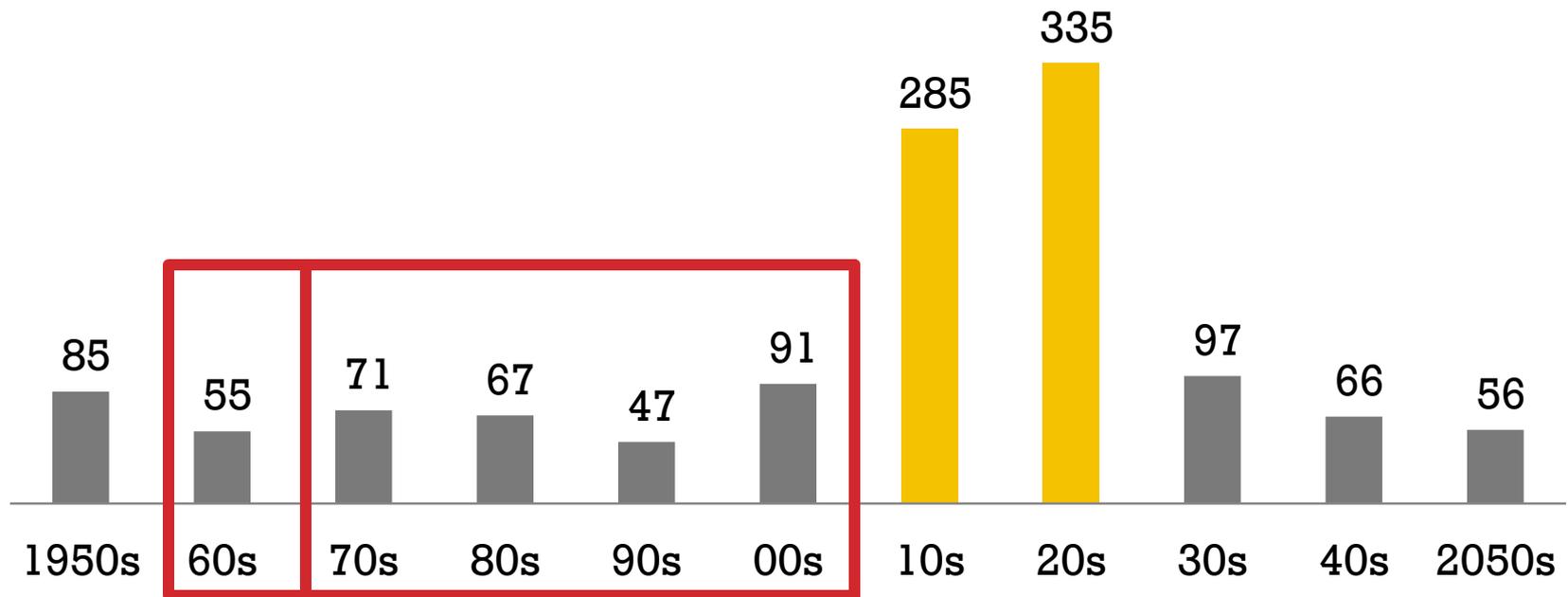
# + How many additional “older adults” will we gain during this decade?

**Change in older adults, age 65+ (Thousands)**



# + This decade and next: *Unprecedented* increases in MN's 65+ population

**Change in older adults, age 65+ (in thousands)**





## QUIZ QUESTION:



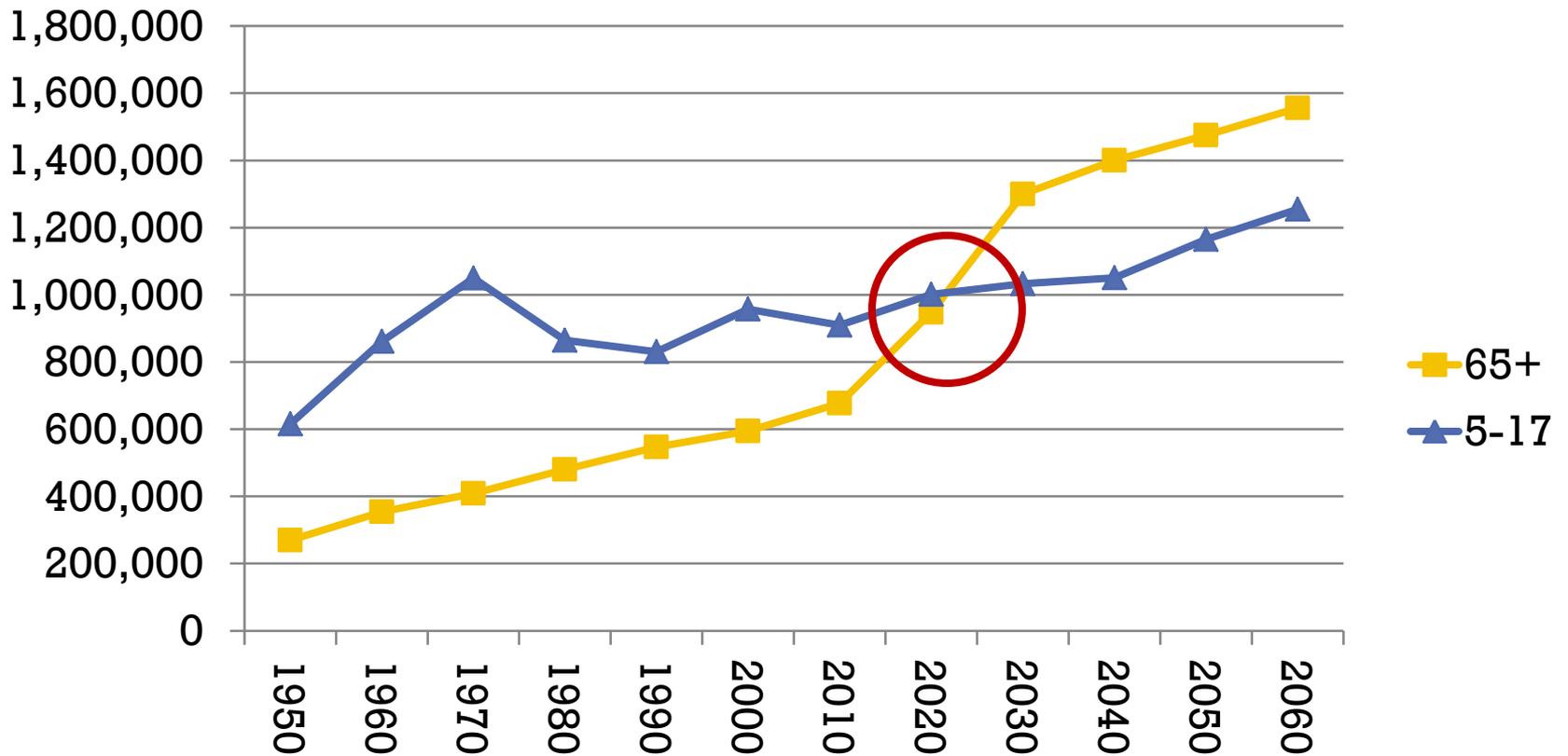
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What event is predicted to happen in 2020 that has never before happened in the history of our state?

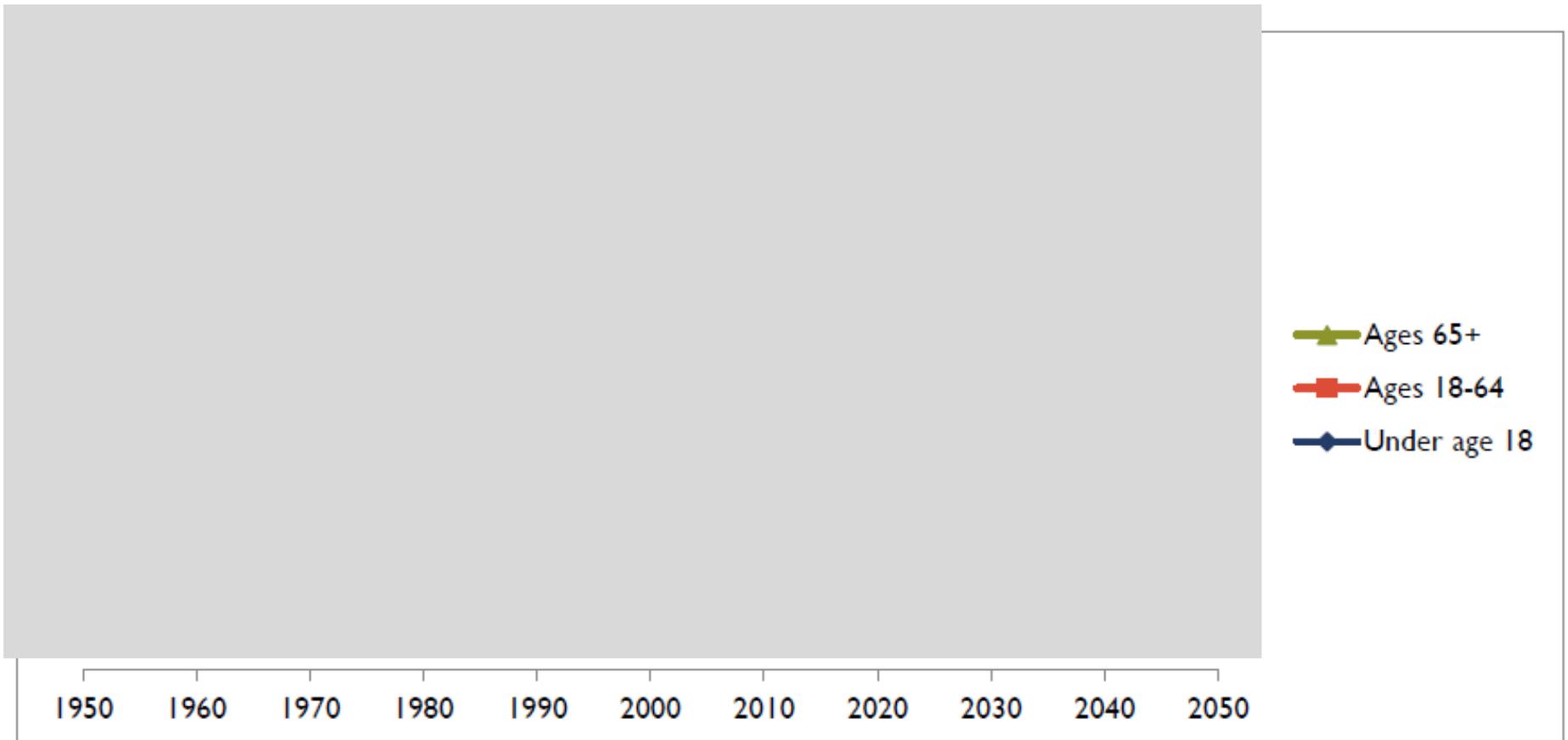
- A. The Vikings will win the Super Bowl
- B. MN will have fewer people than Iowa
- C. MN will have more older adults than school-age children



# For the first time in MN history: More 65+ than school-age by 2020



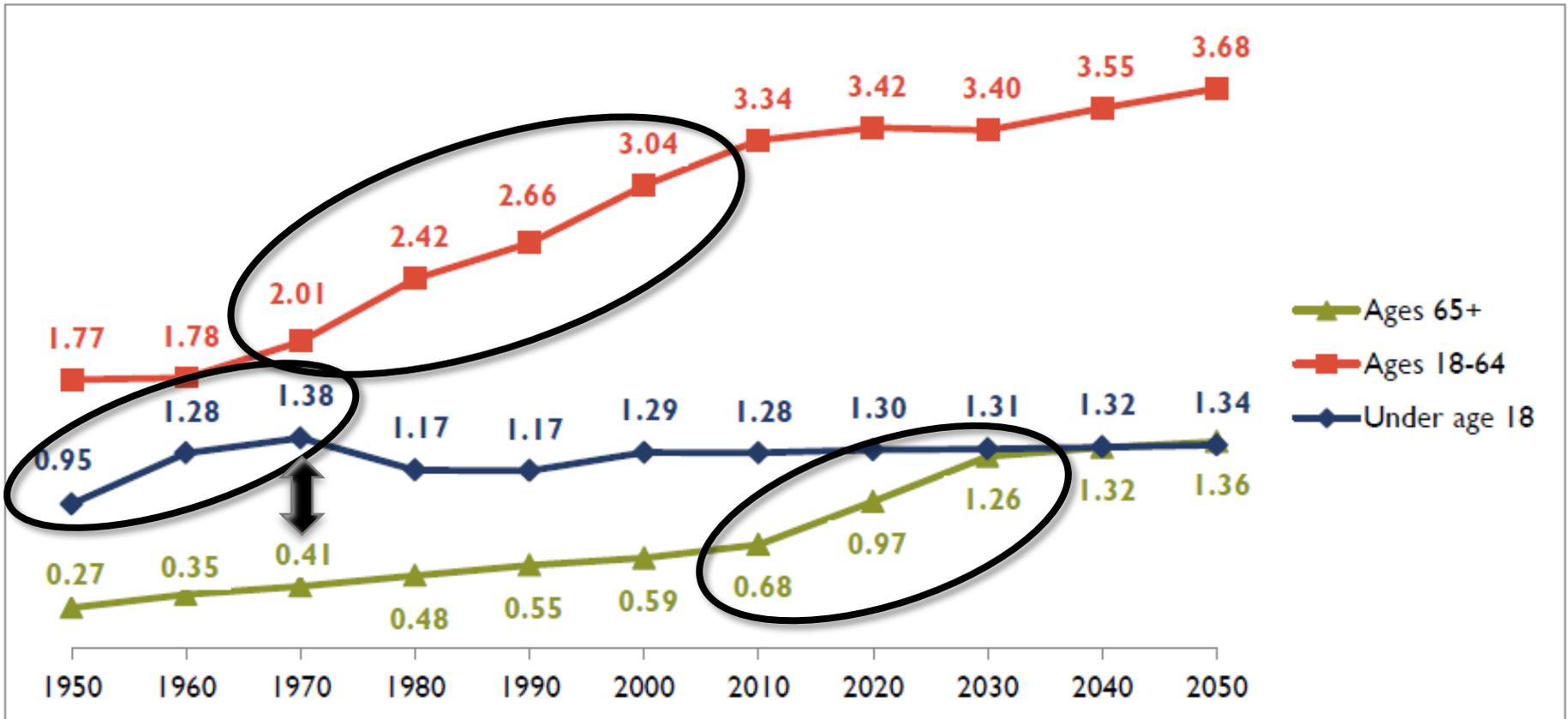
# + 1950 to 2050 – Three major age groups in MN (millions of people)



