

OPPORTUNITY AREA
RESIDENTIAL MARKET DEMAND
2015 TO 2035

Prepared for
City of Brooklyn Center

June 2013

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Prepared by
McComb Group, Ltd.

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INTRODUCTION

McComb Group, Ltd. was engaged by the City of Brooklyn Center to conduct market research and development consulting for the Opportunity Area. The objective of this engagement was to identify residential market demand that capitalizes on the Opportunity Area's inherent attributes, encourages redevelopment, and restores its economic vitality. Work tasks conducted as part of this engagement are summarized below.

- ◆ Land uses within the Opportunity Area were identified and evaluated. This evaluation identified and quantified the current amount of office, retail, and other uses located within the study area and square feet of space contained in existing buildings. Information that was collected included: land and building area, assessor's land and building value, and property taxes.
- ◆ Business establishments within the Opportunity Area were identified and categorized by type. The Opportunity Area evaluation included: access, visibility, and relationship to nearby activity centers and assets. Traffic counts in and around the study area were collected and analyzed. This task established baseline data on each property for future use.
- ◆ Competitive housing developments in Brooklyn Center were identified including number of units, unit mix and size, rental rate, occupancy, unit features, building amenities, year built, and recent renovations.
- ◆ Building managers and/or leasing agents were interviewed to determine tenant characteristics, who is looking for apartments, and other information pertaining to the study.
- ◆ McComb Group maintains a proprietary database of historic residential growth trends in eight metropolitan area growth corridors for 1970 through 2011. Brooklyn Center is located in the I-94 growth corridor, which extends from Minneapolis to Clearwater along I-94. This model demonstrates that annual households increase in each corridor, as a percent of overall Metropolitan Area growth (market share), and tends to be relatively consistent over time, even though the absolute number of households will vary from year to year. This model was used to demonstrate how Brooklyn Center can accommodate I-94 growth corridor housing potential in the Opportunity Area when land is available for development.
- ◆ Historic residential building permits in Brooklyn Center and the I-94 and North Metropolitan Area submarkets were analyzed to determine trends in number and types of permits issued.
- ◆ The draw area for housing in the Opportunity Area was delineated based on growth corridor analysis and McComb Group experience. Draw area growth trends in population, households, employment, and household income were analyzed. Demographic trends and characteristics were compared for Brooklyn Center, the draw

area, and the Seven-County Metropolitan Area. Other characteristics that were evaluated include age distribution, household income by householder, and tenure by age and household income.

- ◆ Future housing demand in the Opportunity Area was identified. Detailed short-term estimates were prepared for the period 2015 to 2025 and include number of units and type, size, market orientation, market rental rates, sales prices, unit features, and building amenities. Market demand was allocated to the Opportunity Area by type of product. Less detailed longer term estimates were prepared for the period 2025 to 2035. The types of housing addressed include market rate general occupancy, affordable, and workforce housing, and the potential for future for-sale housing. Senior housing was addressed including affordable and market rate independent household, congregate, assisted living, and memory care.
- ◆ Based on the results of the above market research tasks, recommendations for the next steps were formulated.

This report contains the primary information needed to support the principal conclusions. However, in a report of this nature, it is not possible to include all of the information that was developed and evaluated. Any additional information will be furnished upon request.

Report Purpose

This report was prepared in accordance with our proposal dated December 14, 2012. This report was prepared with the understanding that the results of our work will be used by the client to identify market demand for housing in the Opportunity Area. Our report was prepared for that purpose and is subject to the following qualifications:

- Our analysis did not ascertain the legal and regulatory requirements applicable to this project including zoning, other state, and local government regulations, permits, and licenses. No effort was made to determine the possible effect on the proposed project of present or future federal, state, or local legislation, or any environmental or ecological matters.
- Our report and analysis was based on estimates, assumptions and other information developed from research of the market, knowledge of the industry and discussions with the client. Some assumptions inevitably will not materialize and unanticipated events and circumstances may occur; therefore, actual results achieved will vary from the analysis.
- Our analysis did not evaluate management's effectiveness nor are we responsible for future marketing efforts and other management actions upon which actual results are dependent.

Our report is intended solely for the purpose described above and should not be used for any other purpose without our prior written permission. Permission for other use of the report will be granted only upon meeting company standards for the proposed use.

Chapter I

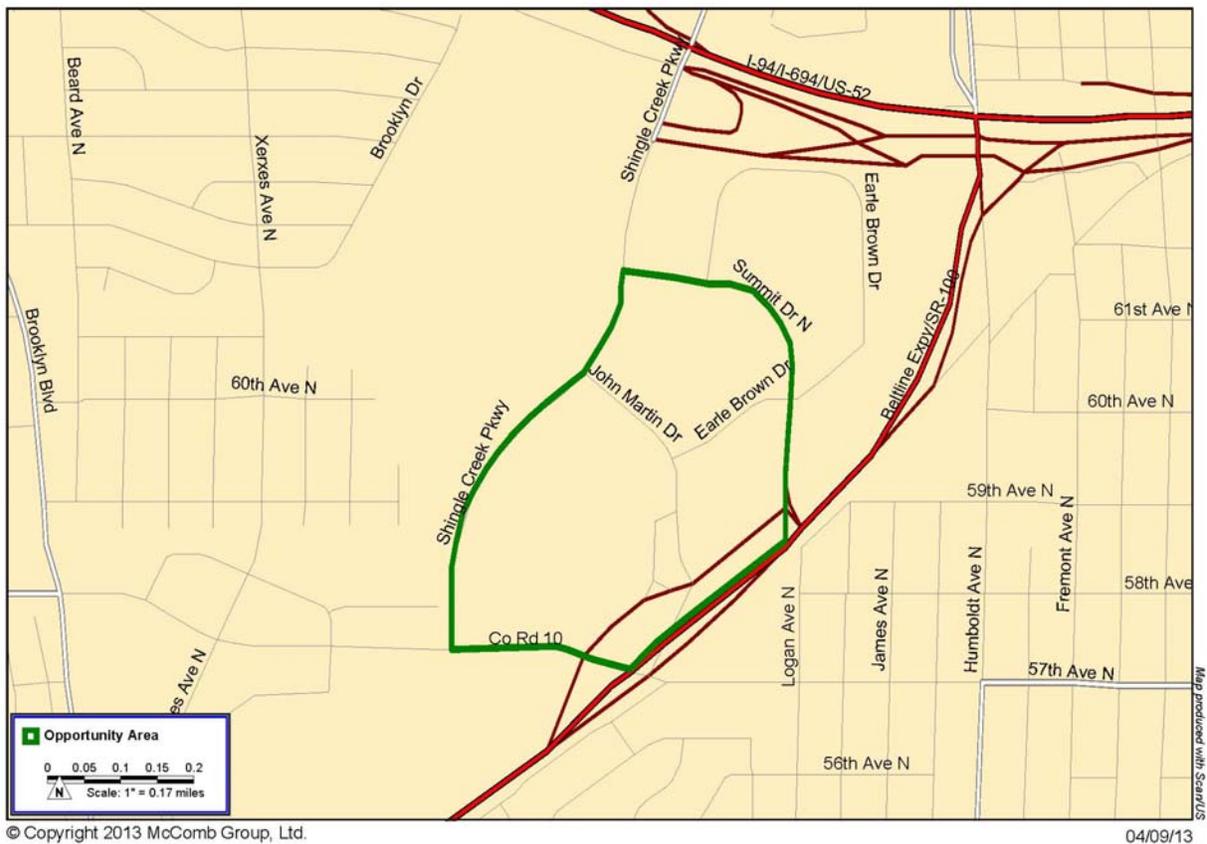
BROOKLYN CENTER OPPORTUNITY AREA

Brooklyn Center is a first ring suburb located about eight miles northwest of Downtown Minneapolis that experienced its greatest growth from 1950 to 1970. Brooklyn Center is a regional center for consumer, business, hospitality, and medical services. Centrally located within the Twin Cities metro area, Brooklyn Center has easy access to Highways 100, 252, 169, and Interstates 35W and 94/694. Its convenient location on I-94 and Highway 100 and proximity to Minneapolis and St. Paul makes Brooklyn Center an attractive residential and commercial location.

The Opportunity Area, shown in green on Map 1-1, is located in the center of Brooklyn Center and encompasses approximately 83 acres. The Opportunity Area includes fourteen parcels located south of Summit Drive North, west of Highway 100, north of Bass Lake Road (County Road 10) and east of Shingle Creek Parkway.

Map 1-1

BROOKLYN CENTER OPPORTUNITY AREA



Greater Brookdale

The Opportunity Area is a major component in the Greater Brookdale area, a mixed-use area that includes a varied mix of retail, office, educational, medical, hospitality, residential, and civic uses. The area to the south and west of the Opportunity Area is a redeveloping retail area anchored by Cub Foods and Shingle Creek Crossing, a new shopping center including Sears,

Kohl's, and Walmart Supercenter. The area west of Shingle Creek Parkway includes Centennial Park, Hennepin County Regional Government Center and Library, Crest Apartments, and Brooklyn Center City Hall and Community Center. Shingle Creek winds its way through this area on a southerly path. Shingle Creek Trail, part of the North Hennepin Regional Trail Corridor, follows Shingle Creek in the vicinity of the Opportunity Area and extends from Elm Creek Park to Theodore Wirth Park in Minneapolis.

North of the Opportunity Area is a mixed-use area that includes a variety of uses including five office buildings, Embassy Suites hotel, Earle Brown Conference Center, ITT Technical Institute, Park Nicollet Clinic, and two senior housing communities. Highway 100 forms the eastern boundary of the Greater Brookdale Area.

Opportunity Area

The Opportunity Area was once a thriving retail area; however, many of these buildings are victims of the changing locational needs of retailers. Other uses, such as Minnesota School of Business, Fairview Dental and Shingle Creek Center, shadow anchored by Target, appear to be economically viable. The balance of the Opportunity Area consists of obsolete retail buildings with a high level of vacancy. These obsolete land uses contain 75 percent of the Opportunity Area's land area and represent one of the Metropolitan Area's largest urban infill sites.

The Opportunity Area is divided into three areas: Southern, Eastern, and Northern portions. The southern portion of the Opportunity Area is anchored by Brookdale Square, the eastern portion contains a former K-Mart building, and the northern portion is anchored by Target and Shingle Creek Center. These three opportunity areas are described below.

Southern Opportunity Area

The southern portion of Brooklyn Center's Opportunity Area, as shown in Figure 1-1, is the largest of the three areas. In total, it includes eight parcels and covers over 47 acres. It is bound by Bass Lake Road/County Road 10 on the south, John Martin Drive on the east and northeast, and Shingle Creek Parkway on the west/northwest.

This portion of the Opportunity Area contains eight parcels with 47.36 acres with an assessed value of \$17.4 million, as shown in Table 1-1. The largest parcel is Brookdale Square consisting 23.2 acres. Currently this parcel has five tenants: a cabinet company, Pep Boys in the shopping center, and a cinema, restaurant, and event center on out parcels. The vacant Brookdale Ford parcel (owned by the City of Brooklyn Center) sits on 8.62 acres and is the second largest parcel in the southern portion of the Opportunity Area. The assessed value of these two major parcels is \$6.78 per square foot. Minnesota School of Business, with a 7.98 acre parcel is half occupied. Of five other parcels less than two acres in size, two are vacant and the other three contain only four tenants. The other parcels, excluding Minnesota School of Business and Health Partners, have an average assessed value of \$12.48 per square foot.

Figure 1-1

OPPORTUNITY AREA -- SOUTHERN PORTION



Source: City of Brooklyn Center.