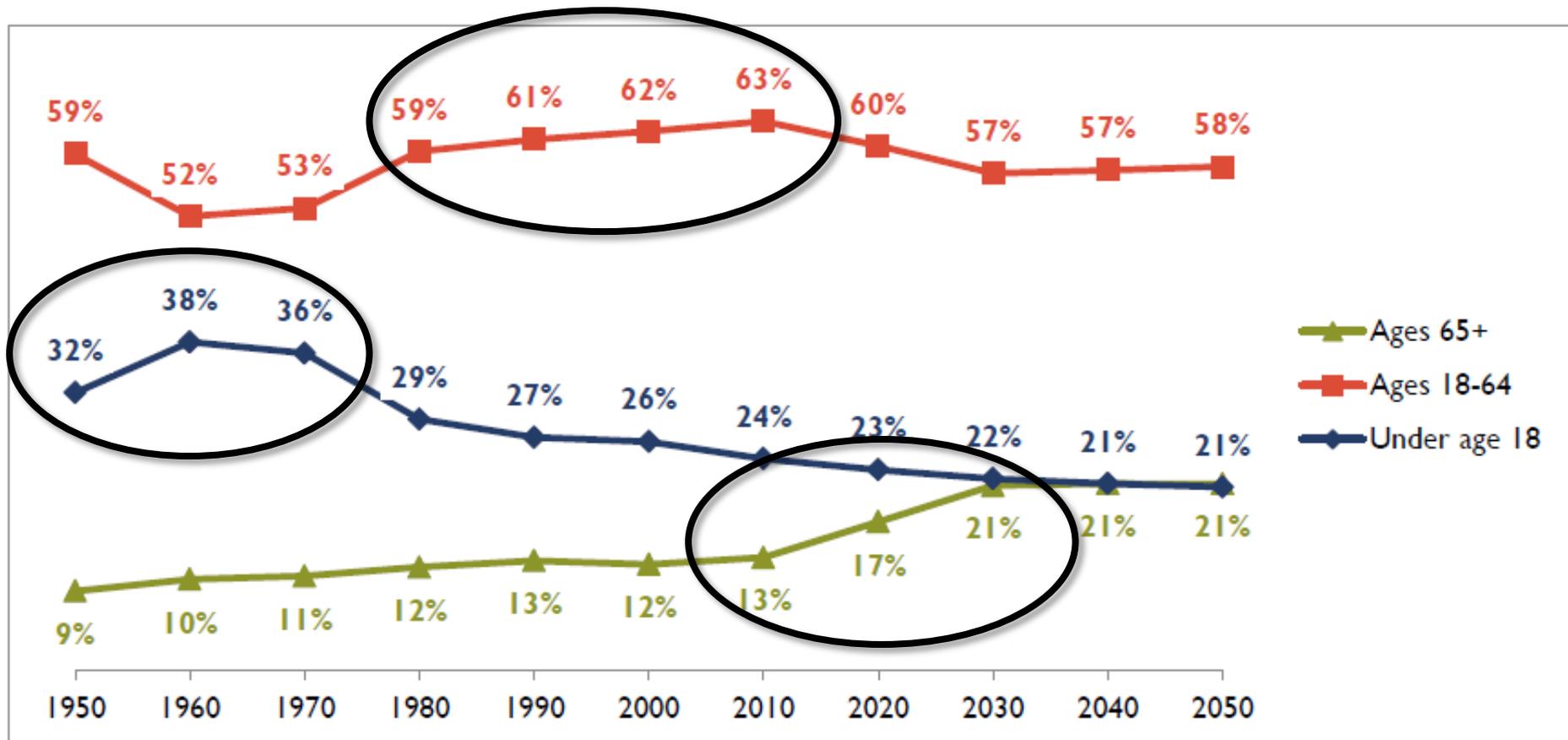
Source: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center Projections.



# 1950 to 2050 – Three major age groups in MN (millions of people)



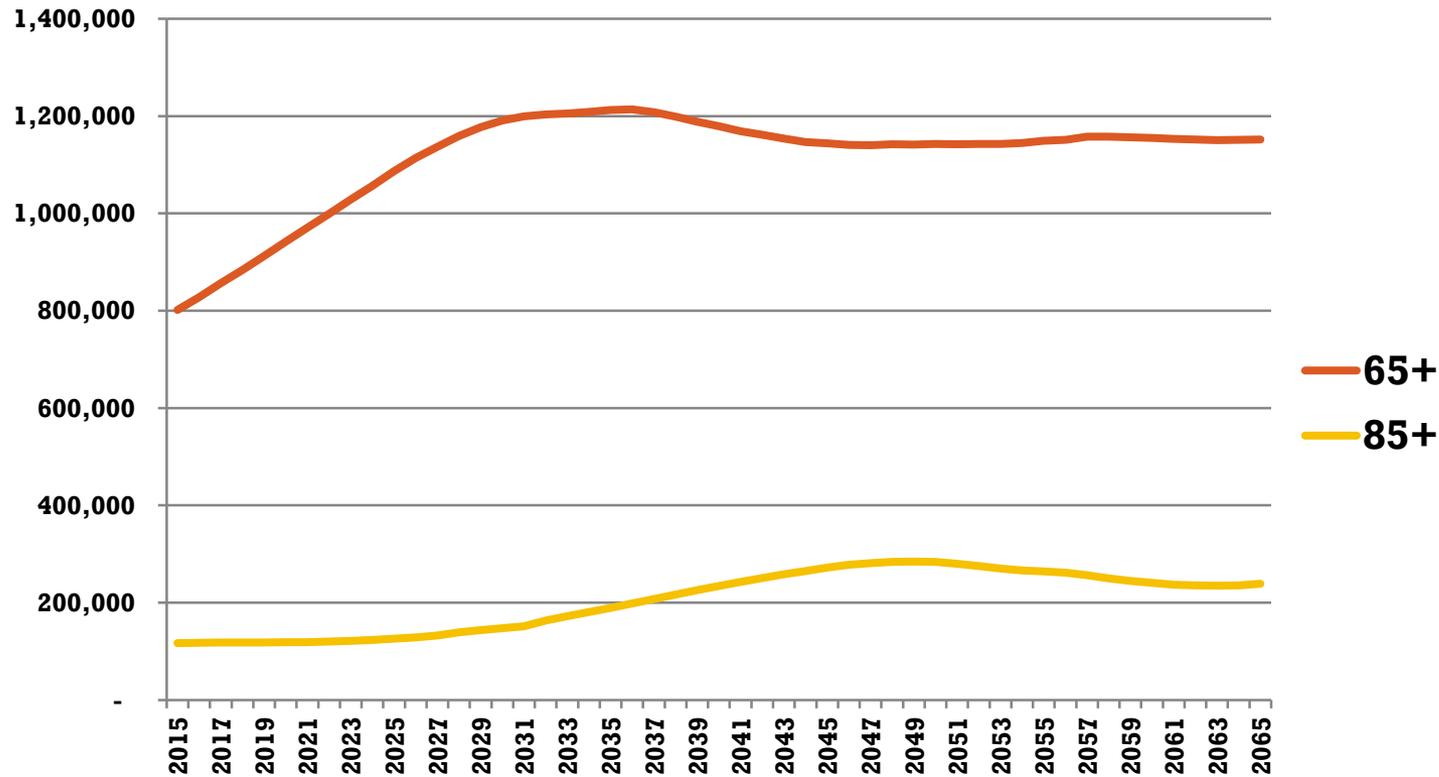
# + 1950 to 2050 – Three major age groups in MN (% of total population)



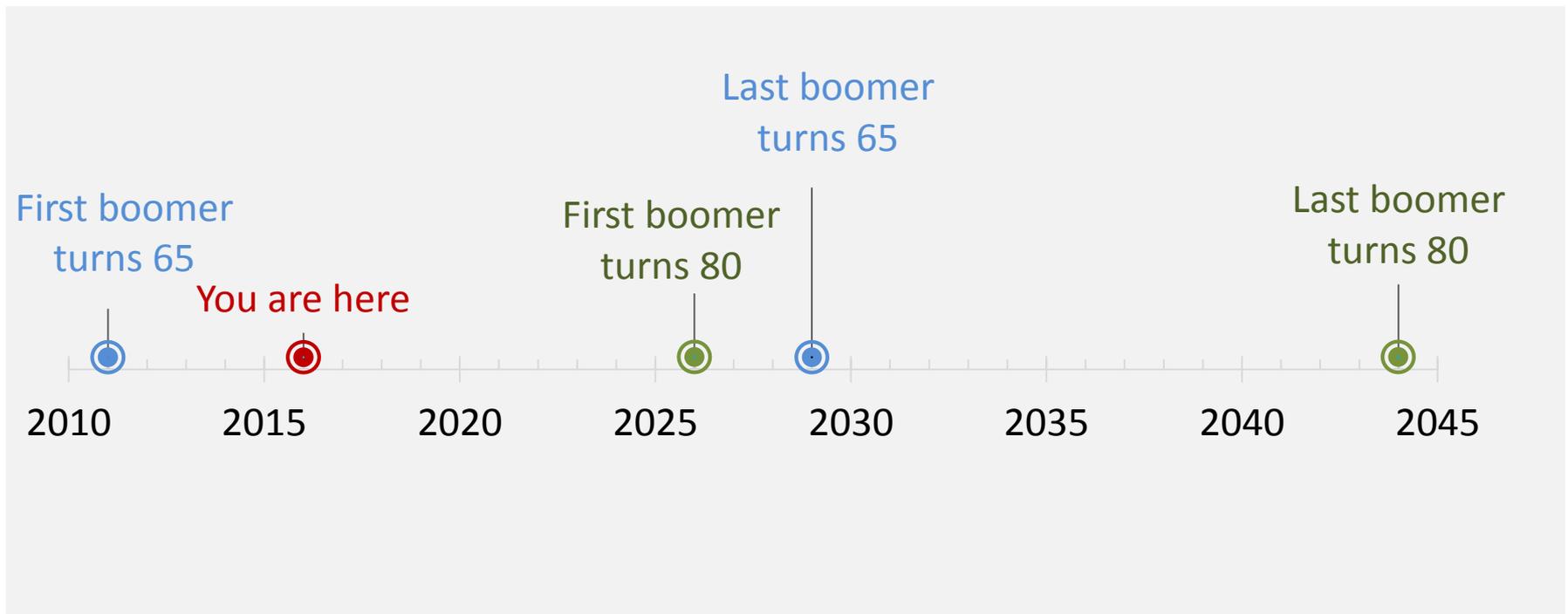
Source: U.S. Census Bureau, decennial census, and Minnesota State Demographic Center Projections.



# An “older Minnesota” is here to stay (2015 – 2065)



# The transition to an older Minnesota has already begun





# Aging: Assets of our older population

- Minnesota's older adults are healthier, living longer, and working longer than prior generations
  - Life expectancy for Minnesotans age 65 now is 20.1 more years (15.6 years in good health)
  - Minnesota's Boomers and older adults volunteer in record numbers, strengthening our communities in countless ways
  - Opportunities to mentor in business and educational settings





# Challenges related to our aging population

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- Will we have or create sufficient **infrastructure** for more transportation, caregiving, health care, and social support needs, as **health challenges and disabilities increase**, especially when children live far away?
- Will we be able to **finance needed services**, especially long-term care? Private and public medical expenses will increase considerably.
- Will we have the workers to form a strong, skilled, highly **productive labor force** as the Boomers retire — for economic growth, tax revenues for needed services, and maintaining a high quality of life in MN?

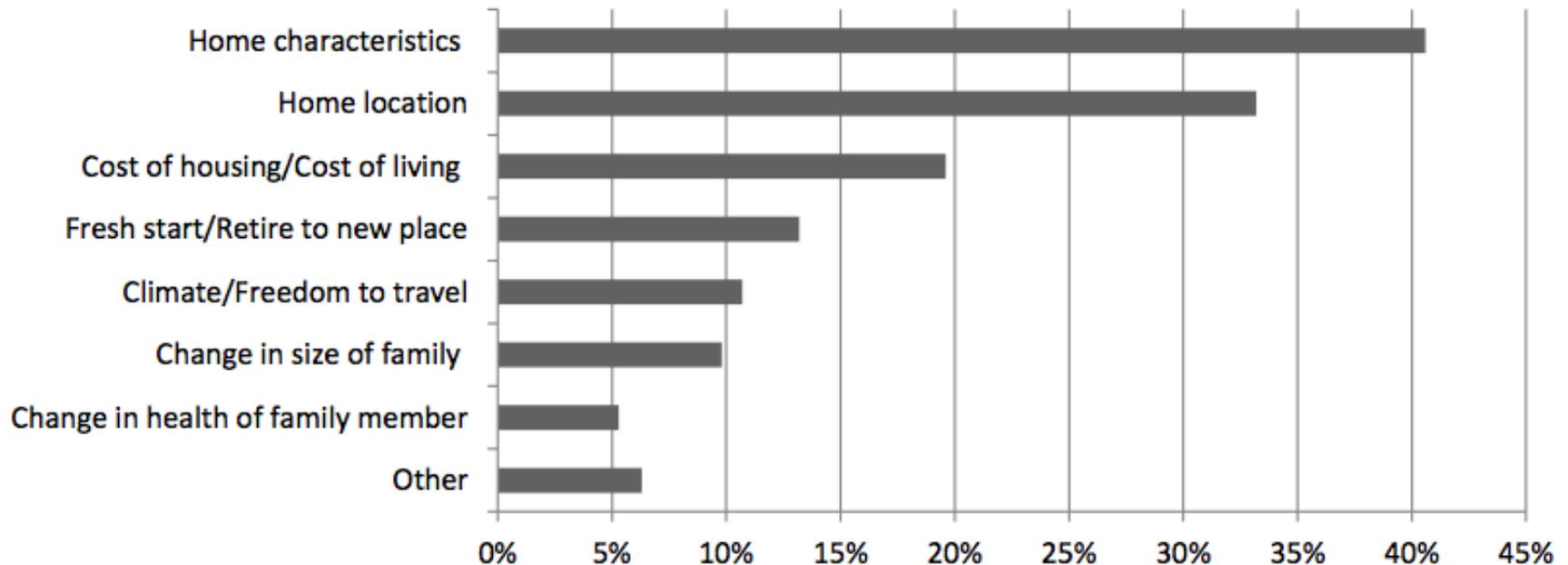


# 65+ Minnesotans in households (not in group settings)

- Currently 25% of MN households have one or more people age 65+ living there
  - 2 out of 5 of these households have only one older adult (or 10% of all households)
- This percentage will rise significantly in the next two decades.

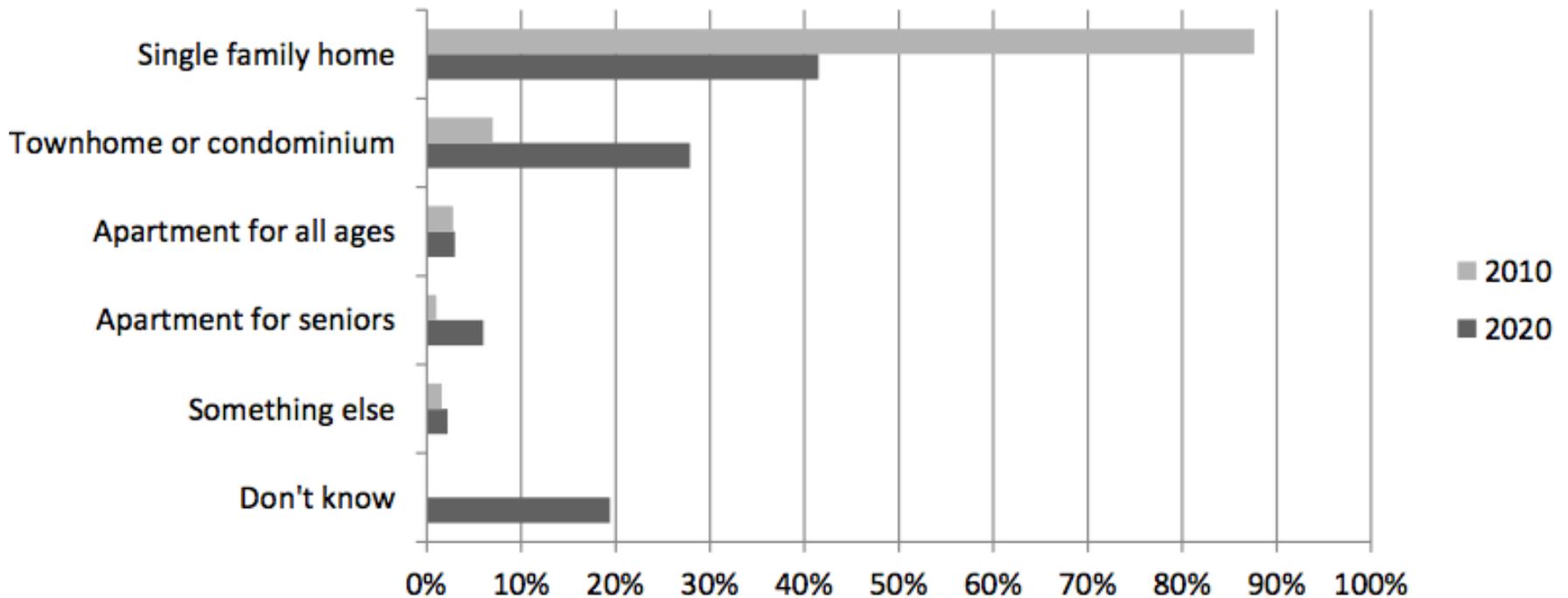


# Reasons Minnesota Baby Boomers give for wanting to move



Source: Transform 2010 Survey, MN Department of Human Services

# MN Boomers' Housing Preferences (those expecting to move in 10 years )



Source: Transform 2010 Survey, MN Department of Human Services



# Workforce Considerations

# + QUIZ QUESTION

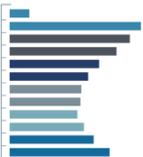
Since 1980, the percentage of Minnesota's 65- to 69-year-olds participating in the labor force has increased by \_\_\_ percentage points.

A. 2

B. 4

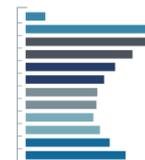
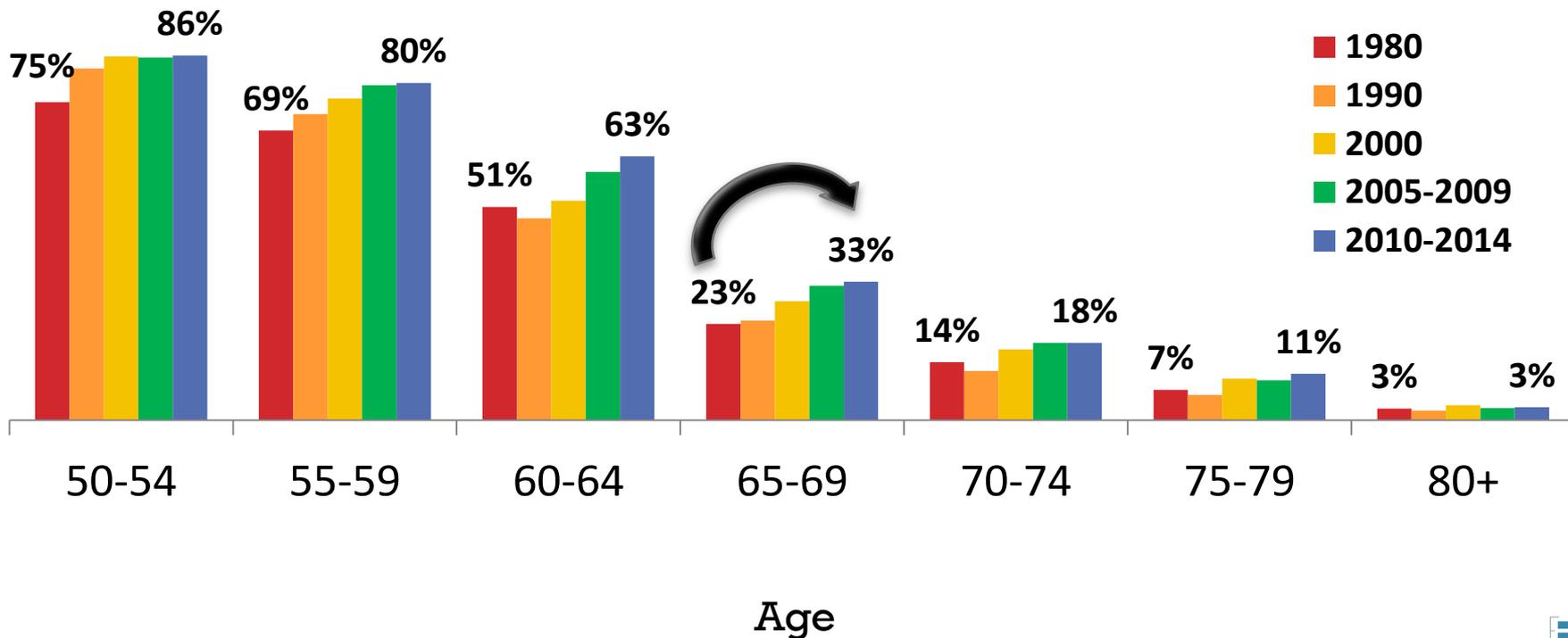
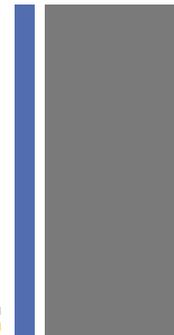
C. 10

D. 18



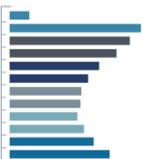
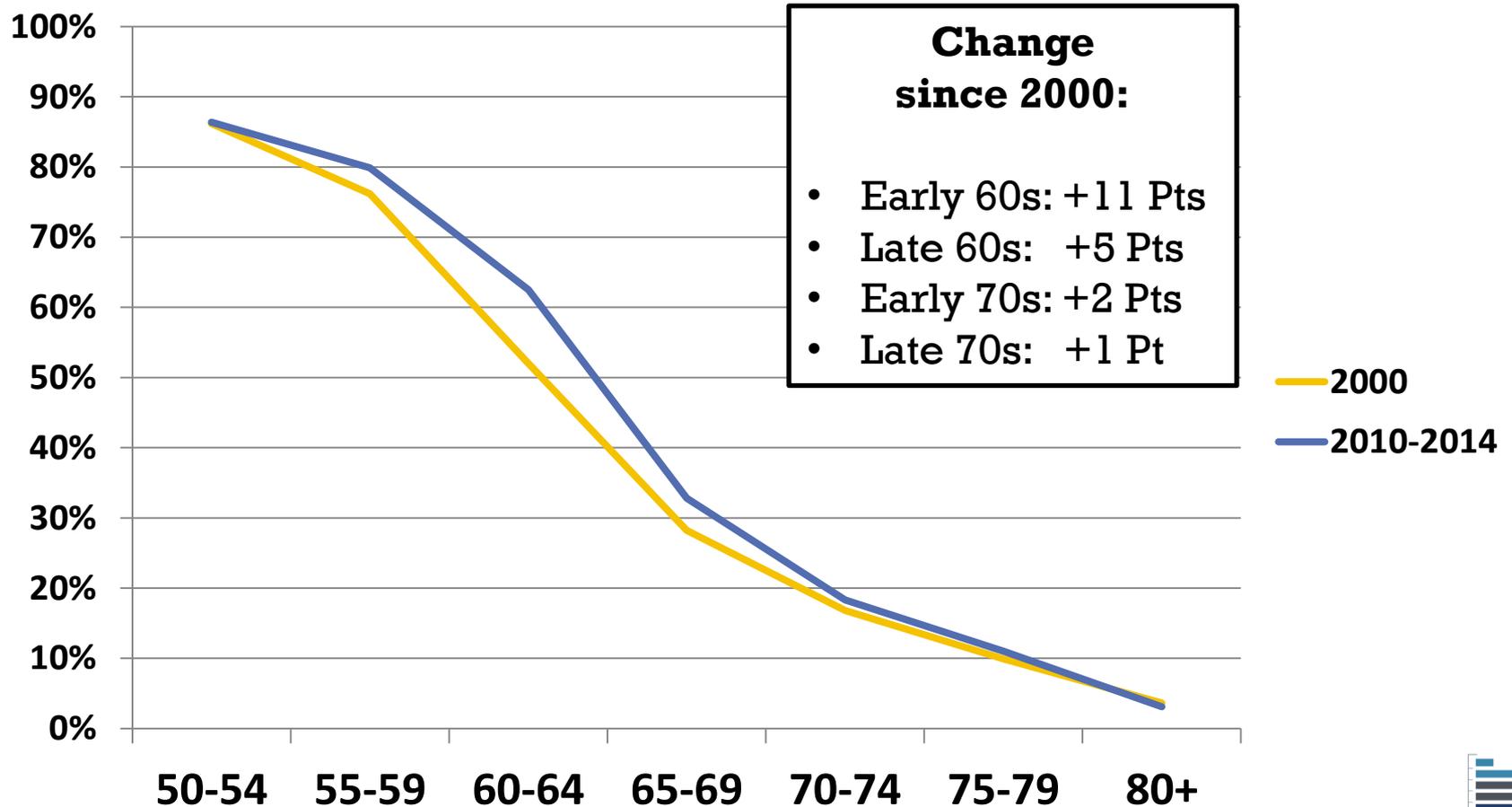


# Minnesota's older adults remain in the labor force longer than before



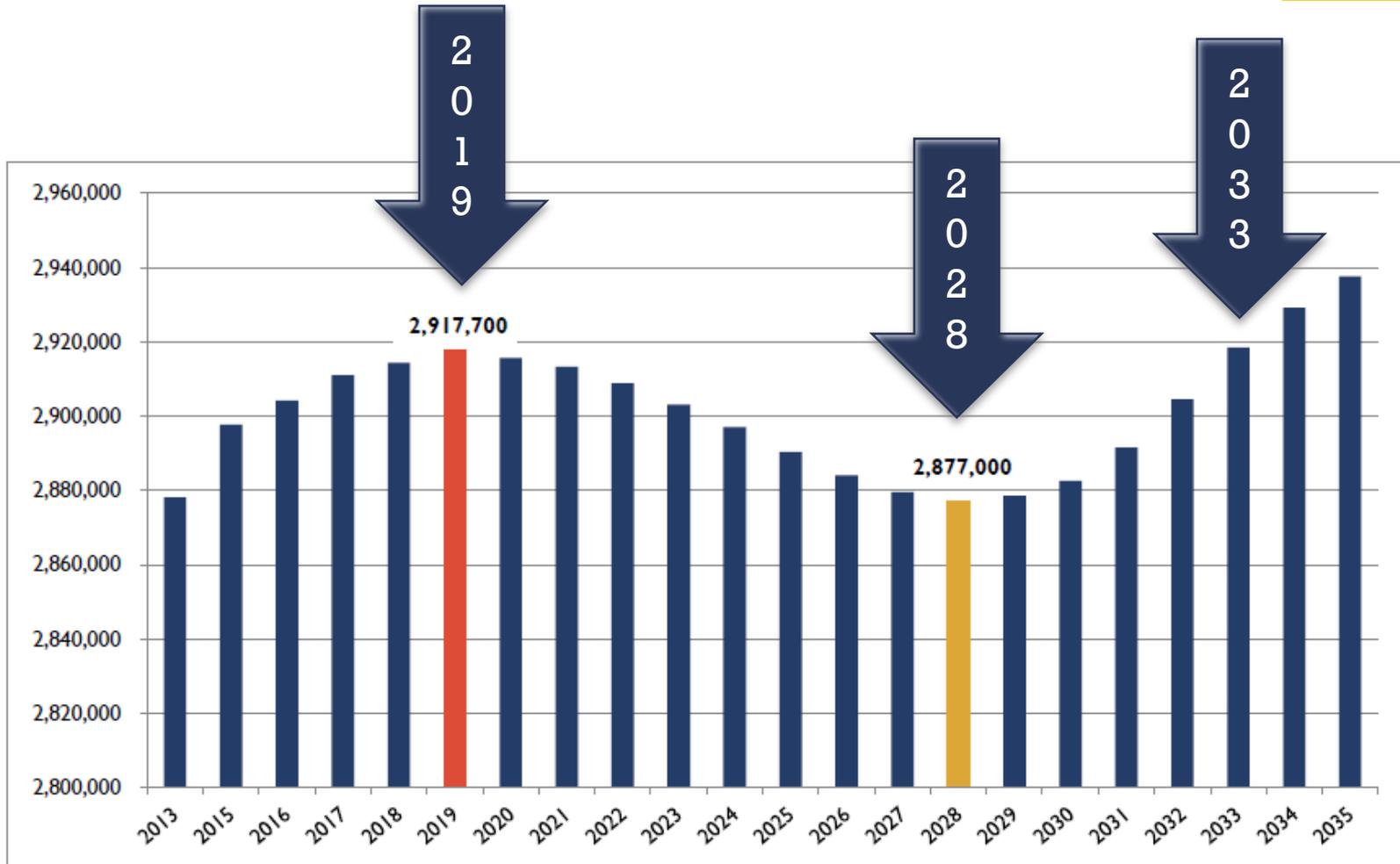


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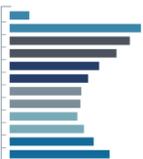




# Total 25- to 64-year-olds in MN will be a roller coaster (2013-2035)



Source: Minnesota State Demographic Center Projections.