Table 1-1
BROOKLYN CENTER OPPORTUNITY AREA

Area/Parcel	Acres	Building Square Feet	Assessed Value
South			
Brookdale Ford	8.62	N/A	\$ 4,100,000
Brookdale Square	23.20	189,200	5,400,000
M.n. School of Business	7.98	71,989	3,160,000
Jani King	1.83	11,822	896,800
Tires + King Buffet	1.36	12,000	1,050,000
Golden Value Foods	1.60	8,261	705,000
Perkins	1.18	5,400	593,000
Health Partners	1.59	14,442	1,500,000
Subtotal	47.36	313,114	\$ 17,404,800
East			
Former K-Mart	11.89	116,286	\$ 2,400,000
Davanni's	0.89	3,739	575,000
Subtotal	12.78	120,025	\$ 2,975,000
North			
Target	9.02	117,058	\$ 9,020,000
Inland Ryan	2.81	33,094	2,695,000
Best Buy	5.38	52,920	1,850,000
Brookview Plaza	6.46	69,459	3,050,000
Subtotal	23.67	272,531	\$ 16,615,000
Total	83.81	705,670	\$ 36,994,800

N/A: Not applicable.

Source: Brooklyn Center Assessor and McComb Group, Ltd.

Eastern Opportunity Area

The Eastern portion of the Opportunity Area, shown in Figure 1-2, is the smallest of the three areas. It contains two parcels and covers 12.78 acres, as shown in Table 1-1. It is bounded by Highway 100 on the southeast, Summit Drive on the east, Earle Brown Drive on the north, and John Martin Drive on the west. This portion of the Opportunity Area includes an 116,286 square foot former K-Mart building. Tenants in this building include Slumberland Clearance Center, Big Lots, and a dollar store. There is one large vacant space. Davanni's restaurant is located on an out parcel in the northeast corner of the site with a 3,739 square foot building on 0.89 acres. The assessed value of these two parcels is \$5.34 per square foot.

Figure 1-2

OPPORTUNITY AREA -- EASTERN PORTION



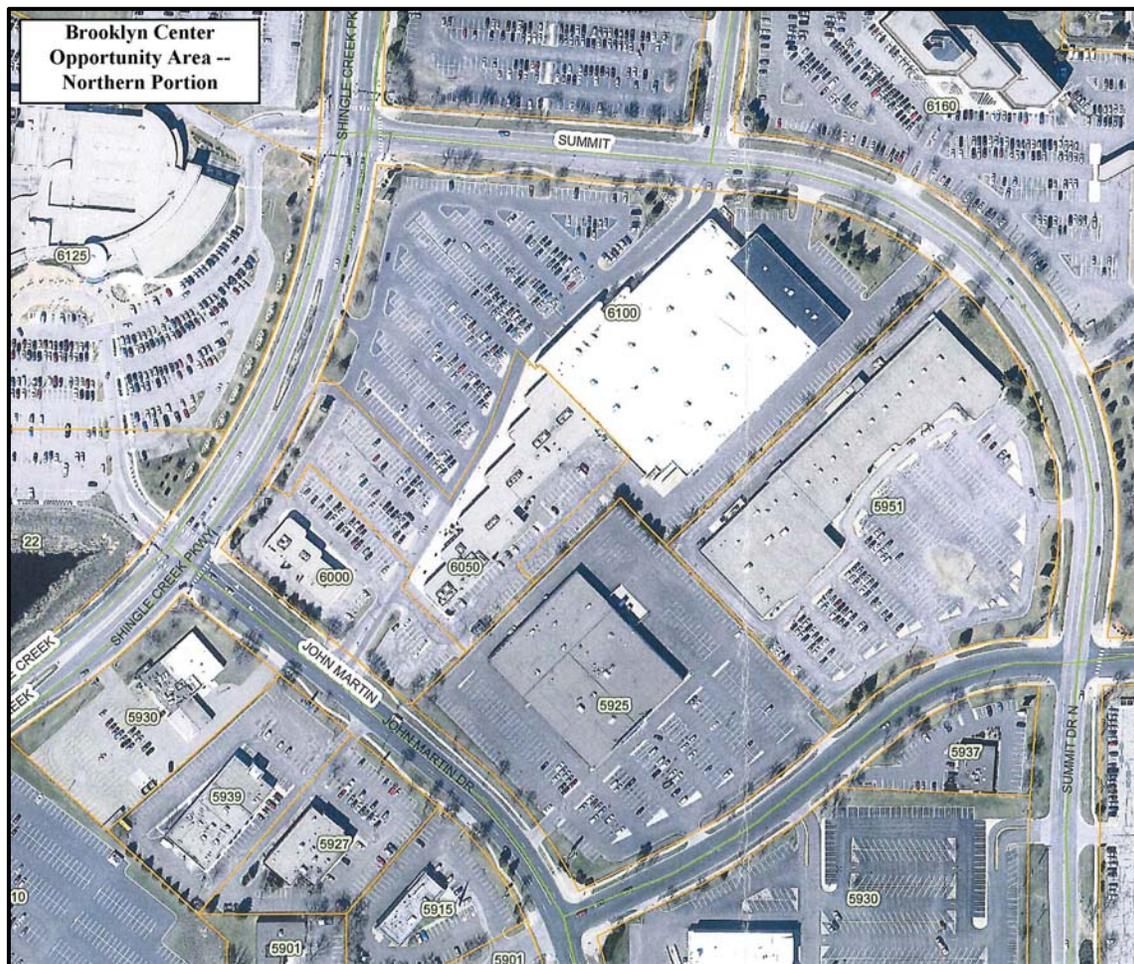
Source: City of Brooklyn Center

Northern Opportunity Area

The Northern portion of Brooklyn Center's Opportunity Area, as shown in Figure 1-3, contains four parcels on over 23 acres of land, as shown in Table 1-1. It is bound by Earle Brown Drive on the southeast, John Martin Drive on the southwest, Summit Drive on the north, and Shingle Creek Parkway on the west. This portion of the Opportunity Area includes Shingle Creek Center, shadow anchored by Target with over 15 retail tenants, a vacant Best Buy building, and Brookview Plaza (70,000 square feet) with only one tenant--Brown College. Shingle Creek Center is not included in the proposed redevelopment area. The other two parcels have an assessed value of \$9.50 per square foot.

Figure 1-3

OPPORTUNITY AREA -- NORTHERN PORTION



Source: City of Brooklyn Center

Regional Access

Brooklyn Center has excellent access from the regional freeway system. Primary access to Brooklyn Center is via I-94/694 (east/west and south), Highway 100 (south), and Highway 252 (north). Highway 100 is a six lane freeway providing convenient accessibility from the western

first-ring suburbs; it connects to major transportation arteries such as CSAH-81 in Robbinsdale, TH-55 in Golden Valley, I-394 and TH-7 in St. Louis Park, TH-62 in Edina and I-494 in Bloomington. Interstate I-94/694 provides access from the east and west, while I-94 provides direct access to downtown Minneapolis. I-694 is also the major Mississippi River Crossing for Brooklyn Center. Highway 252 is six lane limited access expressway from Highway 610, which is a major river crossing providing connection to communities east of the Mississippi River.

Traffic Counts

Highway 100 and I-94/694 both provide convenient access to Brooklyn Center, while at the same time accommodating commuters in the northern suburbs. As shown in Table 1-2, Interstate 94/694, west of Shingle Creek Parkway, carried 128,000 daily trips in 2010, down from the previous four years. Highway 100 carried 64,000 daily trips in 2010, down from 66,000 in 2008. These are the highest traffic counts in Brooklyn Center.

Table 1-2
BROOKLYN CENTER TRAFFIC COUNTS

	1999	2001	2003	2005	2007	2009	2011
I-694 West of Shingle Creek Pkwy	129,000	130,000	118,000 '02	120,000 '04	133,000 '06	131,000 '08	128,000 '10
TH-100	47,500	46,000	46,500 '02	45,000 '04	56,000 '06	66,000 '08	64,000 '10
Shingle Creek Parkway							
North of I-694	20,500	18,400	19,400	20,200	21,400	NA	21,700
South of I-694	17,500	18,000	17,200	20,900	17,200	NA	13,500
North of Bass Lake Rd	14,500	13,800	13,300	13,700	12,100	NA	8,900
Summit Drive East of Shingle Creek Pkwy	8,900	4,000	7,300	8,200	7,400	NA	6,000
Summit Dr North of TH-100	4,000	9,300	3,800	4,250	3,750	NA	7,800
John Martin Dr	6,200	5,100	3,000	6,000	4,700	NA	4,850
Earle Brown Dr	4,000	5,300	3,600	3,500	2,950	NA	2,750
Bass Lake Road							
West of Shingle Creek Pkwy	13,000	14,700	16,200	20,200	18,700	17,000	16,100
East of Shingle Creek Pkwy	15,100	17,200	17,900	15,000	16,000	12,100	11,400
East of TH-100	12,600	13,700	13,900	14,200	14,000	13,000	14,200
Brooklyn Boulevard							
North of I-694	39,800	40,500	41,000	42,600	40,700	37,000	39,000
South of I-694	21,200	23,200	23,400	22,900	23,100	22,500	23,600
North of Bass Lake Rd	21,200	23,200	23,400	22,900	23,100	22,500	23,700
South of Bass Lake Rd	20,900	21,600	23,500	22,300	22,200	20,500	23,700

NA: Not available.
Source: Minnesota Department of Transportation.

Traffic counts around the Opportunity Area, in general, have fluctuated in sync with retail activity within the area. For example, Shingle Creek Parkway (south of I-694), average daily traffic count in 1999 was 17,500 in 1999, increased to over 20,000 in 2005 and since then has declined to 13,500 trips per day in 2011, as Brookdale Center was experiencing it's transition. Shingle Creek Parkway, north of Bass Lake Road has also experienced declines in daily trips since 1999 when they had 14,500 average daily trips, dropping to 8,900 average daily trips in 2011.

Traffic counts within the Opportunity Area, in general, have declined except for Summit Drive, north of TH-100, which has seen an increase from 4,000 trips in 1999 to 7,800 trips in 2011. Summit Drive east of Shingle Creek Parkway started to decline after 2005, when they went from

8,200 trips to 6,000 trips in 2011. John Martin Drive and Earle Brown Drive have experienced similar declines between 1999 and 2011.

Bass Lake Road (CASH 10) runs east/west through Brooklyn Center and is located at the southern boundary of the Opportunity Area. This road serves local traffic and, in general, has experienced decreasing traffic counts. Average daily trips were as high as 20,200 in 2005 for Bass Lake Road west of Shingle Creek Parkway and since then, have decreased to 16,100 in 2011. Bass Lake Road east of Shingle Creek Parkway has seen decreased trips since 2007 when they had 16,000 trips to 11,400 trips in 2011. Bass Lake Road, east of TH-100 average daily trips have stayed relatively stable since 2005, with 14,200 trips.

Traffic counts on Brooklyn Boulevard had been increasing prior to 2003. By 2005, average daily trips decreased along Brooklyn Boulevard, except for the portion north of I-694. The period between 2005 and 2009 shows decreased trips for all sections of Brooklyn Boulevard. However, in 2011, average daily trips increased in all segments. Brooklyn Boulevard, north of I-694, traffic counts increased from 37,000 in 2009 to 39,000 by 2011, the segment of Brooklyn Boulevard south of I-694 increased by 2,400 average daily trips during the same time. Brooklyn Boulevard, north of Bass Lake Road increased from 22,500 trips in 2009 to 23,700 in 2011 and the segment of Brooklyn Boulevard south of Bass Lake Road increased from 20,500 trips in 2009 to 23,700 trips in 2011.

Traffic counts in the Opportunity Area have generally declined as retail activity slowed. This indicates that these streets have the capacity to accommodate traffic generated by new development.