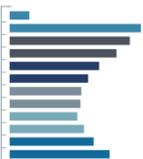


# Ratio of jobs to job seekers is now about 1 to 1

**Figure 1: Minnesota Job Vacancies and Unemployed Workers, 2nd Quarter 2001 to 2nd Quarter 2015**

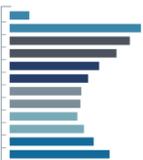
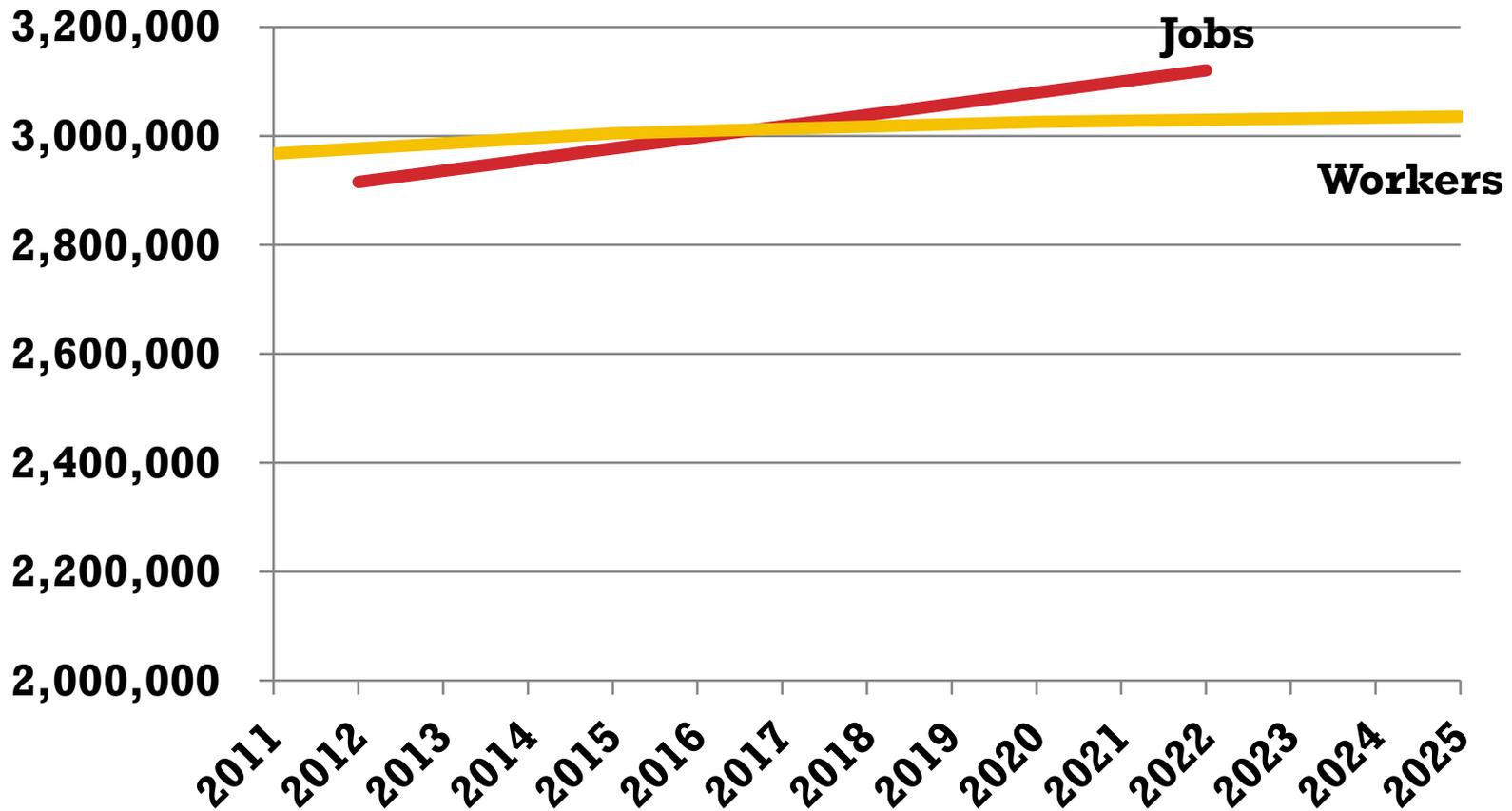


Source: Job Vacancy Survey, MN Department of Employment and Economic Development. <http://mn.gov/deed/data/data-tools/job-vacancy/findings-jvs.jsp>





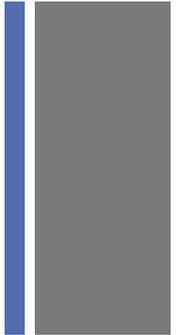
# Projected job growth and projected labor force growth



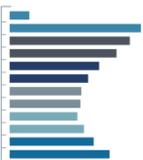


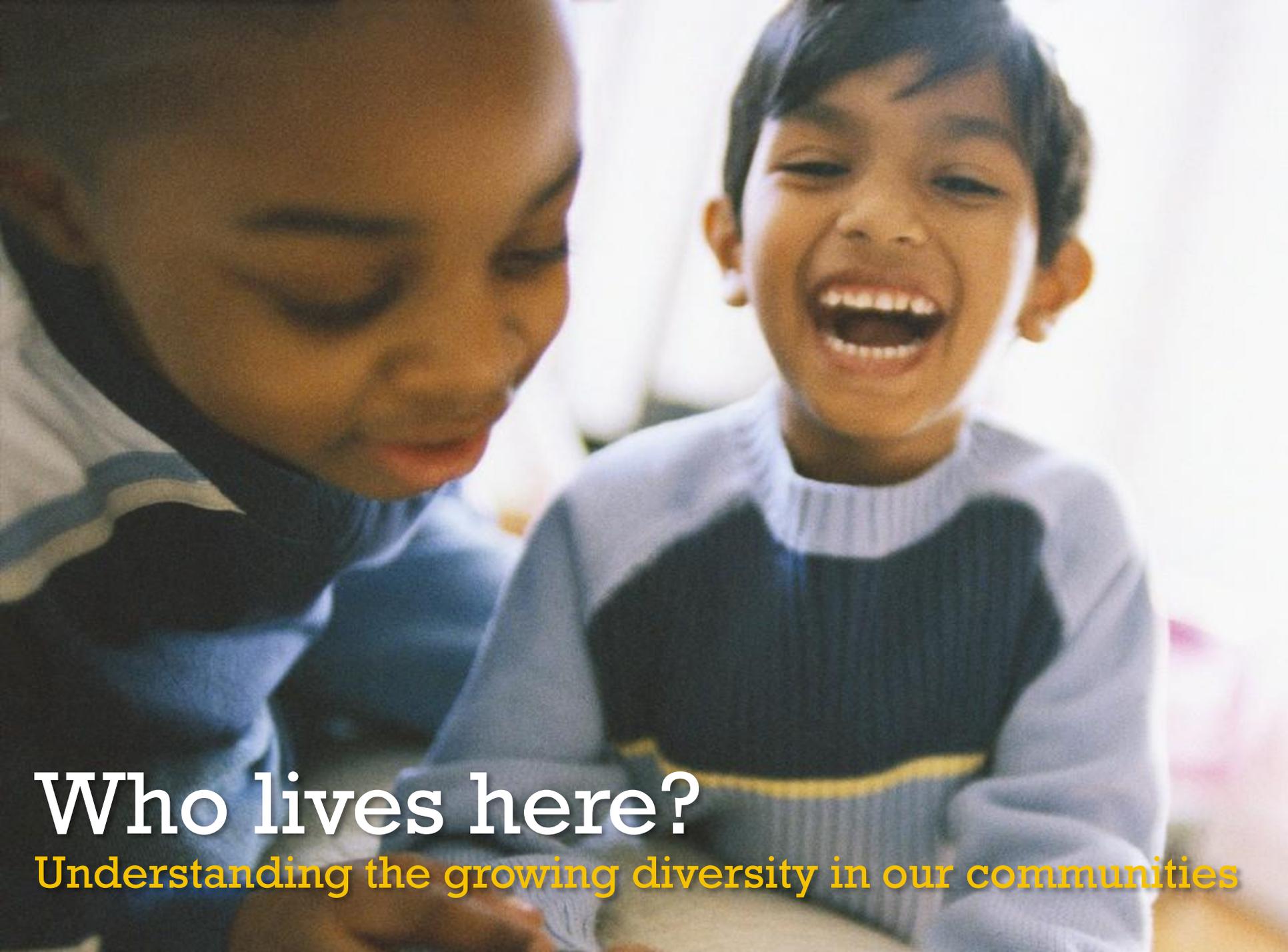
# Opportunities to impact labor force's quality and size

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- Grow your own (train, retrain, and retain your own)
- Better alignment of preparation (& retooling)
- Pull (or keep) additional folks in the labor force:
  - Older workers
  - People with disabilities
  - Parents, especially mothers
  - Discouraged workers
  - People with less education/skills that align poorly with available jobs
- Attract new workers (domestic, int'l migration)



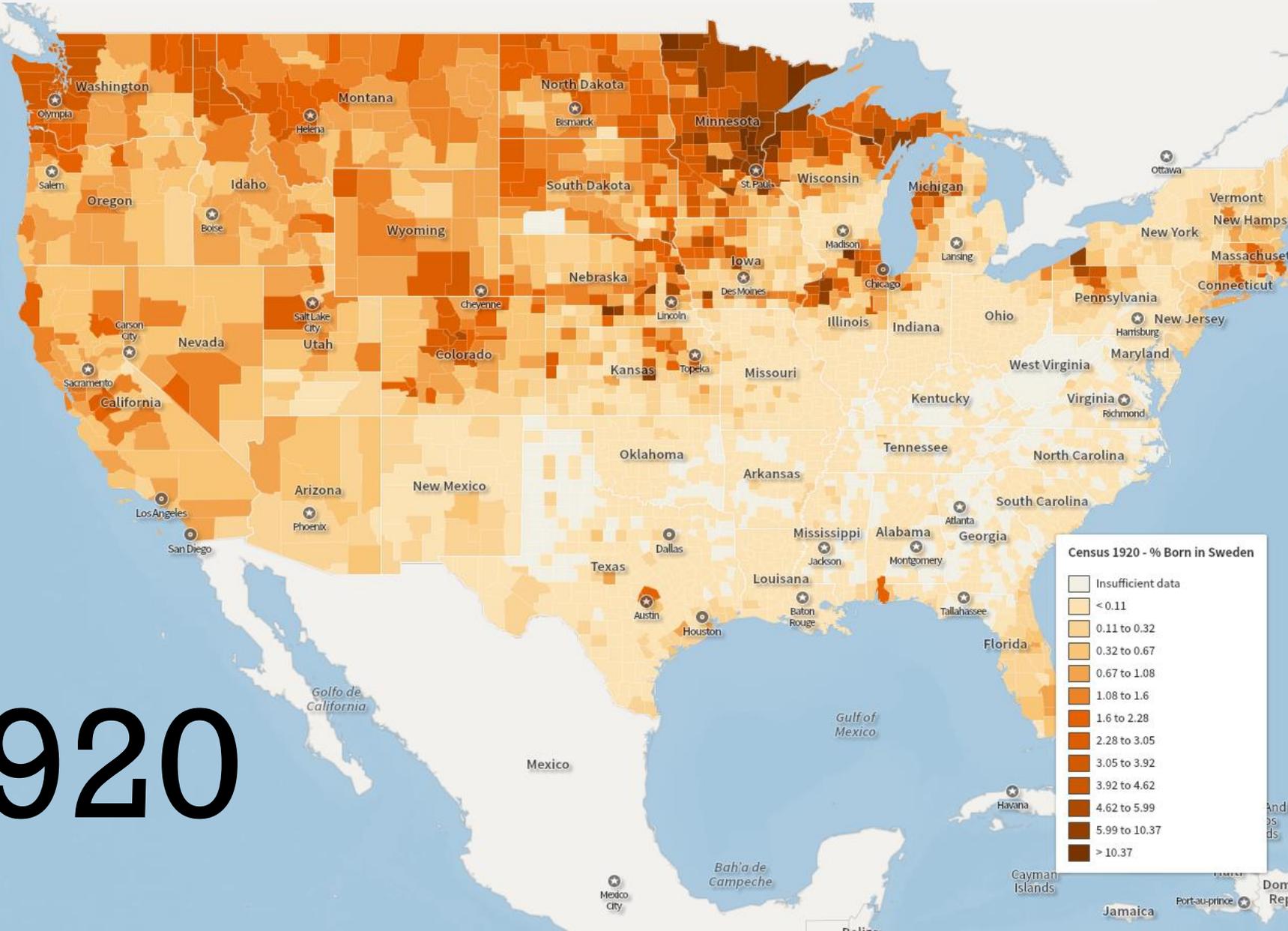


# Who lives here?

Understanding the growing diversity in our communities

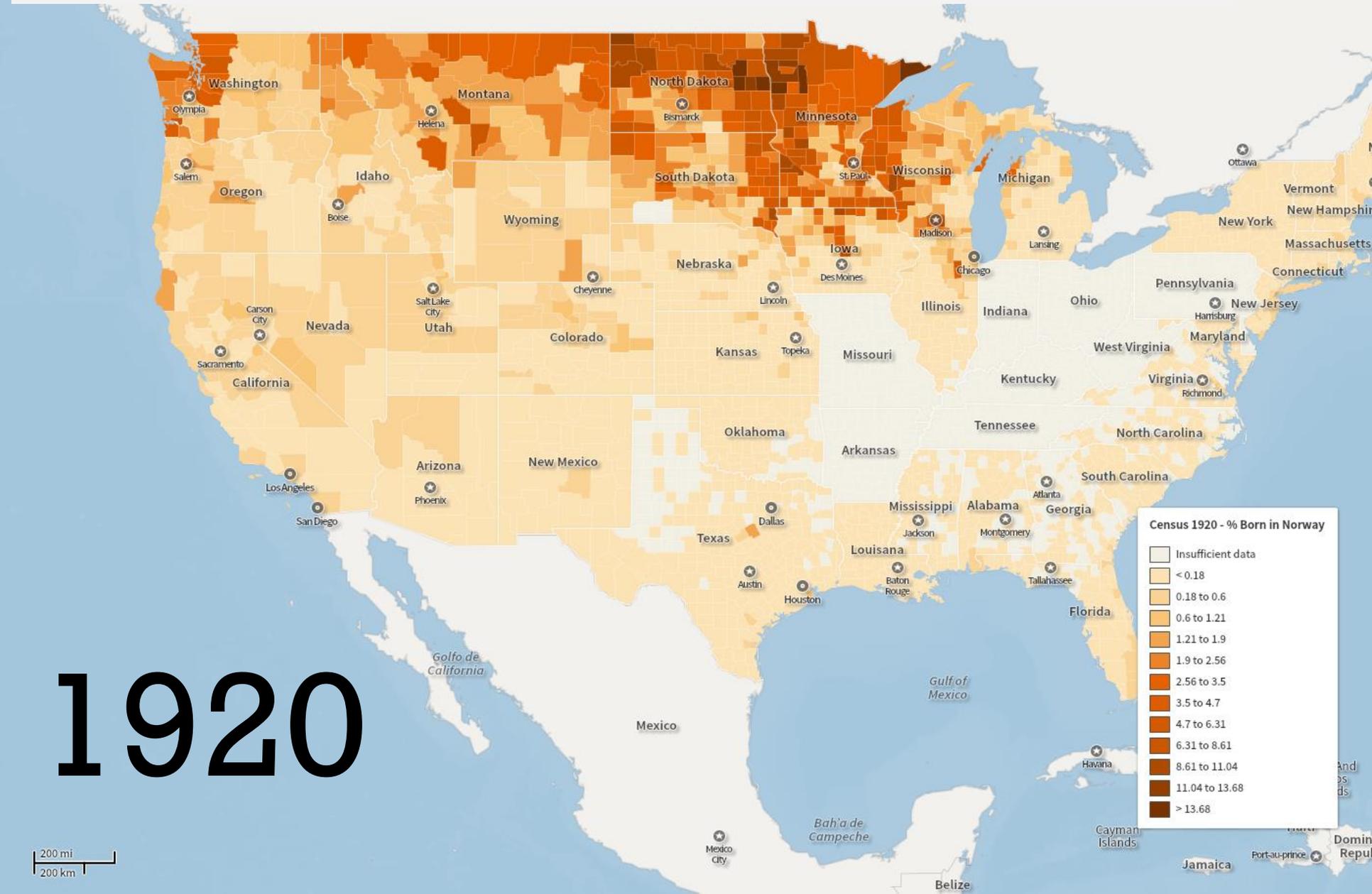
# Percentage of the population that was ...