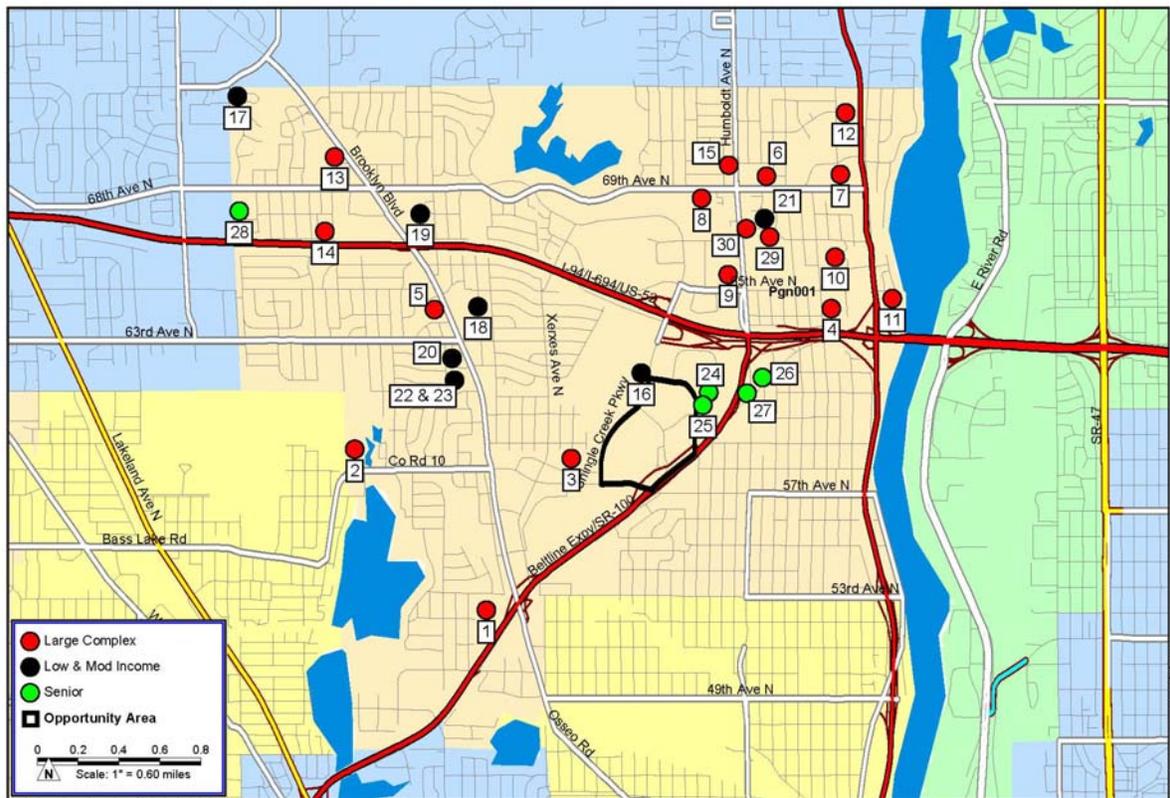
Chapter II

BROOKLYN CENTER COMPETITIVE APARTMENTS

Brooklyn Center has numerous apartment buildings located throughout the city. Apartments range in age from the early fifties to early eighties, providing the City with over 2,992 apartment units. Brooklyn Center has 70 apartment buildings including 57 general occupancy buildings, eight low and moderate income buildings, and five senior housing facilities. General occupancy buildings with more than 50 units, low and moderate income, and senior buildings are shown on Map 2-1. General occupancy and low and moderate income buildings are dispersed throughout the City. Senior buildings are located northeast of the Opportunity Area on either side of Highway 100, except for Marantha Place, which is in the northwest area north of I-94.

Map 2-1

BROOKLYN CENTER APARTMENTS



Large General Occupancy Apartments

General occupancy apartment communities with 50 or more units are contained in Table 2-1. These 17 buildings contain 2,148 units or 84 percent of the general occupancy units. Over 60 percent of these buildings (1,450 units) were constructed between 1967 and 1969. Between 1971 and 1973, four apartment buildings were built in Brooklyn Center containing 380 units. Since 1973, there have been no general occupancy apartment communities built in Brooklyn Center with over 50 units. Ninety-eight percent of Brooklyn Center's general occupancy apartment units are over 40 years old.

Several of Brooklyn Center’s larger apartment communities have upgraded their apartments and/or common area facilities, as shown below.

- Carrington Drive recently completed renovation of its main common areas including new fencing, areas around the pool, hallways, and landings.
- Twin Lakes Manor has new owners who are renovating the property including some unit upgrades.
- Twin Lakes North went through a major renovation three years ago and is continuing with minor upgrades as units turn over.
- Gateway Commons’ new owners have completely renovated the property inside and out.
- Melrose Gates has been upgrading units as tenants move out adding color to walls and cherry wood flooring.

These renovations have increased the marketability of these properties and are reflected in current asking rents.

Table 2-1
 BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
 BUILDINGS WITH MORE THAN 50 UNITS

Id	Name	Year Built	Units	Bedrooms			
				Studio	One	Two	Three
11	Riverwood Estates	1962	84	-	63	21	-
5	Granite Peaks	1963*	54	4	17	32	1
6	Carrington Drive	1965	128	4	84	40	-
1	Twin Lake Manor	1967	310	2	308	-	-
10	Georgetown Townhomes	1967	92	-	-	-	92
29	Brookside Manor	1968	90	-	-	90	-
2	Twin Lake North	1968	279	-	69	210	-
3	Gateway Commons	1968	252	2	102	148	-
30	Sterling Square	1968	52	-	12	40	-
4	Melrose Gates	1969	217	-	95	122	-
9	The Pines	1969	102	-	66	36	-
13	Willow Lane	1969	58	-	36	22	-
15	Brookdale Towers	1969	50	-	8	42	-
7	River Glen	1971	128	-	34	94	-
8	Earle Brown Farm Apartments	1971	120	-	60	60	-
12	Evergreen Park Manor	1972	80	-	21	56	3
14	Marvin Gardens Apartments	1973	52	-	-	34	18
			2,148	12	975	1,047	114

*Renovated 2012.
 Source: City of Brooklyn Center and McComb Group, Ltd.

Unit distribution, shown on Table 2-1, indicates that two bedroom units represent 49 percent of the units, followed by one bedroom units at 45 percent. Three bedroom units account for five percent, and studio units are negligible.

Unit size for the larger general occupancy apartment communities are contained in Table 2-2. Only three properties have studio units, which range in size from 550 to 650 square feet which is

above average for studio units. One bedroom units generally range from 700 to 800 square feet in size. Units below 700 square feet tend to be small. Brookdale Towers has large units--1,000 square feet for a one bedroom. There is a wide range of two bedroom sizes ranging from 800 to 1,600 square feet. Three bedroom units range from 1,100 to 1,900 square feet.

Table 2-2
BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
UNIT SIZES AS OF 3/29/13

Id	Name	Square Feet			
		Studio	One Bedroom	Two Bedroom	Three Bedroom
11	Riverwood Estates		650	800	
5	Granite Peaks*	650	750	850	
6	Carrington Drive	550	700	900	
1	Twin Lake Manor		700-800		
29	Brookside Manor			950-975	
2	Twin Lake North		810	920-1,065	
3	Gateway Commons	621	785	845-1,031	
30	Sterling Square		700	850	
4	Melrose Gates		750	950-1,050	
9	The Pines		676-793	877-1,024	
13	Willow Lane		800	1,000	
15	Brookdale Towers		1,000	1,250-1,300	
7	River Glen		612	960	1,200
8	Earle Brown Farm Apartments		800	1,000	
12	Evergreen Park Manor		750	970-1,050	1,100
14	Marvin Gardens Apartments			1,035-1,600	1,300-1,900

*Renovated 2012.
Source: City of Brooklyn Center and McComb Group, Ltd.

Monthly rent and rent per square foot for large general occupancy apartment communities are contained in Table 2-3.

Table 2-3
BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
COMPETITIVE RENTAL RATES AS OF 3/29/13

Id	Name	Rent				Rent Per Sq. Ft.			
		Studio	One Bedroom	Two Bedroom	Three Bedroom	Studio	One Bedroom	Two Bedroom	Three Bedroom
11	Riverwood Estates		\$630-\$650	\$750-\$775			\$0.97-\$1.00	\$0.94-\$0.97	
5	Granite Peaks*	\$649	\$749	\$879		\$1.00	\$1.00	\$1.03	
6	Carrington Drive	\$570-\$590	\$660-\$690	\$760-\$790		\$1.04-\$1.07	\$0.94-\$0.99	\$0.84-\$0.88	
1	Twin Lake Manor		\$649-\$699				\$0.87-\$0.93		
29	Brookside Manor			\$685-\$760				\$0.72-\$0.78	
2	Twin Lake North		\$750	\$775-\$989			\$0.93	\$0.84-\$0.93	
3	Gateway Commons	\$600	\$725-\$775	\$825-\$925		\$0.97	\$0.92-\$0.99	\$0.90-\$0.98	
30	Sterling Square		\$625-\$700	\$750-\$800			\$0.89-\$1.00	\$0.88-\$0.94	
4	Melrose Gates		\$699-\$749	\$829-\$949			\$0.93-\$1.00	\$0.87-\$0.90	
9	The Pines		\$649	\$769			\$0.82-\$0.96	\$0.75-\$0.88	
13	Willow Lane		\$650	\$850			\$0.81	\$0.85	
15	Brookdale Towers		\$729-\$749	\$859-\$909			\$0.73-\$0.75	\$0.69-\$0.70	
7	River Glen		\$700	\$820-\$840	\$990		\$1.14	\$0.85-\$0.88	\$0.83
8	Earle Brown Farm Apartments		\$599-\$630	\$730-\$825			\$0.75-\$0.79	\$0.73-\$0.83	
12	Evergreen Park Manor		\$579-\$625	\$800-\$900	\$1,000-\$1,050		\$0.77-\$0.83	\$0.82-\$0.86	\$0.91-\$0.95
14	Marvin Gardens Apartments			\$950-\$1,100	\$1,200			\$0.69-\$0.92	\$0.63-\$0.92

*Renovated 2012.
Source: City of Brooklyn Center and McComb Group, Ltd.

These rents are representative of the Brooklyn Center market in 2013. Granite Peaks is one of the oldest apartments, but has recently been renovated, which is reflected in the higher rents,

some of the highest in Brooklyn Center. Granite Peaks studio and one bedroom apartments rent for \$649 and \$749, respectively, or about \$1.00 a square foot. Their two bedroom units rent for \$879 a month, or \$1.03 per square foot. On the lower end, Brookdale Towers, rental rates for one bedroom units run between \$729 and \$749 a month and their two bedroom units, between \$859 and \$909 per month, which equates to \$0.73 to \$0.75 per square foot for one bedrooms and \$0.69 to \$0.70 per square foot for two bedrooms.

Apartment unit features in each of the general occupancy properties are shown in Table 2-4. The number of unit features includes those found in apartment buildings that have been built in the last five years and illustrate how these units are different from older buildings. This table was compiled based on information on websites and past interviews with building management, and may not include all unit features in some cases. The most common features in these properties are central laundry facilities, a dishwasher, and a patio/balcony. The newly renovated Granite Peaks offers the most unit features. In general, the unit features are consistent with buildings that are 40 or more years old.

Brooklyn Center apartment buildings offer a variety of building and recreational amenities, as shown in Table 2-5. In general, the larger apartment communities can offer a wider range of amenities. These include pool, fitness center, and sauna. Parking is generally a combination of garages and surface spaces. For the most part, these buildings offer only the basics and do not have amenities that are comparable to apartments built within the last five years.

Apartment Managers/Leasing Agents Interviews

Seven Brooklyn Center apartment managers/leasing agents were interviewed to determine tenant characteristics, apartment seeker characteristics, tenure of renters, and future renovation plans. Four respondents out of seven said that their facilities had more families than singles or seniors, these buildings included Gateway Commons, Melrose Gates, River Glen, and The Pines. Twin Lakes North has a high number of seniors (a carryover from when the building was exclusively senior housing), with a growing number diverse mix of families and singles. Twin Lakes Manor only provides one-bedroom units, and therefore has mostly single tenancy. Carrington Drive thought they had a good mixture of tenants, from families to singles to seniors. This suggests that Brooklyn Center larger apartment complexes serve a variety of residents, with a larger proportion of families.