# 1920



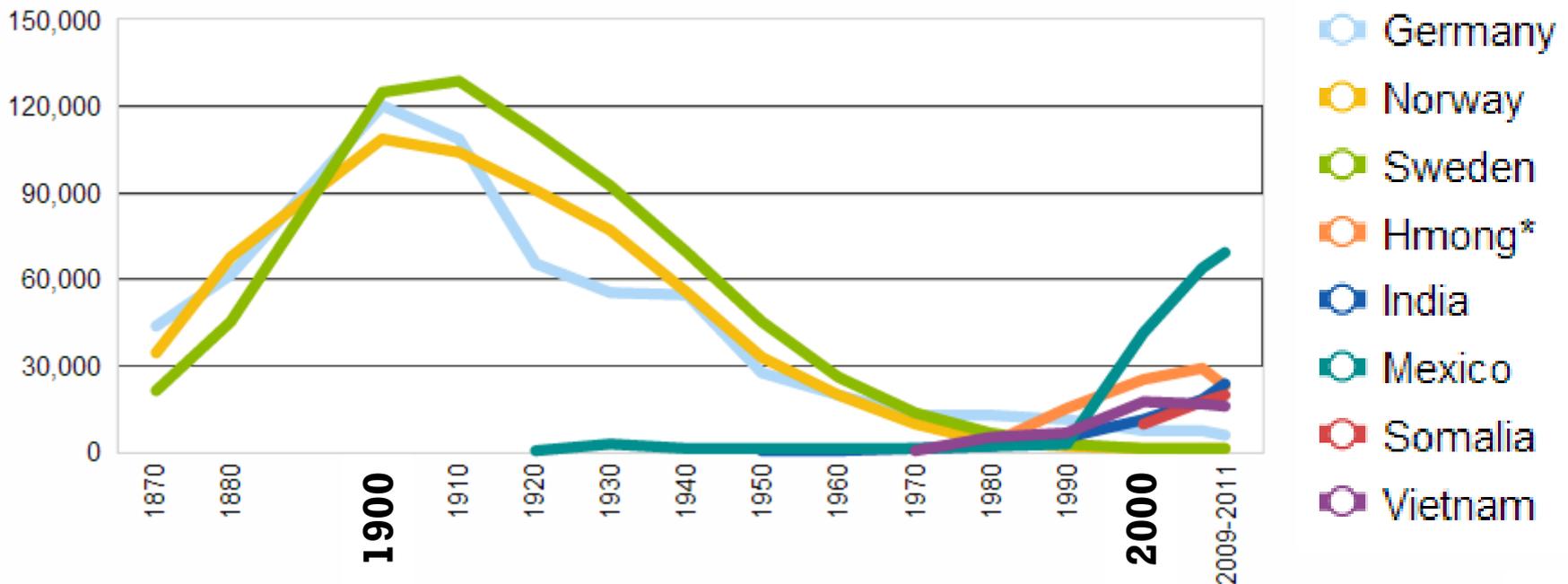
200 mi  
200 km

# Percentage of the population that was ...



# + By late 1800s, German, Norwegian and Swedish immigrants began to arrive in MN in great numbers

Foreign born population by birthplace  
Minnesota, 1870-2011

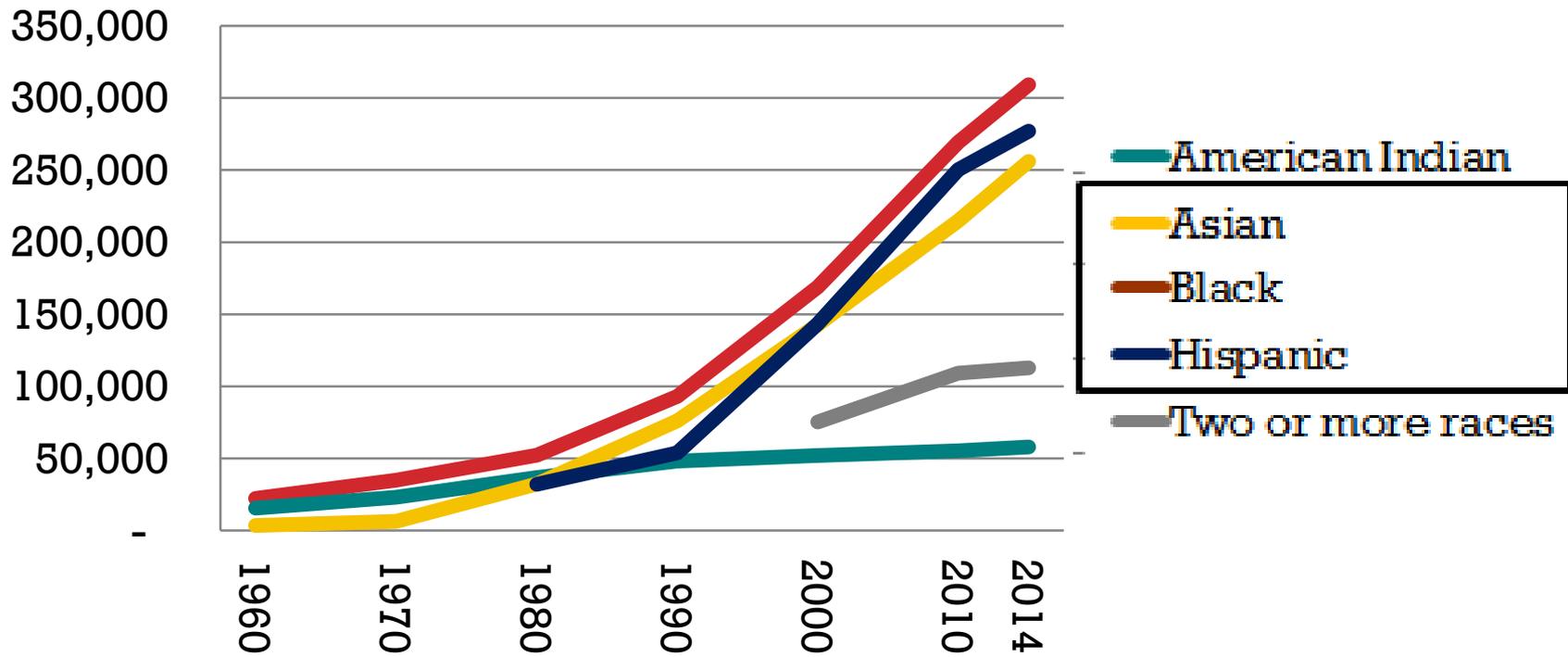


Compiled by  
Compass



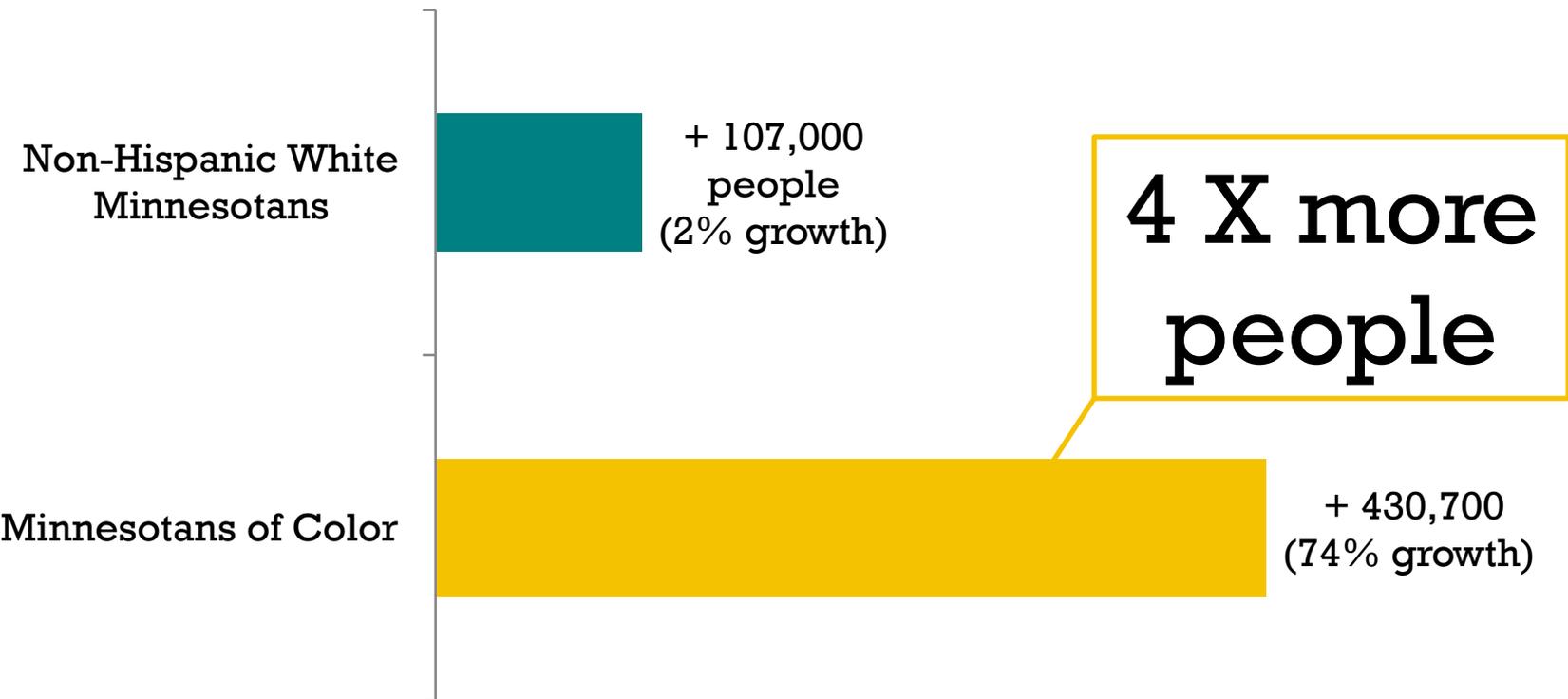
# Populations of Color now total 1 million in MN, 19% of the population

## Populations of color in Minnesota





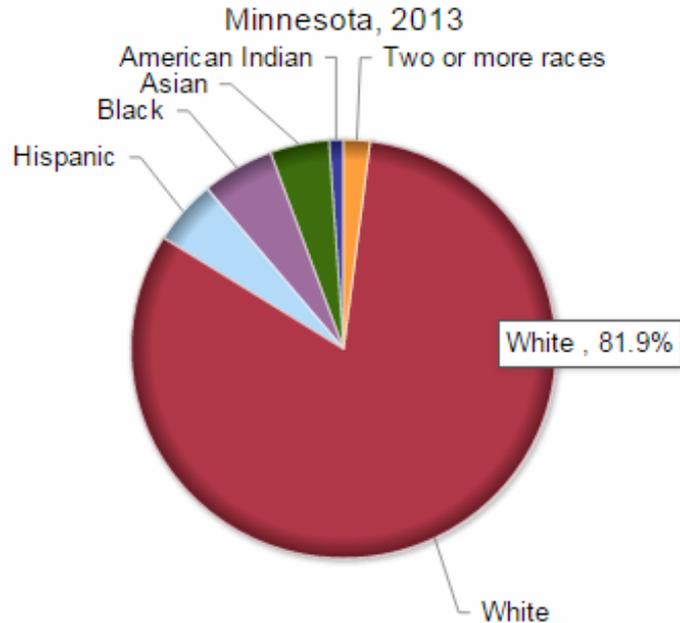
# Populations of Color are driving growth in MN (Change, 2000-2014)





# MN today by race/ethnicity (Hispanics removed from all other race groups)

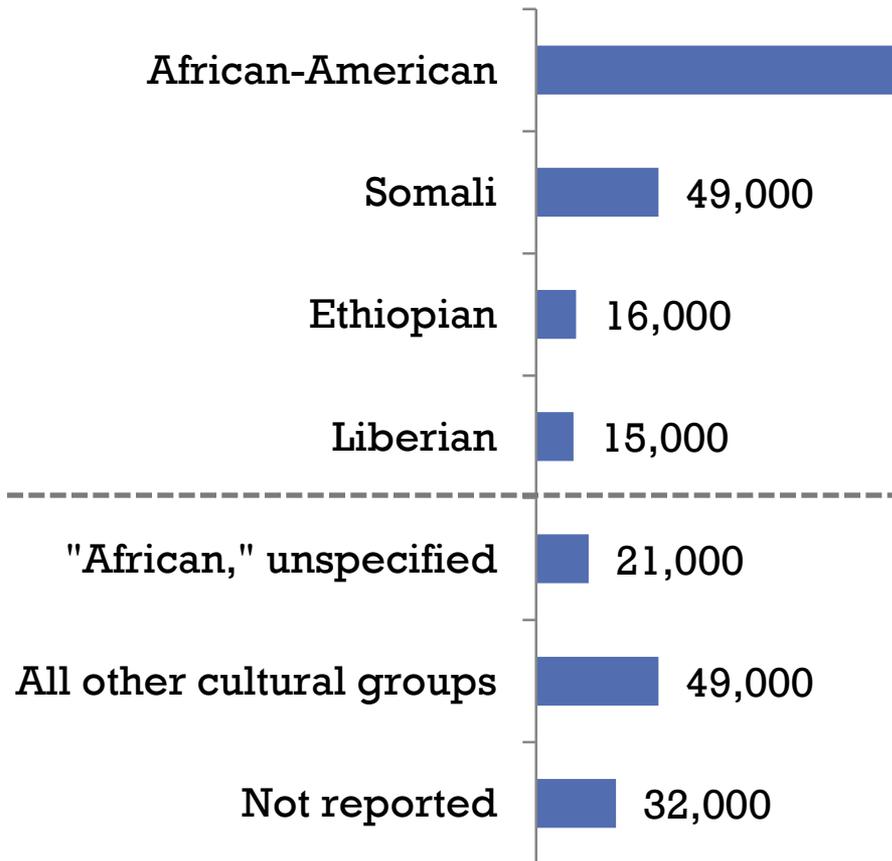
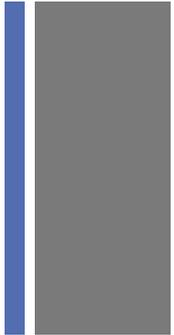
## Population by racial and ethnic group



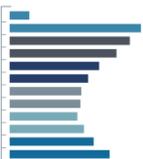
- 82% White
- 6% Black
- 5% Hispanic
- 5% Asian
- 2% Multiracial
- 1% American Indian



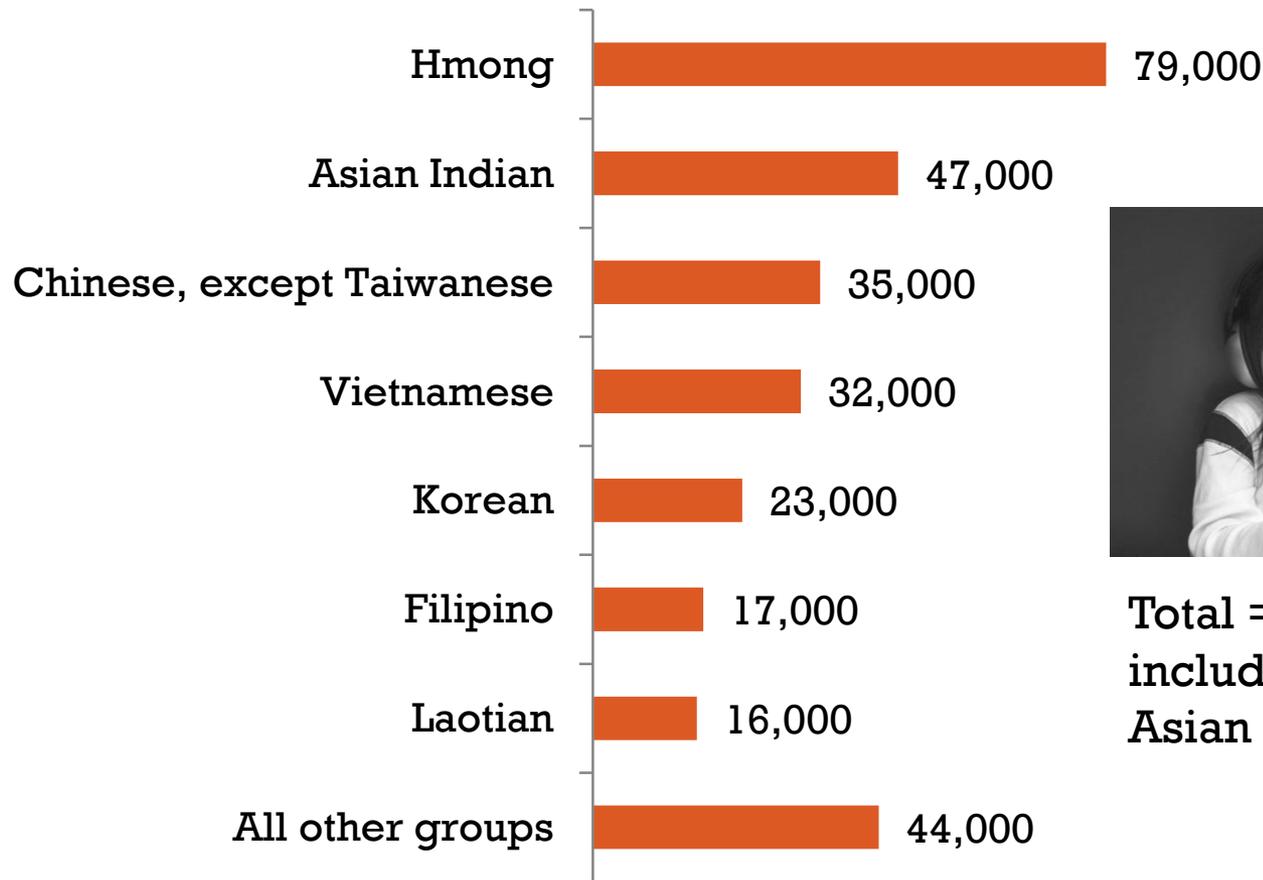
# Largest cultural groups reported by Black Minnesotans



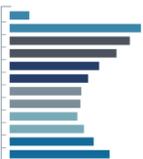
Total = 359,000 including multi-racial Black Minnesotans



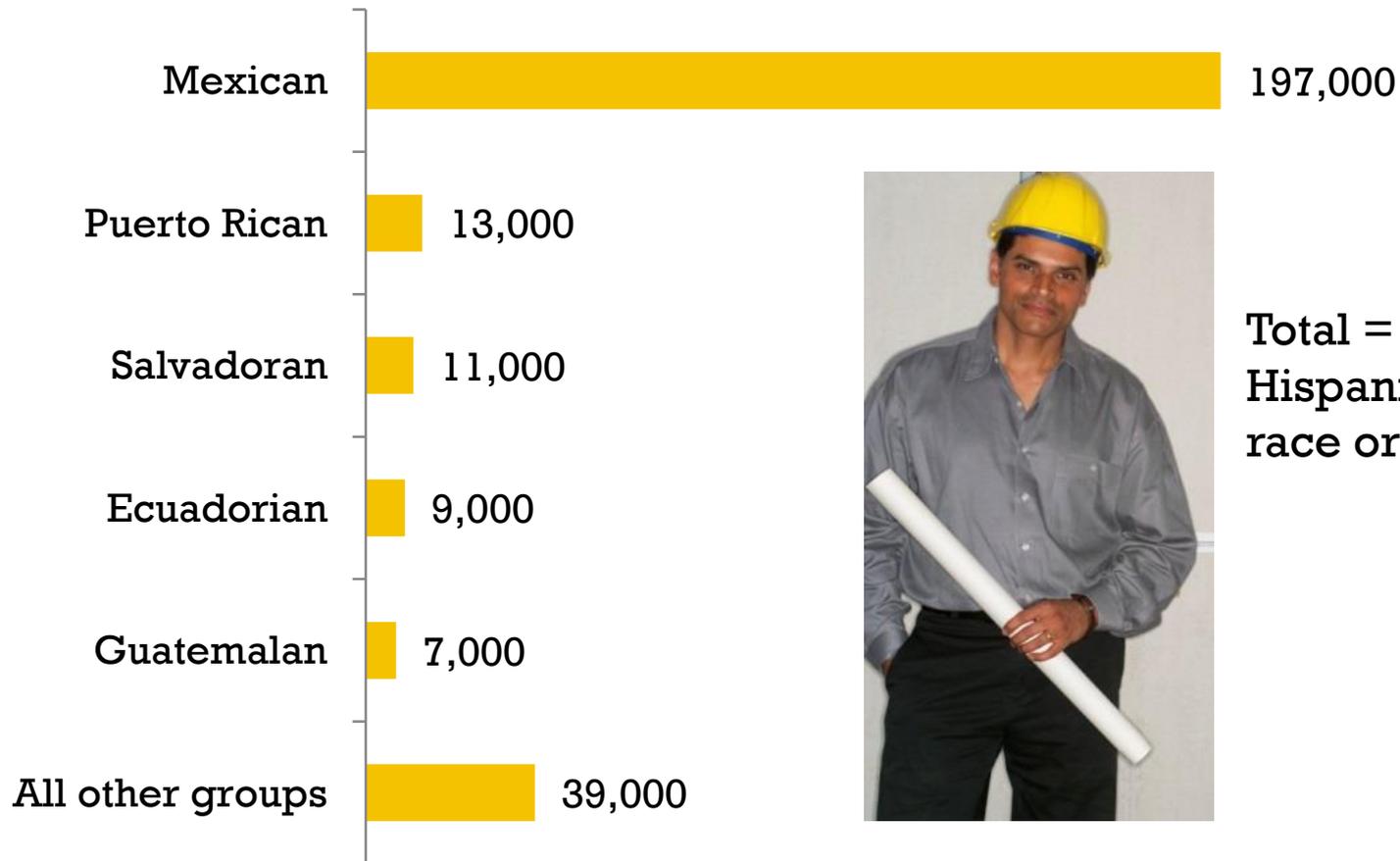
# + Largest cultural groups reported by Asian Minnesotans



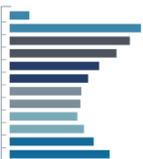
**Total = 293,000  
including multi-racial  
Asian Minnesotans**

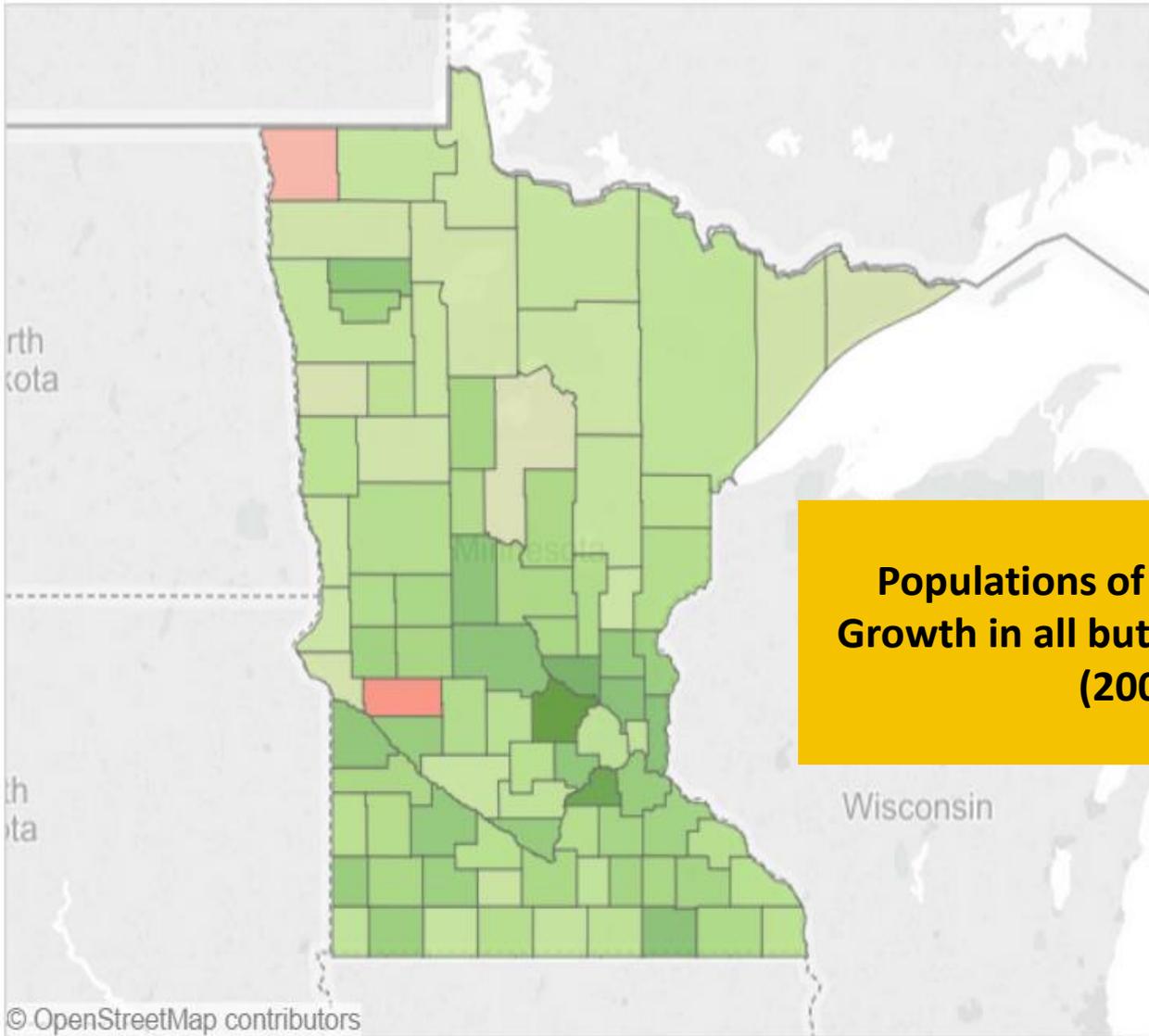


# + Largest cultural groups reported by Hispanic/Latino Minnesotans



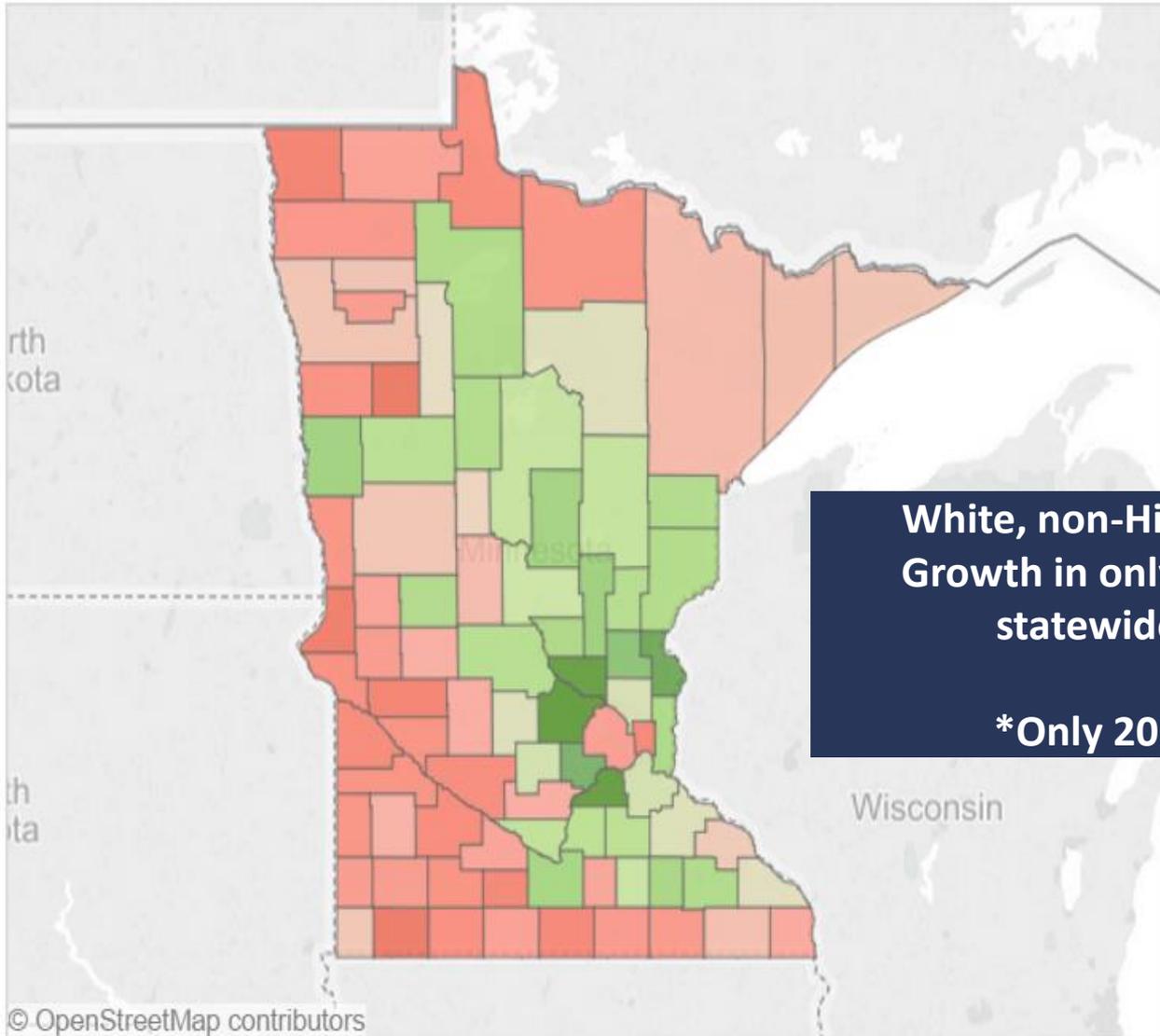
**Total = 276,000  
Hispanics of any  
race or origin**