Leasing agent interviews could not identify a definable apartment seeker characteristic. Leasing agents agreed that apartment seekers typically are looking to fulfill certain needs; i.e. low rent, on bus line, location, Section 8, etc. The apartment seekers also do not share why they are looking for an apartment, just what they are looking for.

For the most part, the tenants in these large apartment complexes tend to stay in the same unit for a number of years. Five out of the seven leasing agents interviewed mentioned that they are able to maintain a good base of renters for years, calling them long-term tenants, in some cases they have renters that have lived there for over 20 years.

Apartment building renovation was top of mind for most of the leasing agents. Recent major renovations include: Twin Lakes North, Gateway Commons, and Twin Lakes Manor (underway now). Minor renovations have been done at Melrose Gates, River Glen, and Carrington Drive (common areas). The Pines has not done any renovations lately, nor do they have any planned in the near future.

Table 2-4
 BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
 UNIT FEATURES

Feature	Twin Lakes Manor		Twin Lakes North		Gateway Commons		Melrose Gates		Carrington Drive		River Glen		Earle Brown Farm		The Pines	
	1967	310	1967	279	1968	252	1969	217	1965	128	1971	128	1971	120	1969	102
Year Built																
Units																
Kitchen																
Dishwasher			X		X		X		X				X			
Microwave																
Stainless Appliances																
Granite Countertops																
Upgrade Cabinets																
Kitchen Island																
Pantry													X			
Master Bath																
His/Her Sinks													X			
Tile Shower													X			
Walk-In Closet				X												
Living																
Oversize Windows																
High Ceilings		X														
Patio/Balcony		X				X						S	X		X	
Fireplace																
Wood Floor																
Linen Closet		X											X			
Laundry																
Washer/Dryer																
Laundry Hook-Ups																
Central		X		X		X		X		X		X		X		
Utilities																
Air Conditioning - Wall Unit		X											X			
Air Conditioning - Central																
Air Conditioning - Included																
Air Conditioning - Tenant				X		X		X		X		X		X		X
Heat - Included																
Heat - Tenant																
High Speed Internet																
WI-FI																
Cable																

Table 2-4 (continued)
 BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
 UNIT FEATURES

Feature	Brookside Manor	Riverwood Estates	Evergreen Park Manor	Willow Lane	Granite Peaks	Marvin Gardens	Sterling Square	Brookdale Towers
Year Built	1968	1962	1972	1969	1963	1973	1968	1969
Units	90	84	80	58	54	52	52	50
Kitchen								
Dishwasher	X		X	X	X	X		X
Microwave					X			
Stainless Appliances					X			
Granite Countertops					X			
Upgrade Cabinets					X			
Kitchen Island								
Pantry								
Master Bath								
His/Her Sinks								
Tile Shower								
Walk-In Closet								
Living								
Oversize Windows								
High Ceilings								
Patio/Balcony	X	X	X	X		X	X	X
Fireplace								
Wood Floor					X			
Linen Closet								
Laundry								
Washer/Dryer								
Laundry Hook-Ups								
Central	X	X	X	X	X		X	X
Utilities								
Air Conditioning - Wall Unit					X	X		
Air Conditioning - Central								
Air Conditioning - Included								
Air Conditioning - Tenant								
Heat - Included								
Heat - Tenant	X	X	X	X				X
High Speed Internet								
WI-FI								
Cable								

Source: McComb Group, Ltd.

Table 2-5
 BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
 BUILDING AMENITIES

Amenity	Twin Lakes Manor	Twin Lakes North	Gateway Commons	Melrose Gates	Carrington Drive	River Glen	Earle Brown Farm
Year Built	1967	1967	1968	1969	1965	1971	1971
Units	310	279	252	217	128	128	120
Common Facilities							
Party Room		X	X	X			X
Fireplace							
Restaurant/Bar Lounge							
Private Dining Coffee Bar							
Theater							
Business Center							
Fitness Center			X	X			
Yoga Studio							
Pool	X	X	X	X	X	X	X
Sauna		X	X	X			
Hot Tub							
Guest Suite							
Storage Lockers							
Controlled Access		X	X	X	X	X	
Parking							
Under Building							X
Garage	X	X	X	X		X	
Outdoor		X	X	X	X	X	X
Services							
On-Site Staff							
Concierge							
Common Area							
Terrace/Courtyard Garden							
Grilling Station							X
Play Area		X	X		X	X	
Bocce Ball							
Views							
Other							
Pet Friendly							Both
Pet Area							Cat
Pet Services							
LEED							

Table 2-5 (continued)
 BROOKLYN CENTER MARKET RATE APARTMENT COMMUNITIES
 BUILDING AMENITIES

Amenity	Brookside Manor	Riverwood Estates	Evergreen Park Manor	Willow Lane	Granite Peaks	Sterling Square	Marvin Gardens
Year Built	1968	1962	1972	1969	1963	1968	1973
Units	90	84	80	58	54	52	52
Common Facilities							
Party Room							
Fireplace							
Restaurant/Bar Lounge							
Private Dining							
Coffee Bar							
Theater							
Business Center							
Fitness Center							
Yoga Studio							
Pool	X		X				
Sauna							
Hot Tub							
Guest Suite							
Storage Lockers							
Controlled Access	X	X	X	X	X	X	
Parking							
Under Building							
Garage	X	X	X	X	X	X	X
Outdoor	X	X	X	X	X	X	X
Services							
On-Site Staff							X
Concierge							
Common Area							
Terrace/Courtyard							
Garden							
Grilling Station					X		
Play Area	X	X	X	X	X		X
Bocce Ball							
Views							
Other							
Pet Friendly			Both		Cat	Both	Both
Pet Area							
Pet Services							
LEED							

Source: McComb Group, Ltd.

Low and Moderate Income Apartments

Most of Brooklyn Center’s low and moderate income apartment buildings have been built since 1973, as shown in Table 2-6. Seven low and moderate income apartment buildings have been built in Brooklyn Center since 1973, excluding Garden City Court which was built in 1963. The majority of these units (201 units) were built between 1978 and 1979. With the exception of The Crest Apartments and Unity Place Apartments, the low and moderate income apartment buildings built in this time period were small developments of 48 units or less.

Table 2-6

Id	Name	Year Built	Units	Bedrooms			
				One	Two	Three	Four
18	Garden City Court	1963	72	6	66	-	-
16	The Crest Apts	1973	122	77	45	-	-
17	Unity Place Apts	1978	112	61	51	-	-
20	Ewing Square Apartments	1978	19	-	-	19	-
21	Emerson Chalet	1978	18	6	12	-	-
22	Ewing Sq. Apartments - 2 Story Townhome Style	1978	2	-	-	-	2
23	Ewing Sq. Townhome Style 2 Story Apts	1978	2	-	-	-	2
19	Victoria Townhomes	1979	48	-	-	48	-
			395	150	174	67	4

Source: City of Brooklyn Center and McComb Group, Ltd.

Unit mix in the low and moderate income buildings, shown in Table 2-6, is slightly different from the general occupancy buildings. There is a lower proportion of one and two bedroom units (38 and 44 percent, respectively) than three bedroom units (17 percent).

Senior Apartments

The most recent apartment development in Brooklyn Center has occurred in the senior housing sector. Since 1984, five senior housing communities have been built in Brooklyn Center, as shown in Table 2-7. The largest senior building is Earle Brown Terrace with 140 units, built in 1987. In total, these buildings contain 440 units which provide independent and assisted living options for area seniors. One bedroom units account for 62 percent of the units and two bedroom units comprise 36 percent.

Table 2-7

Id	Name	Year Built	Units	Bedrooms			
				Studio	One	Two	Three
26/27	Crossings at Brookwood I & II	1984	146	-	65	79	2
24	Earle Brown Terrace	1987	140	-	82	58	-
28	Marantha Place Sr. Apts & Baptist Care Center	1988	65	7	38	20	-
25	Prairie Lodge Assisted Living	1993	89	-	89	-	-
			440	7	274	157	2

Source: City of Brooklyn Center and McComb Group, Ltd.

Senior unit sizes, shown in Table 2-8, tend to be smaller than market rate units. Studio units are 350 and 390 square feet, somewhat larger than a typical hotel room. One bedroom units range

from 600 to 850 square feet; while two bedroom units range from 850 square feet to a spacious 1,563 square feet.

Table 2-8
BROOKLYN CENTER SENIOR APARTMENT COMMUNITIES
UNIT SIZES AS OF 3/29/13

Id	Name	Square Feet		
		Studio	One Bedroom	Two Bedroom
26/27	Crossings at Brookwood I & II		743-829	884-1,563
24	Earle Brown Terrace		600-850	850-1,070
28	Marantha Place Sr. Apts & Baptist Care Center	390	634-837	898
25	Prairie Lodge Assisted Living	350		

Source: City of Brooklyn Center and McComb Group, Ltd.

Monthly rent and rent per square foot for Brooklyn Center senior apartment communities are contained in Table 2-9. These rents are representative of the Brooklyn Center senior housing market in 2013. Rental rates for senior facilities vary greatly depending on services provided. Crossings at Brookwood has two buildings and is the only true independent living rental property for seniors within Brooklyn Center. Rents at the Crossings at Brookwood are \$850 to \$1,025 per month for one bedroom (\$0.82 to \$0.87 per square foot) and \$950 to \$1,645 for two bedrooms (\$1.22 to \$1.14 per square foot). Earle Brown Terrace offers independent and assisted living; offering a number of wellness features, which are reflected in the higher rental rates. Marantha Place Senior Apartments rates run between \$1.76 and \$3.09 per square foot, which includes utilities, emergency call buttons, and transportation. Prairie Lodge, the newest senior housing building built in 1993, offers assisted care living and memory care with only studio units that start at \$2,700 per month.

Table 2-9
BROOKLYN CENTER SENIOR APARTMENT COMMUNITIES
RENTAL RATES AS OF 3/29/13

Id	Name	Rent			Rent Per Sq. Ft.		
		Studio	One Bedroom	Two Bedroom	Studio	One Bedroom	Two Bedroom
26/27	Crossings at Brookwood I & II		\$850-\$1,015	\$950-\$1,645		\$0.82-\$0.87	\$1.22-\$1.14
24	Earle Brown Terrace		\$1,350-\$1,665	\$1,585-\$1,830		\$1.95-\$2.25	\$1.71-\$1.86
28	Marantha Place Sr. Apts & Baptist Care Center	\$1,206	\$1,476	\$1,817	\$3.09	\$1.76-\$2.32	\$2.02
25	Prairie Lodge Assisted Living	\$2,700			\$7.71		

Source: City of Brooklyn Center and McComb Group, Ltd.

Senior apartment unit features, contained in Table 2-10, are generally similar to general occupancy buildings in Brooklyn Center.

Table 2-10

BROOKLYN CENTER SENIOR APARTMENT COMMUNITIES
UNIT FEATURES

Feature	Crossings at Brookwood	Earle Brown Terrace	Marantha Place	Prairie Lodge
Year Built	1984	1987	1988	1993
Units	146	140	65	89
Kitchen				
Dishwasher	X	X	X	
Microwave	X			
Stainless Appliances				
Granite Countertops				
Upgrade Cabinets			X	
Kitchen Island				
Pantry				
Master Bath				
His/Her Sinks				
Tile Shower				
Walk-In Closet	X		X	
Living				
Patio/Balcony	X			
Fireplace	X			
Wood Floor				
Linen Closet				
Laundry				
Washer/Dryer	X			
Laundry Hook-Ups	X			
Central	X	X	X	X
Utilities				
Air Conditioning - Wall Unit	X	X	X	S
Air Conditioning - Central				X
Air Conditioning - Included				X
Air Conditioning - Tenant			X	
Heat - Included		X	X	X
Heat - Tenant				
High Speed Internet	X			
WI-FI				
Cable	X	X		X
Services				
Independent Living	X	X	X	
Assisted Living		X	X	X
Memory Care				X

S: Some.

Source: McComb Group, Ltd.

Brooklyn Center senior housing facilities offer a wide variety of building and recreational amenities, as shown in Table 2-11. There are notable differences in amenities offerings between the Crossings at Brookwood and Earle Brown Terrace; and Marantha Place and Prairie Lodge. Crossings at Brookwood and Earle Brown Terrace offer the most common facility amenities in addition to services, while Marantha Place and Prairie Lodge are focused more on services.

Table 2-11

BROOKLYN CENTER SENIOR APARTMENT COMMUNITIES
BUILDING AMENITIES

Amenity	Crossings at Brookwood	Earle Brown Terrace	Marantha Place	Prairie Lodge
Year Built	1984	1987	1988	1993
Units	146	140	65	89
Common Facilities				
Billards	X			
Computer Center	X	X		
Controlled Access	X	X	X	
Craft Room	X	X		
Fitness Center	X	X		
Guest Suite		X		
Hot Tub		X		
Library	X			
Party Room	X	X		
Pool		X		
Restaurant/Bar				
Storage Lockers	X			
Parking				
Under Building	X	X	X	
Garage				
Outdoor				X
Car Wash	X			
Services				
Beautician/Barber	X	X		X
Continental Breakfast			X	
Healthcare On Site		X		X
Housekeeping	X	X	X	X
Meals		X	X	X
Social Events	X	X	X	
Transportation	X	X	X	X
Common Area				
Terrace/Courtyard	X	X		X
Garden	X			X
Grilling Station				
Play Area				
Bocce Ball				
Views	X			
Other				
Pet Friendly		X		
Pet Area				
Pet Services				
LEED				
55+	X	X		

Summary

In summary, Brooklyn Center provides a number rental housing options, with general occupancy apartment buildings, moderate to low income apartment buildings and senior housing rental options. The inventory of rental housing units range in age from the early 1960's to early 1990's, with the majority of the general occupancy (including low to moderate income) units built between the early 1960's and early 1970's, and senior housing units built between the early 1980's and early 1990's. In many cases, these apartment units are dated and do not offer the features and amenities that today's renters are seeking.

Chapter III

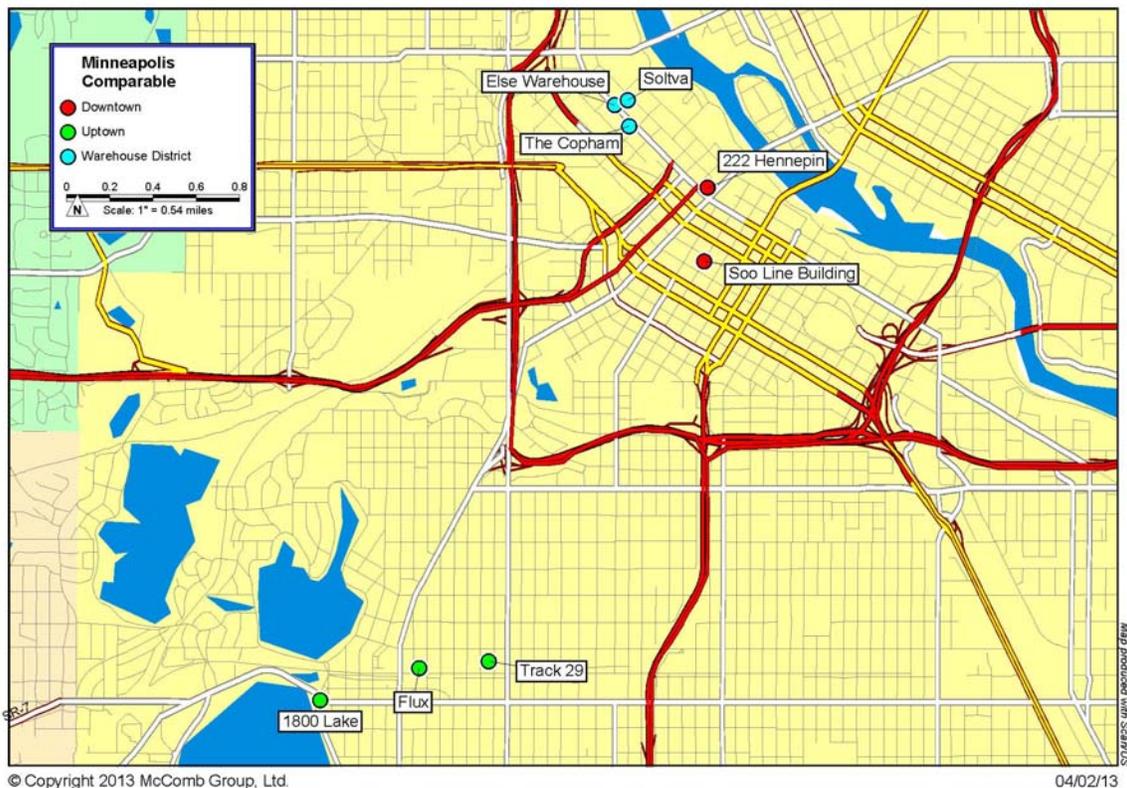
CONTEMPORARY APARTMENT COMMUNITIES

Apartment construction began a revival in 2010 in the Twin Cities area. New apartment construction was focused most heavily on Minneapolis in Downtown, the Warehouse District, and Uptown, and in St. Louis Park. Several newly built and under construction apartment communities were selected as examples to demonstrate how the new buildings differ from the older developments. These comparables are located in Minneapolis and St. Louis Park. Even though these developments do not necessarily directly compete with potential development in the opportunity area, these buildings represent a cross section of the new apartment products that are popular with today's apartment renter.

Minneapolis

Minneapolis has numerous comparable apartment buildings located throughout the city; apartment communities located in Downtown, the Warehouse District, and Uptown were chosen for this analysis. These apartment building locations are shown on Map 3-1 and described below.

Map 3-1
MINNEAPOLIS COMPARABLE APARTMENT BUILDINGS



Apartment building size and age for Downtown, Uptown and Warehouse District comparable apartments are contained in Table 3-1. The comparable rental buildings chosen for Downtown Minneapolis are 222 Hennepin, recently opened with 286 units and Soo Line Building, which is

under construction and will have 254 units. The sizes of these units range from 450 square feet to 1,560 square feet. Uptown comparable rental buildings include: 1800 Lake (57 units) opened in 2011 and Flux (215 units) opened in 2012. Track 29 with 198 units is currently under construction. 1800 Lake unit sizes range from 544 square feet to 1,783 square feet and Flux unit sizes range from 510 to 1,417 square feet. Trade 29 unit sizes were not available. Warehouse District comparable apartment buildings include: The Copham (2013), Else Warehouse (2013), and Soltva (2012). The Copham has 120 units, ranging in size from 646 square feet to 1,196 square feet. Else Warehouse has 130 units ranging in size from 529 square feet to 1,860 square feet and Soltva with 90 units ranging in size from 622 to 857 square feet.

Table 3-1

MARKET RATE COMPARABLE UNIT SIZE (AS OF 12/20/2012)
MINNEAPOLIS (DOWNTOWN, UPTOWN AND WAREHOUSE DISTRICT)

Apartment	Year Built	Units	Sq. Ft. Range		
			Small	Large	Avg
Minneapolis - Downtown					
222 Hennepin	2013	286	492	1,560	1,026
Soo Line Building	U/C	254	450	1,500	975
Minneapolis - Uptown					
Track 29 Apartments	U/C	198	N/A	N/A	N/A
1800 Lake	2011	57	544	1,783	1,164
Flux	2012	215	510	1,417	964
Minneapolis - Warehouse District					
The Copham	2013	120	646	1,196	921
Else Warehouse	2013	130	529	1,860	1,195
Soltva	2012	90	622	857	740

Source: McComb Group, Ltd.

Monthly rent and rent per square foot for Downtown, Warehouse District and Uptown comparable apartment buildings are contained in Table 3-2.

Table 3-2

MARKET RATE COMPARABLE RENTAL RATES (AS OF 12/20/2012)
MINNEAPOLIS (DOWNTOWN, UPTOWN AND WAREHOUSE DISTRICT)

Apartment	Rent Range			Rent per Sq. Ft.		
	Small	Large	Avg	Small	Large	Avg
Minneapolis - Downtown						
222 Hennepin	\$1,100	\$2,850	\$1,975	\$2.24	\$1.27	\$1.75
Minneapolis - Uptown						
1800 Lake	\$1,165	\$3,195	\$2,180	\$2.14	\$1.22	\$1.68
Flux	\$1,180	\$3,200	\$2,190	\$2.31	\$1.55	\$1.93
Minneapolis - Warehouse District						
The Copham	\$1,070	\$1,870	\$1,470	\$1.66	\$1.23	\$1.44
Else Warehouse	\$1,075	\$3,500	\$2,288	\$2.03	\$1.23	\$1.63
Soltva	\$1,380	\$1,730	\$1,555	\$2.22	\$1.81	\$2.02

Source: McComb Group, Ltd.

These rents are representative of the Minneapolis apartment market in 2013. Average rent for 222 Hennepin in Downtown range from \$1,100 to \$1,975 per month, which averages out to

\$1.75 per square foot. Rents for the Soo Line Building are not available. Uptown rents range from \$1,165 to \$3,195 per month at 1800 Lake and \$1,180 to \$3,200 at Flux, with average rent per square foot of \$1.68 and \$1.93, respectively. 1800 Lake is frame construction and Flux is masonry, which is more expensive, resulting in higher rents. Comparable apartment buildings in the Warehouse District range from \$1,070 to \$1,380 per month for the smaller units and \$1,730 to \$3,500 for the larger units, with an average rent per square foot of \$1.44 to \$2.02. The Copham and Else Warehouse are renovations of existing buildings. Soltva is new construction resulting in higher rents.

Unit features for currently operating comparable properties are shown in Table 3-3, feature information for Soo Line and Track 29 were not available. The features that are represented in every comparable property are: dishwashers, stainless appliances, kitchen islands, washers and dryers in the unit, and central air conditioning. Other common features include: patio/balconies, wood floors, microwaves, granite countertops, oversized windows, and high ceilings.

Table 3-3
MINNEAPOLIS COMPARABLE APARTMENT COMMUNITIES
UNIT FEATURES

Feature	Downtown	Warehouse District			Uptown	
	222 Hennepin	Else Warehouse	The Copham	Soltva	Flux	1800 Lake
Year Built	U/C	U/C	U/C	2012	2012	2011
Units	286	130	120	90	215	57
Kitchen						
Dishwasher	X	X	X	X	X	X
Microwave			X	X	X	X
Stainless Appliances	X	X	X	X	X	X
Granite Countertops	X	X		X		X
Upgrade Cabinets	X					
Kitchen Island	X	X	X	X	X	X
Pantry						
Master Bath						
His/Her Sinks			X			X
Tile Shower	X	X				X
Walk-In Closet		X	X			X
Living						
Oversize Windows	X	X		X		X
High Ceilings	X	X	X			X
Patio/Balcony	X	X		X	X	X
Fireplace						
Wood Floor	X	X		X	X	X
Linen Closet	X	X		X		
Laundry						
Washer/Dryer	X	X	X	X	X	X
Laundry Hook-Ups						
Central						
Utilities						
Air Conditioning - Wall Unit						
Air Conditioning - Central	X	X	X	X	X	X
Air Conditioning - Included						
Air Conditioning - Tenant						
Heat - Included		X				
Heat - Tenant						
High Speed Internet					X	X
WI-FI			X			
Cable					X	

Source: McComb Group, Ltd.

Building amenities for comparable properties within Minneapolis are shown in Table 3-4. Building amenities that are represented in every Minneapolis comparable property are: terrace/courtyards, parking under building, controlled access and fitness center. Other common features include: common fireplace, lounge, party room, and business center. These features represent the trend of providing more public and common area amenities that are utilized for socialization and recreation, which older apartment facilities lack.