**Populations of Color (non-White):  
Growth in all but 2 counties statewide  
(2000-2010)**





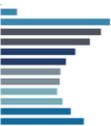
**% Change, 2000-2010**

-17%  33%

**White, non-Hispanic population:  
Growth in only 37 of 87 counties  
statewide (2000-2010)**

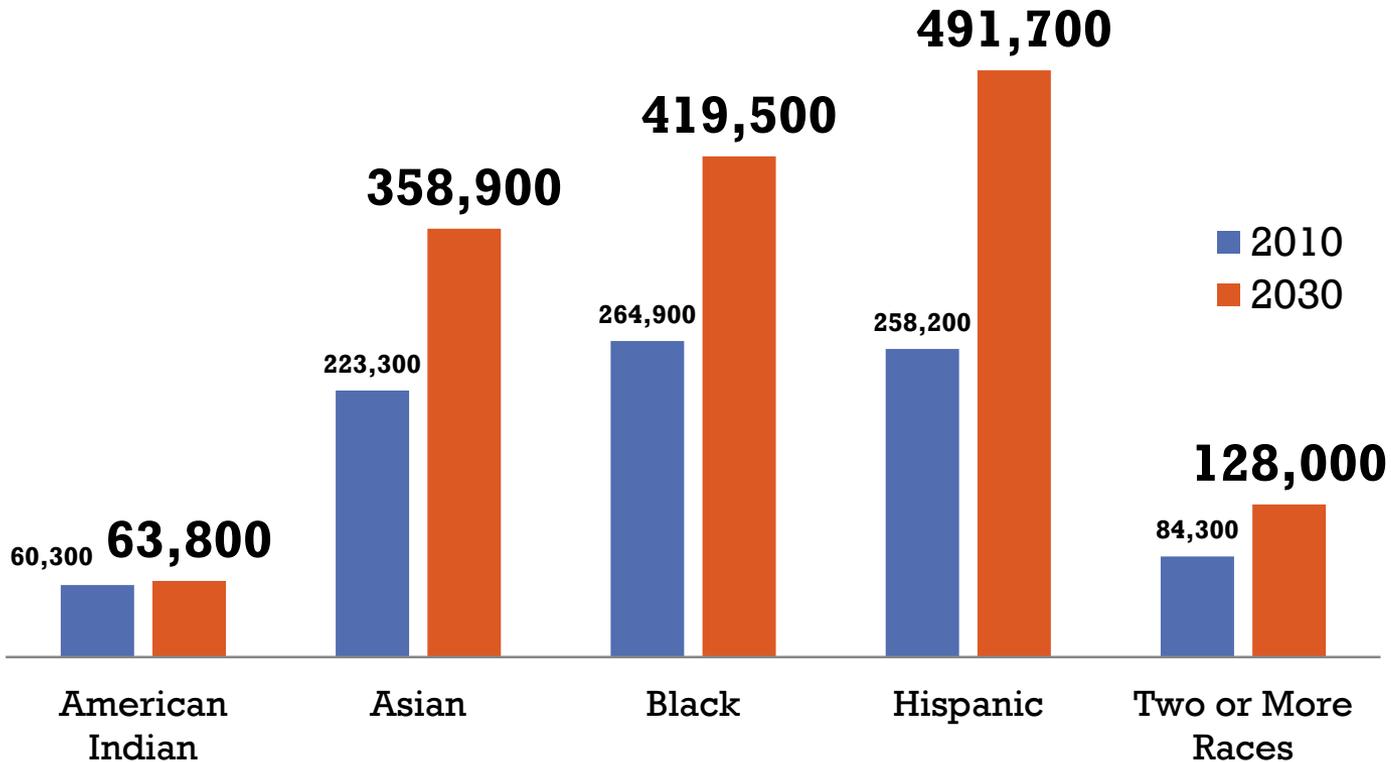
**\*Only 20 (2000-2014)\***

© OpenStreetMap contributors

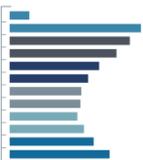




# MN: Largest growth among Asian, Black and Hispanic groups by 2030

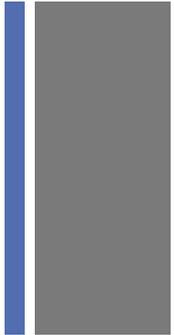


Source: Minnesota State Demographic Center projections.

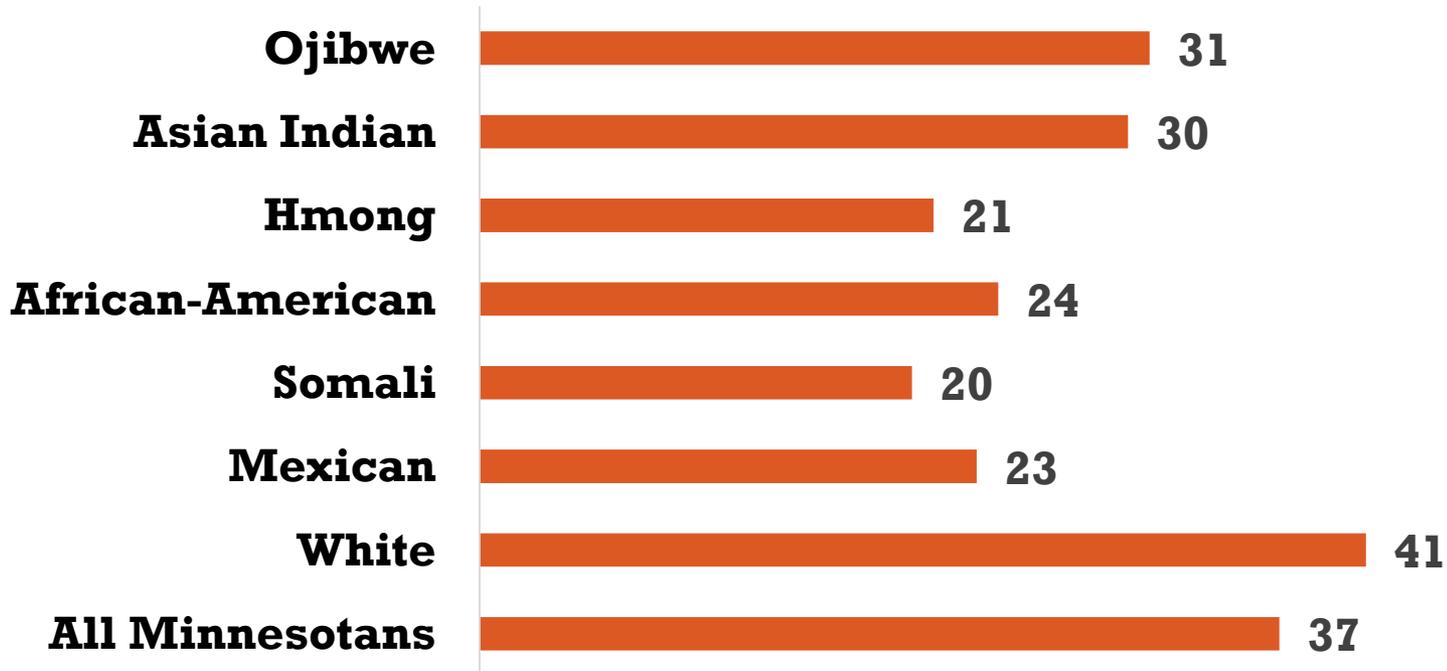




# Hmong, African-American, Somali & Mexican Minnesotans Are Young



Median Age of Minnesotans,  
2010-2014 average



# The Economic Status of Minnesotans

A Chartbook With Data For 17 Cultural Groups

JANUARY 2016



[mn.gov/demography](http://mn.gov/demography)

All data in the report refer to the annual average during years 2010 to 2014. Report is available off our homepage at [mn.gov/demography](http://mn.gov/demography) or direct at <http://bit.ly/1OKVT5I>



# Some thoughts on Millennials and housing preferences

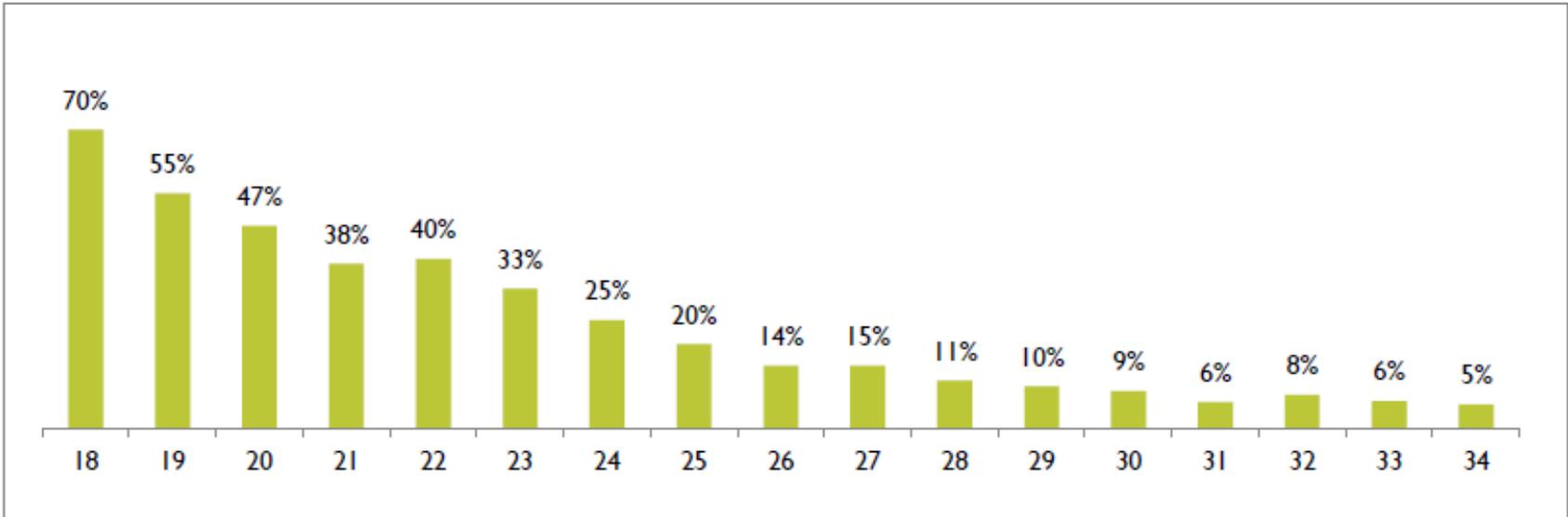
- Many saddled with high educational debt
  - \$37K average nationally among 2016 college grads with any debt
- Median age at marriage and child-bearing rising
  - Delayed “household formation”
- Do Millennials really LOVE cities and transit, and plan to spurn the suburbs?



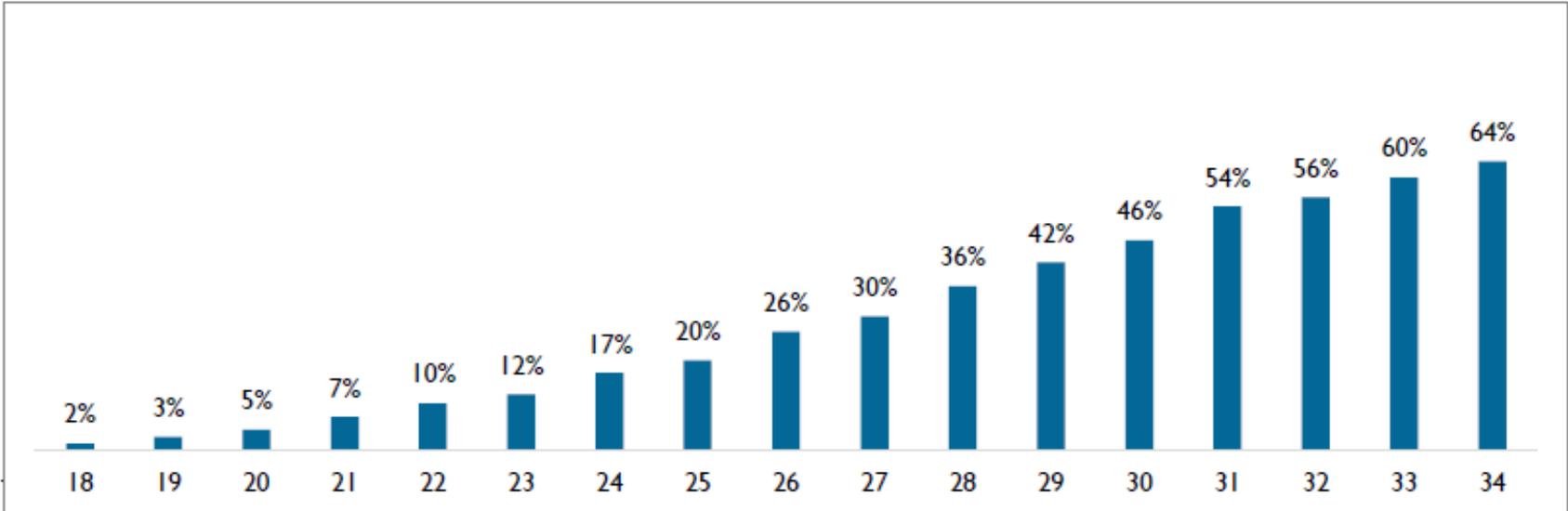
“With the oldest millennials now in their mid-30s, the lure of the lawn is proving powerful.”