Table 3-4
MINNEAPOLIS COMPARABLE APARTMENT COMMUNITIES
BUILDING AMENITIES

Amenity	Downtown		Warehouse District			Uptown		
	222 Hennepin	Soo Line Building	Else Warehouse	The Copham	Soltva	Flux	Track 29 Apartments	1800 Lake
Year Built	U/C	U/C	U/C	U/C	2012	2012	U/C	2011
Units	286	254	130	120	90	215	198	57
Common Facilities								
Party Room	X		X		X		X	X
Fireplace	X	X			X	X	X	X
Restaurant/Bar	X	X	X			X		
Lounge	X	X	X		X		X	X
Private Dining		X						
Coffee Bar				X	X		X	
Theater		X						
Business Center		X	X	X	X			X
Fitness Center	X	X	X	X	X	X	X	X
Yoga Studio	X							
Pool	X	X				X	X	
Sauna						X		
Hot Tub		X				X	X	
Guest Suite	X					X		
Storage Lockers							X	X
Controlled Access	X	X	X	X	X	X	X	X
Parking								
Under Building	X	X	X	X	X	X	X	X
Garage								
Outdoor								
Services								
On-Site Staff			X			X		X
Concierge		X	X			X		
Common Area								
Terrace/Courtyard	X	X	X	X	X	X	X	X
Garden							X	
Grilling Station	X	X				X		X
Play Area							X	
Bocce Ball	X					X		
Views	X	X					X	
Other								
Pet Friendly			X	X				X
Pet Area	X					X	X	
Pet Services								X
LEED	X							

Source: McComb Group, Ltd.

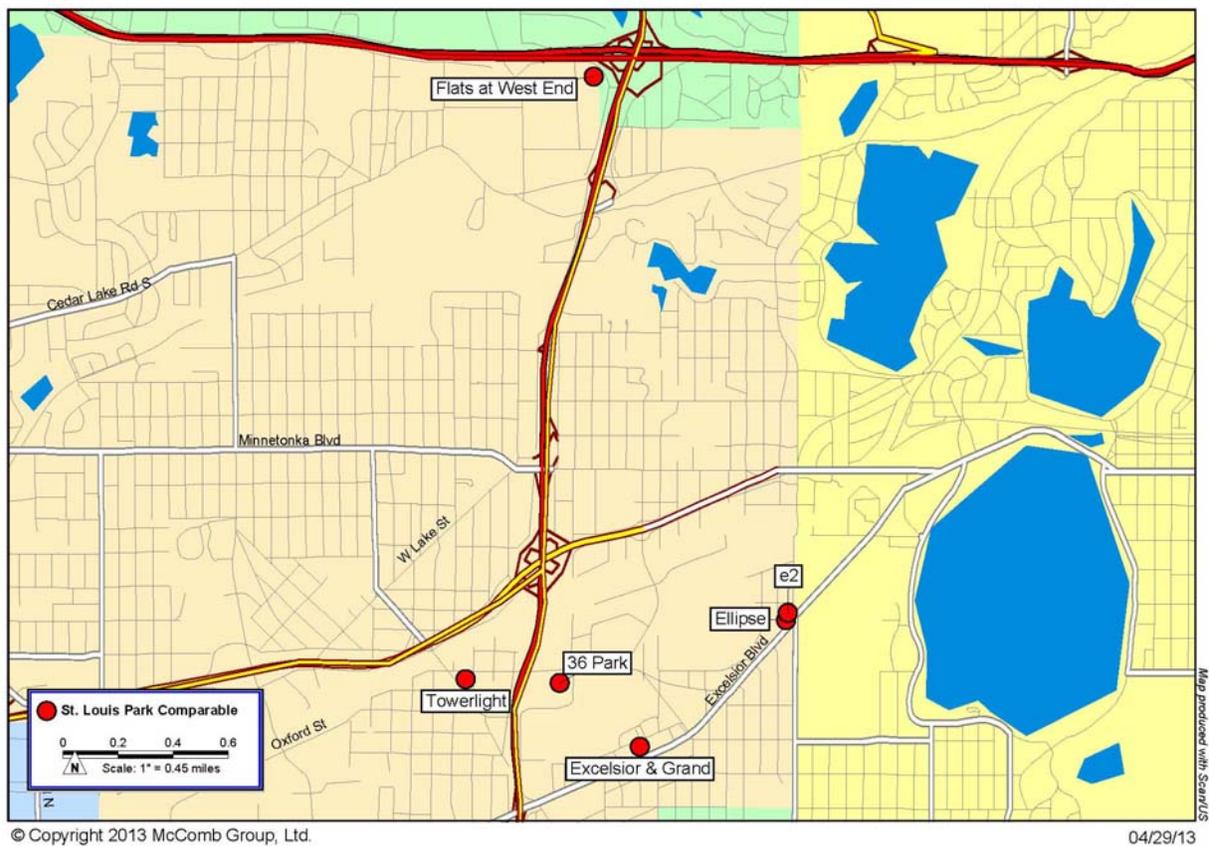
These buildings have a wider range of apartment features and common area amenities than older apartment buildings in Brooklyn Center and other communities. These types of features appeal to both young professionals and empty nesters. These buildings appeal to households that are unlikely to rent older style units.

St. Louis Park

Six St. Louis Park apartment communities were identified for comparison located in two distinct areas within St. Louis Park: the northern part of the city in the West End area at Highway 100 and I-394, and the southeastern part of the city in the corridor bounded by Highway 7 and Excelsior Boulevard. These apartment communities, developed between 2002 and 2013, include one senior building and one apartment building currently under construction. Excelsior and Grand is included because it was a pioneering development when it opened and has been very successful. Locations of these apartment buildings are shown on Map 3-2 and described below.

Map 3-2

ST. LOUIS PARK COMPARABLE APARTMENT BUILDINGS



Apartment building size and age for St. Louis Park comparable apartments is contained in Table 3-5. The comparable rental buildings range in size from the e2 with 58 units to Excelsior and Grand with 338 units. The average smaller apartment size ranges from 449 square feet to 696 square feet and averages 542 square feet. The larger sized apartments range from 1,171 square feet to 2,220 square feet and average 1,569 square feet. The large units would represent a mix of two or three bedroom units depending on the building.

Table 3-5

MARKET RATE COMPARABLE UNIT SIZE (AS OF 12/20/2012)
ST. LOUIS PARK

Apartment	Year Built	Units	Sq. Ft. Range		
			Small	Large	Avg
St. Louis Park					
e2	U/C	58	449	1,864	1,157
36 Park Apartments	2013	192	696	1,267	982
The Flats at West End	2013	119	539	1,258	899
Towerlight on Wooddale Ave*	2012	115	468	1,171	820
Ellipse	2010	132	544	1,651	1,098
Excelsior & Grand	2002	338	554	2,200	1,377

*Senior.

Source: McComb Group, Ltd.

Monthly rent and rent per square foot for St. Louis Park comparable apartment buildings is contained in Table 3-6. These rents are representative of the St. Louis Park apartment market in 2013. Rents range from \$1,025 to \$1,385 for smaller apartments. Larger unit rents range from \$2,300 to \$3,815. Comparable apartment buildings within St. Louis Park rent per square foot ranges from \$1.85 to \$2.25 per square foot for small units and average about \$2.04 per square foot. The rents for large units range from \$1.10 to \$1.55 per square foot and average \$1.33 per square foot. Average rents per square foot fell in a narrow range of \$1.72 to \$1.78 per square foot for the three newer buildings. Excelsior and Grand has lower rents because it's 10 years old.

Table 3-6

MARKET RATE COMPARABLE RENTAL RATES (AS OF 12/20/2012)
ST. LOUIS PARK

Apartment	Rent Range			Rent per Sq. Ft.		
	Small	Large	Avg	Small	Large	Avg
St. Louis Park						
e2	\$ 1,050	\$ 3,125	\$ 2,088	\$ 2.34	\$ 1.12	\$ 1.73
36 Park Apartments	1,385	2,545	1,965	1.99	1.55	1.77
The Flats at West End	1,125	2,300	1,713	2.09	1.36	1.72
Towerlight on Wooddale Ave*	NA	NA	NA	NA	NA	NA
Ellipse	1,225	3,125	2,175	2.25	1.32	1.78
Excelsior & Grand	1,025	3,815	2,420	1.85	1.10	1.48

*Senior.

Source: McComb Group, Ltd.

Unit features for each of the St. Louis Park apartment properties are shown in Table 3-7. All apartment buildings provide a dishwasher and in-unit washer and dryer. Other common features include: microwave, walk-in closet, high ceilings, patio/balcony, wood floor, and high speed internet. e2, Ellipse, and Excelsior and Grand have the widest range of apartment unit features.

Table 3-7

ST. LOUIS PARK COMPARABLE APARTMENT COMMUNITIES
UNIT FEATURES

Feature	e2	The Flats at West End	36 Park Apartments	Towerlight on Wooddale Ave*	Ellipse	Excelsior & Grand
Year Built	U/C	2013	2013	2012	2010	2002
Units	58	119	192	115	132	338
Kitchen						
Dishwasher	X	X	X	X	X	X
Microwave	X	X			X	
Stainless Appliances	X		X		X	X
Granite Countertops	X		X		X	X
Upgrade Cabinets	X				X	
Kitchen Island	X		X	X	X	
Pantry						
Master Bath						
His/Her Sinks				X		X
Tile Shower	X				X	X
Walk-In Closet	X	X		X	X	X
Living						
Oversize Windows	X				X	X
High Ceilings	X				X	X
Patio/Balcony	X		X		X	X
Fireplace						
Wood Floor	X	X	X		X	X
Linen Closet	X			X	X	
Laundry						
Washer/Dryer	X	X	X	X	X	X
Laundry Hook-Ups						
Central						
Utilities						
Air Conditioning - Wall Unit						
Air Conditioning - Central	X			X	X	X
Air Conditioning - Included				X		
Air Conditioning - Tenant						
Heat - Included				X		X
Heat - Tenant						
High Speed Internet	X	X			X	X
WI-FI	X	X		X	X	X
Cable						X

* Senior.

Source: McComb Group, Ltd.

Building amenities for comparable properties in St. Louis Park are shown in Table 3-8. The building amenities that are represented in every St. Louis Park comparable property are: parking under building, controlled access, party room, and fitness center. Other common features include common fireplace, business center, storage lockers, terrace/courtyard, and grilling station. These features represent the trend of providing more common area amenities that are utilized for socialization and recreation.

Table 3-8

ST. LOUIS PARK COMPARABLE APARTMENT COMMUNITIES
BUILDING AMENITIES

Amenity	e2	The Flats at West End	36 Park Apartments	Towerlight on Wooddale Ave*	Ellipse	Excelsior & Grand
Year Built	U/C	2013	2013	2012	2010	2002
Units	58	119	192	115	132	338
Common Facilities						
Party Room	X	X	X	X	X	X
Fireplace	X	X		X	X	X
Restaurant/Bar	X		X		X	
Lounge	X	X		X	X	
Private Dining						
Coffee Bar				X		
Theater	X			X	X	
Business Center	X	X	X		X	X
Fitness Center	X	X	X	X	X	X
Yoga Studio	X	X			X	
Pool		X				X
Sauna						X
Hot Tub		X				X
Guest Suite		X	X	X		X
Storage Lockers	X	X	X	X	X	
Controlled Access	X	X	X	X	X	X
Parking						
Under Building	X	X	X	X	X	X
Garage						
Outdoor						
Services						
On-Site Staff	X	X	X	X	X	
Concierge		X	X			
Common Area						
Terrace/Courtyard	X	X	X		X	X
Garden						
Grilling Station	X	X	X		X	
Play Area	X				X	
Bocce Ball		X	X			
Views	X				X	
Other						
Pet Friendly	X	X	X		X	Cats
Pet Area						
Pet Services			X			X
LEED			X			

S: Senior.

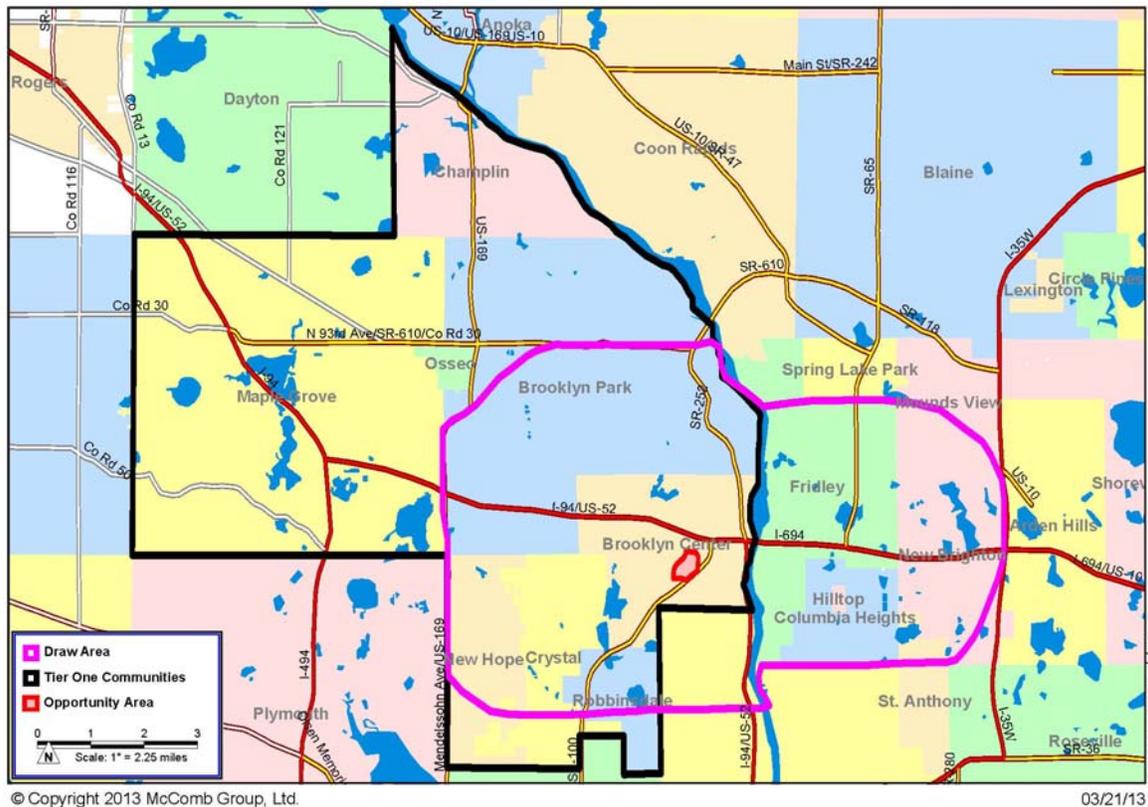
Source: McComb Group, Ltd.

Summary

In comparison to contemporary comparable apartment buildings in Minneapolis and St. Louis Park, Brooklyn Center's apartment inventory is dated and lacks the features and amenities that are currently being provided by recently developed apartment communities. Because of the age of Brooklyn Center's apartment inventory, monthly rents are low and do not provide a basis for determining market rents for new apartment buildings.

the cities of Brooklyn Center, Robbinsdale, Crystal, New Hope, Hilltop, and Columbia Heights, along with portions of Brooklyn Park, Fridley, North Minneapolis, Mounds View, New Brighton, and St. Anthony. The Opportunity Area Draw Area encompasses 59.0 square miles around the Opportunity Area. The Opportunity Area Draw Area is shown on Map 4-2, along with I-94 Growth Corridor Tier One Communities and the Opportunity Area.

**Map 4-2
OPPORTUNITY AREA DRAW AREA, TIER ONE COMMUNITIES,
AND BROOKLYN CENTER OPPORTUNITY AREA**



Employment, population, and other demographic trends in the Opportunity Area Draw Area provide valuable information about current and future demand for rental housing in the Brooklyn Center area. Demographics for this area, along with the City of Brooklyn Center are provided for comparison purposes.

Population and Households

Population and household growth trends in Brooklyn Center, the Opportunity Area Draw Area, and Tier One Communities are shown in Table 4-1. Since 1990, Brooklyn Center experienced slowing population and household growth, characteristic of an older community with few developable sites. Brooklyn Center’s population increased at an annual rate of 0.29 percent from 28,327 people in 1990 to 29,153 in 2000. Brooklyn Center population growth rate rose modestly between 2000 and 2011, increasing at a 0.32 percent annual rate, bringing population to 30,204 by 2011. Without action to stimulate new development, population is estimated to increase slightly by 2016. Brooklyn Center households increased at an annual rate of 0.35 percent

between 1990 and 2000 and decreased slightly by 2011, primarily as a result of recession induced foreclosures. Households are estimated to decrease slightly from 10,856 in 2011 without new development.

Opportunity Area Draw Area population has been growing and is estimated to continue to grow. Between 1990 and 2000, the draw area population increased from 210,499 to 216,982, an annual growth rate of 0.30 percent. Since 2000, population increased to 219,404 in 2011. Population is estimated to increase to 227,350 by 2016. Opportunity Area Draw Area households totaled 81,751 in 1990 and increased to 86,074 by 2000, an annual increase of 0.52 percent. In 2011, households were estimated at 85,016, a slight decline since 2000, reflecting housing foreclosures and are estimated to increase to 88,410 households by 2016, an increase of 0.79 percent annually.

Table 4-1

CITY OF BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA,
AND TIER ONE COMMUNITIES: POPULATION AND HOUSEHOLDS
1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Trade Area / Year	Population		Households	
	Number	Rate of Change	Number	Rate of Change
BROOKLYN CENTER				
1990	28,327	N/A	11,029	N/A
2000	29,153	0.29 %	11,422	0.35 %
2011 E	30,204	0.32	10,791	(0.52)
2016 E	30,386	0.12	10,856	0.12
OPPORTUNITY AREA DRAW AREA				
1990	210,499	N/A	81,751	N/A
2000	216,982	0.30 %	86,074	0.52 %
2011 E	219,404	0.10	85,016	(0.11)
2016 E	227,350	0.71	88,410	0.79
TIER ONE COMMUNITIES				
1990	196,874	N/A	71,942	N/A
2000	229,242	1.53 %	86,003	1.80 %
2011 E	251,494	0.85	93,759	0.79
2016 E	258,891	0.58	96,666	0.61

N/A: Not Available.

E: Estimated.

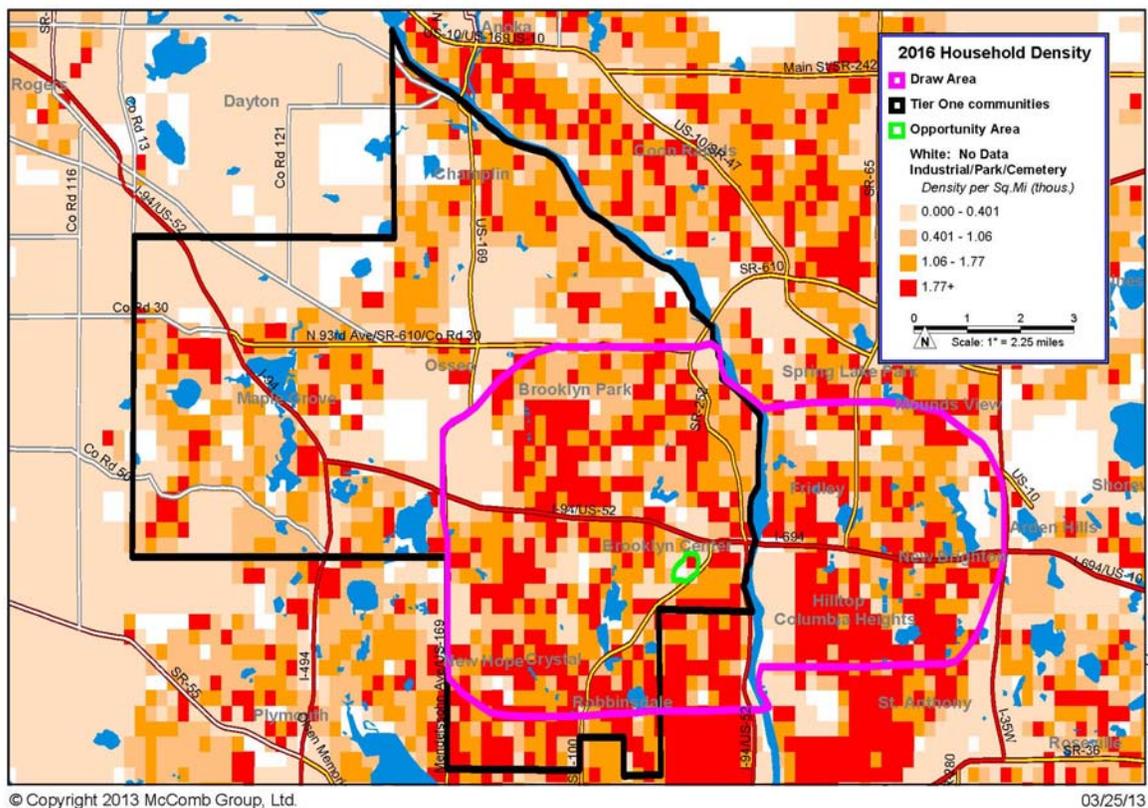
Source: U.S. Census, Scan/US and McComb Group, Ltd.

Tier One Communities have experienced greater population and household growth patterns with population growing at a 1.53 percent annual rate from 1990 to 2000, increasing population from 196,874 in 1990 to 229,242 in 2000. Population continued to increase at an annual rate of 0.85 to 251,494 people in 2011. Population estimates show continued growth to 258,891 through 2016, a 0.58 percent annual increase. Tier One Communities' households grew from 71,942 in 1990 to 86,003 in 2000, a 1.80 percent annual increase. Households continued to increase to 93,759 households in 2011. Estimates show Tier One Communities' households increasing to 96,666 by 2016.

Opportunity Area Draw Area and Tier One Communities have shown positive population and household growth resulting from the construction of new housing units. The recent great recession and increasing gasoline prices have combined with changes in lifestyle to favor housing locations that are closer to the central cities.

Estimated future household density in 2016 in the Opportunity Area Draw Area, Tier One Communities, and the Opportunity Area is shown on Map 4-3. The Opportunity Area is located in an area where high density housing is part of the normal development pattern.

Map 4-3
OPPORTUNITY AREA DRAW AREA AND TIER ONE COMMUNITIES
ESTIMATED 2016 HOUSEHOLD DENSITY



Household Income

Average household incomes in Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities are shown in Table 4-2. Opportunity Area Draw Area average household income in 2011 was \$59,499, compared to \$54,765 in Brooklyn Center. Tier One Communities’ average household income was significantly higher at \$75,483. It is estimated that average household incomes for these three areas will continue to increase through 2016, increasing Opportunity Area Draw Area average household income to \$65,148 in 2016, Brooklyn Center to \$59,581, and Tier One Communities to \$82,477.