-Ben Casselman, [fivethirtyeight.com](http://fivethirtyeight.com)

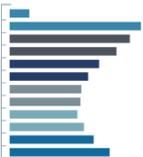
**Figure 7: Percent of Young Adults Living With Their Parent(s) by Single Year of Age, Minnesota, 2008-2012**



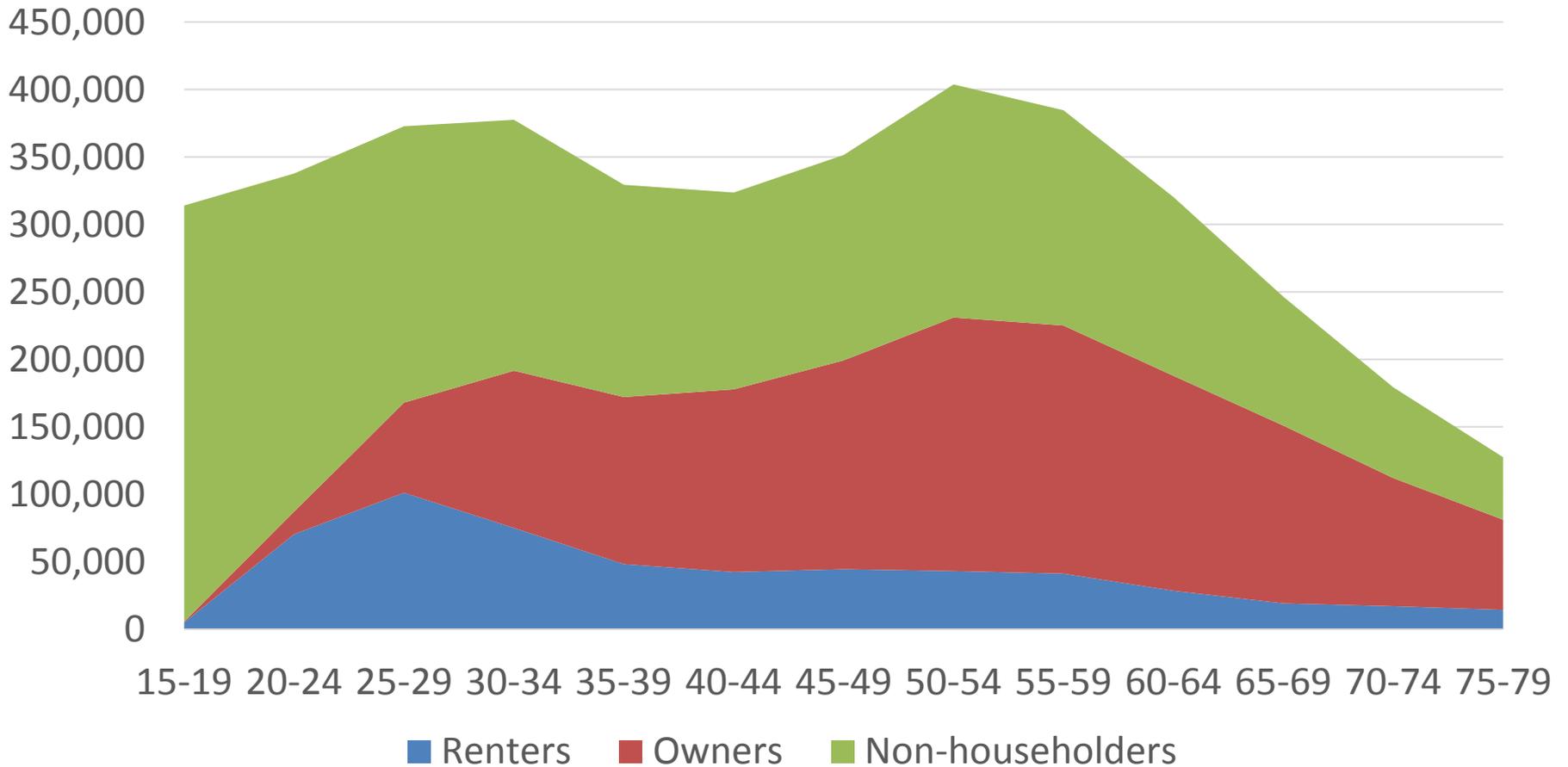
**Figure 8: Percent of Young Adults Living With Their Own Child(ren) by Single Year of Age, Minnesota, 2008-2012**



Source: IPUMS microdata version of U.S. Census Bureau, 2008-2010 American Community Survey Five-Year Estimates. Tabulated by the MN State Demographic Center and appearing in the June 2015 report "Young Adults in Minnesota: A Demographic & Economic Profile" available at [mn.gov/demography](http://mn.gov/demography)

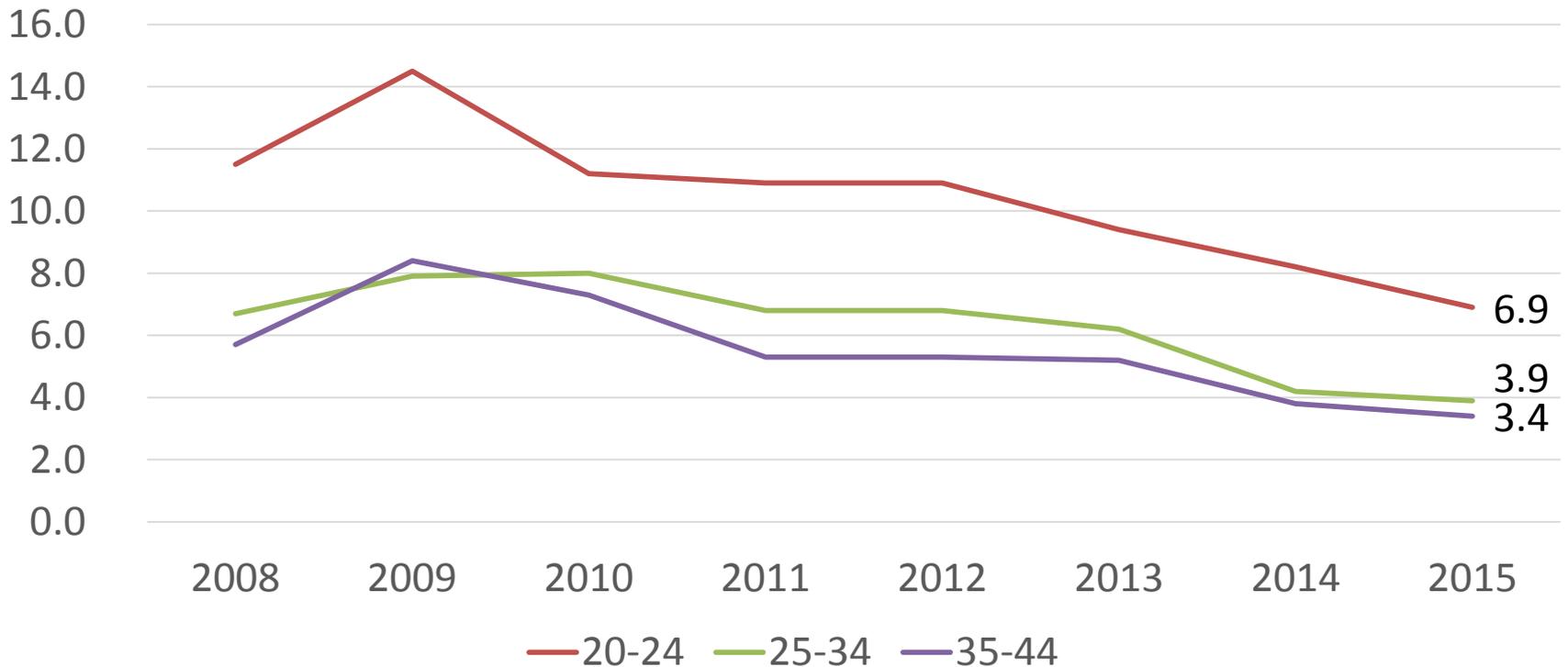


# Renting households peaks in late-20s, large cohort of potential home-buyers



# Young adults of prime home-buying age now on better economic ground

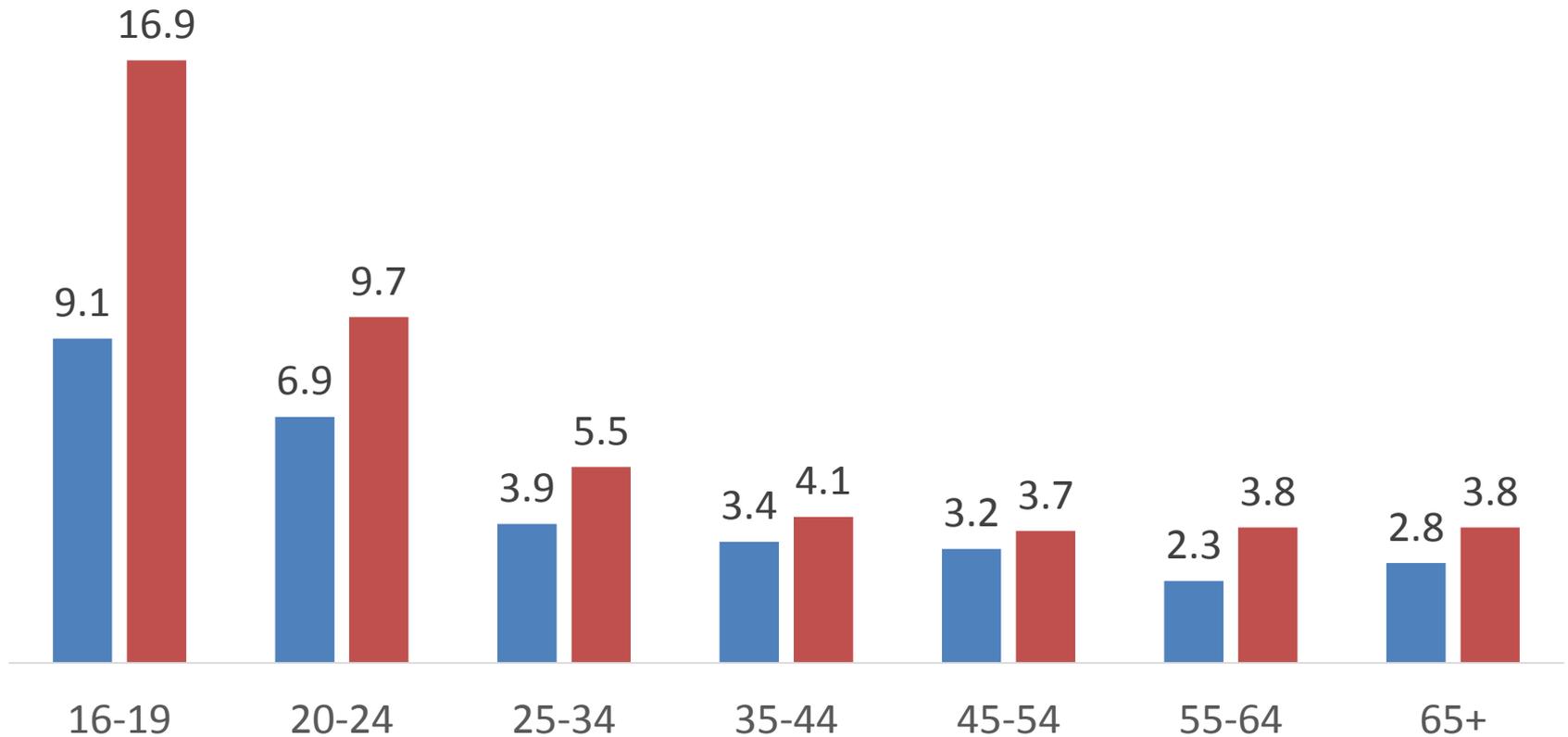
Average unemployment rate by age group  
Minnesota, 2008-2015



Source: Bureau of Labor Statistics

# Unemployment Rate by Age, 2015

■ MN ■ U.S.



# + Diversity is a bottom-up phenomenon

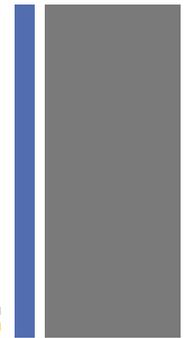
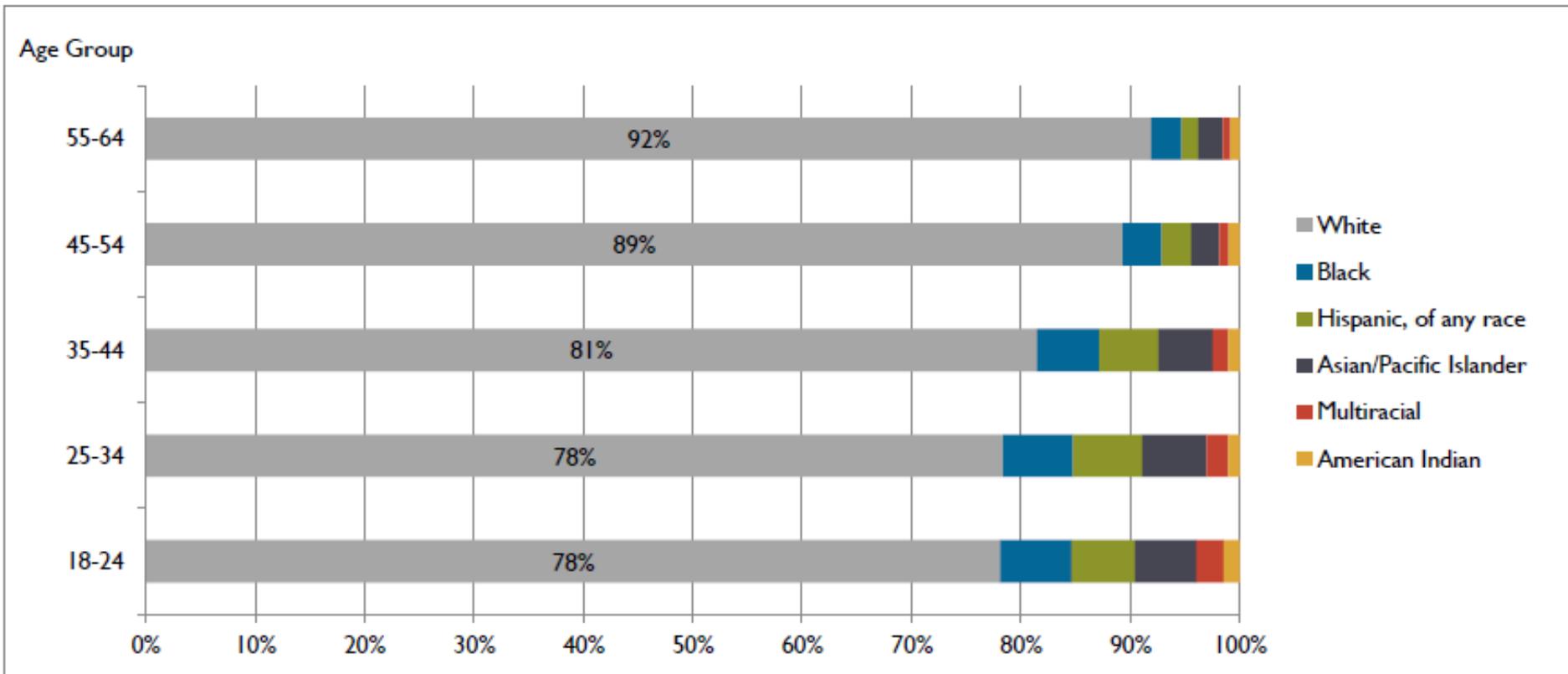


Figure 2: Racial/Ethnic Composition of Minnesota Adult Age Groups, 2008-2012

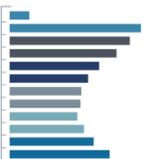


Source: IPUMS microdata version of U.S. Census Bureau, 2008-2010 American Community Survey Five-Year Estimates. Tabulated by the MN State Demographic Center and appearing in the June 2015 report "Young Adults in Minnesota: A Demographic & Economic Profile" available at [mn.gov/demography](http://mn.gov/demography)



# Among Minnesotans ages 18-34, or “young adults”

- There are more Minnesota young adults who were born in Mexico than born in North Dakota
- There are more Minnesota young adults who were born in India than born in South Dakota



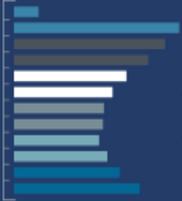


The future  
will look  
very  
different  
from today.

# + Take-away thoughts for those working in real estate

- Aging trend is here for the foreseeable future
- Significant growth in households with a 65+ member in the coming two decades
- Likelihood of disabilities rise as we age, but many prefer to age in place with modifications
- Millennials' economic prospects much improved & they are coming of age for home-buying
- Our growing diverse population will also reshape the housing context





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