Table 4-2

CITY OF BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA,
AND TIER ONE COMMUNITIES: AVERAGE AND MEDIAN HOUSEHOLD INCOMES
2000 CENSUS; 2011 AND 2016 ESTIMATED

Income Type / Year	Brooklyn Center	Opportunity Area Draw Area	Tier One Communities
Average Household Income			
2000	\$ 49,769	\$ 57,679	\$ 64,818
2011 E	54,765	59,499	75,483
2016 E	59,581	65,148	82,477
Median Household Income			
2000	\$ 44,594	\$ 48,692	\$ 57,442
2011 E	49,327	52,970	65,718
2016 E	51,387	55,872	69,183

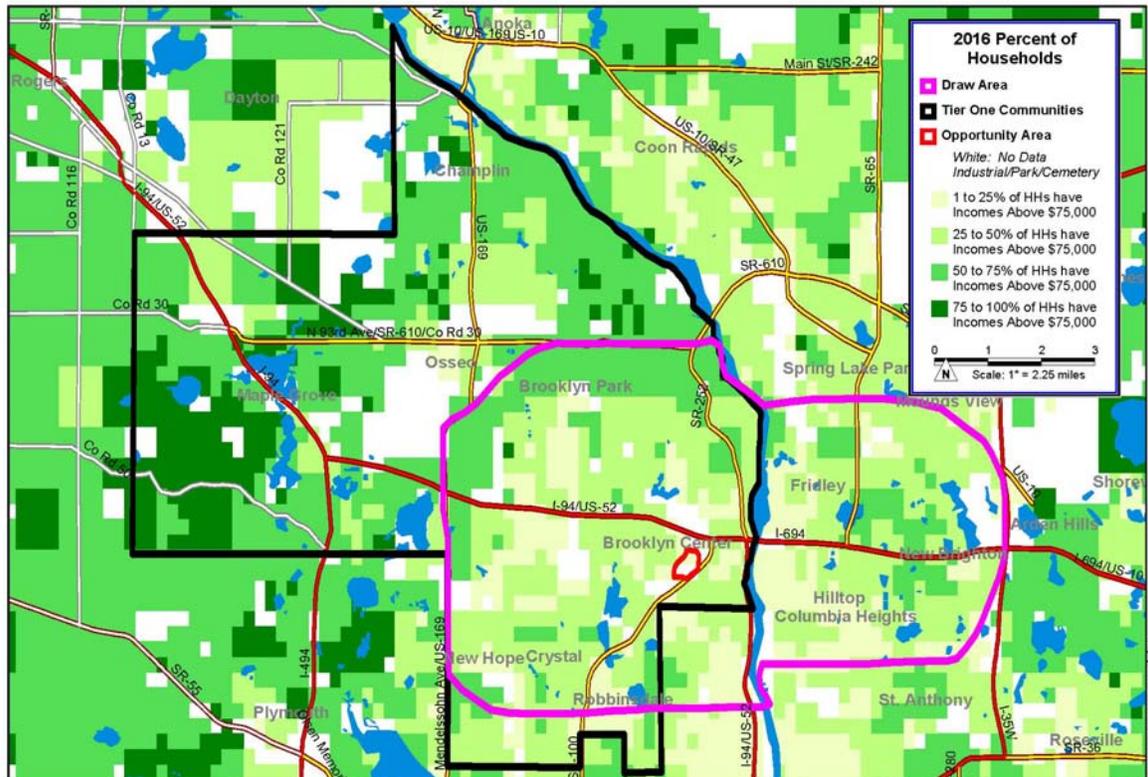
E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Distribution of households with incomes above \$75,000 in 2016, shown on Map 4-4, demonstrates that in much of Brooklyn Center, 25 to 50 percent of the households have household incomes above \$75,000. As would be expected, the more affluent households are distributed in the western portion of the Tier One Communities, specifically, the Maple Grove area. Areas in Champlin, north of the Opportunity Area Draw Area, also have clusters of more affluent households.

Map 4-4

OPPORTUNITY AREA DRAW AREA AND TIER ONE COMMUNITIES
ESTIMATED 2016 HOUSEHOLD INCOME: PERCENT ABOVE \$75,000



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03/25/13

The proportion of Opportunity Area Draw Area households with incomes above \$75,000, \$100,000, and \$150,000 is shown in Table 4-3. In 2011, households with incomes above \$75,000 were 28.7 percent in Brooklyn Center, 29.7 percent in the Opportunity Area Draw Area, and 42.2 percent in Tier One Communities. Households with incomes above \$100,000 in 2011 were 11.5 percent in Brooklyn Center, 15.6 percent in the Opportunity Area Draw Area, and 26.0 percent in Tier One Communities. This table demonstrates that Brooklyn Center has a significant number of upper income households.

Table 4-3

CITY OF BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA, AND TIER ONE COMMUNITIES
HOUSEHOLD INCOME DISTRIBUTION: 2000 CENSUS; 2011 AND 2016 ESTIMATED

	Brooklyn Center		Opportunity Area Draw Area		Tier One Communities	
	Number	Percent	Number	Percent	Number	Percent
Households above \$75,000						
2000	2,036	17.8 %	20,243	23.5 %	27,392	31.9 %
2011E	3,078	28.7	25,259	29.7	39,528	42.2
2016E	3,339	31.4	29,067	32.9	43,774	45.3
Households above \$100,000						
2000	773	6.8 %	9,276	10.8 %	13,368	15.5 %
2011E	1,232	11.5	13,227	15.6	24,361	26.0
2016E	1,442	13.5	16,082	18.2	28,209	29.2
Households above \$150,000						
2000	125	1.1 %	2,283	2.7 %	3,294	3.8 %
2011E	251	2.3	3,659	4.3	8,805	9.4
2016E	307	2.9	4,638	5.2	10,440	10.8

E: Estimated.

Source: McComb Group, Ltd.

Demographic Characteristics

Demographic characteristics for the City of Brooklyn Center, Opportunity Area Draw Area, I-94 Growth Corridor, and Seven-County Metropolitan Area are summarized in the demographic snapshots contained in Tables 4-4, 4-5, 4-6, and 4-7. These snapshots contain census data for 1990 and 2000, as well as estimates for 2011 and 2016. These estimates were provided by Scan/US, Inc., a source of demographic information. Significant characteristics of the Opportunity Area Draw Area include the following:

- ◆ Opportunity Area Draw Area has a median age of 37 for 2011 and 38 for 2016, which is very similar to both Brooklyn Center and the Tier One Communities.
- ◆ Opportunity Area Draw Area average household size at 2.55 is smaller than the average household size in both Brooklyn Center at 2.78 and Tier One Communities at 2.66.
- ◆ In 2011, approximately 11.2 percent of the population in the Opportunity Area Draw Area was over the age of 65, which is expected to increase to about 12.6 percent by 2016.

Table 4-4



DEMOGRAPHIC AND INCOME SNAPSHOT

City of Brooklyn Center

6/26/2013

SNAPSHOT	1990 Census		2000 Census		2011 Estimated		2016 Projected	
Population		28,327		29,153		29,954		29,740
Households		11,029		11,422		10,707		10,649
Families		7,939		7,378		7,082		7,047
Per Capita Income	\$	14,589	\$	20,093	\$	19,702	\$	21,479
Median Household Income	\$	34,269	\$	44,594	\$	49,327	\$	51,387
Average Household Income	\$	37,537	\$	49,769	\$	54,765	\$	59,581
Average Household Size		2.56		2.52		2.78		2.78
Median Age		34		35		36		37

TRENDS	Annual Percent Change		
	1990 - 2000	2000 - 2011	2011 - 2016
Population	0.29 %	0.25 %	-0.14 %
Households	0.35	-0.59	-0.11
Families	-0.73	-0.37	-0.10
Median Household Income	2.67	0.92	0.82
Average Household Income	2.86	0.87	1.70

HOUSEHOLDS BY INCOME	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than \$15,000	1,659	15.0 %	1,226	10.7 %	1,066	10.0 %	1,079	10.1 %
\$15,000 - \$24,999	1,969	17.9	1,444	12.6	1,110	10.4	1,044	9.8
\$25,000 - \$34,999	2,016	18.3	1,632	14.3	1,267	11.8	1,162	10.9
\$35,000 - \$49,999	2,686	24.4	2,125	18.6	1,984	18.5	1,888	17.7
\$50,000 - \$74,999	2,013	18.2	2,959	25.9	2,202	20.6	2,137	20.1
\$75,000 - \$99,999	479	4.3	1,263	11.1	1,846	17.2	1,897	17.8
\$100,000 - \$149,999	162	1.5	648	5.7	981	9.2	1,135	10.7
\$150,000 +	48	0.4	125	1.1	251	2.3	307	2.9

POPULATION BY AGE	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<19	7,560	26.7 %	8,093	27.8 %	7,604	25.4 %	7,576	25.5 %
20-24	2,072	7.3	2,014	6.9	1,945	6.5	1,770	6.0
25-34	5,383	19.0	4,326	14.8	5,045	16.8	4,414	14.8
35-44	3,826	13.5	4,448	15.3	4,398	14.7	4,465	15.0
45-54	2,798	9.9	3,392	11.6	4,399	14.7	4,114	13.8
55-64	3,271	11.5	2,373	8.1	3,270	10.9	3,715	12.5
65-74	2,209	7.8	2,428	8.3	1,675	5.6	2,139	7.2
75-84	1,200	4.2	1,569	5.4	1,045	3.5	1,007	3.4
85+	NA	NA	510	1.7	573	1.9	540	1.8

RACE AND ETHNICITY	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	25,629	90.5 %	20,811	71.4 %	14,796	49.4 %	14,833	49.9 %
Black	1,522	5.4	4,108	14.1	7,728	25.8	7,583	25.5
Native American	278	1.0	253	0.9	232	0.8	224	0.8
Asian/Pacific Islander	724	2.6	2,567	8.8	4,290	14.3	4,232	14.2
Other Races	174	0.6	1,414	4.9	2,908	9.7	2,868	9.6
Hispanic (Any Race)	378	1.3	823	2.8	2,996	10.0	3,451	11.6

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

Table 4-5



DEMOGRAPHIC AND INCOME SNAPSHOT

Opportunity Area Draw Area

4/29/2013

SNAPSHOT	1990 Census		2000 Census		2011 Estimated		2016 Projected	
Population		210,499		216,982		219,404		227,350
Households		81,751		86,074		85,016		88,410
Families		56,700		55,527		53,769		55,601
Per Capita Income	\$	15,410	\$	23,232	\$	23,263	\$	25,562
Median Household Income	\$	35,549	\$	48,692	\$	52,970	\$	55,872
Average Household Income	\$	39,513	\$	57,679	\$	59,499	\$	65,148
Average Household Size		2.55		2.49		2.55		2.55
Median Age		33		36		37		38

TRENDS	Annual Percent Change		
	1990 - 2000	2000 - 2011	2011 - 2016
Population	0.30 %	0.10 %	0.71 %
Households	0.52	-0.11	0.79
Families	-0.21	-0.29	0.67
Median Household Income	3.20	0.77	1.07
Average Household Income	3.86	0.28	1.83

HOUSEHOLDS BY INCOME	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than \$15,000	12,969	15.9 %	8,430	9.8 %	8,436	9.9 %	8,865	10.0 %
\$15,000 - \$24,999	13,466	16.5	9,523	11.1	8,493	10.0	8,374	9.5
\$25,000 - \$34,999	13,859	16.9	11,596	13.5	9,941	11.7	9,508	10.8
\$35,000 - \$49,999	19,086	23.3	15,700	18.2	14,058	16.5	13,877	15.7
\$50,000 - \$74,999	15,830	19.4	20,584	23.9	18,828	22.1	18,719	21.2
\$75,000 - \$99,999	4,412	5.4	10,967	12.7	12,032	14.2	12,985	14.7
\$100,000 - \$149,999	1,631	2.0	6,993	8.1	9,569	11.3	11,444	12.9
\$150,000 +	526	0.6	2,283	2.7	3,659	4.3	4,638	5.2

POPULATION BY AGE	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<19	57,157	27.2 %	59,690	27.5 %	57,705	26.3 %	59,289	26.1 %
20-24	16,791	8.0	14,457	6.7	14,638	6.7	14,330	6.3
25-34	41,538	19.7	33,433	15.4	33,364	15.2	30,981	13.6
35-44	31,166	14.8	35,575	16.4	30,844	14.1	31,587	13.9
45-54	22,335	10.6	28,546	13.2	33,452	15.2	32,823	14.4
55-64	19,104	9.1	18,405	8.5	24,932	11.4	29,634	13.0
65-74	13,143	6.2	14,258	6.6	12,734	5.8	16,767	7.4
75-84	9,277	4.4	9,302	4.3	7,792	3.6	8,027	3.5
85+	NA	NA	3,316	1.5	3,944	1.8	3,912	1.7

RACE AND ETHNICITY	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	196,008	93.1 %	170,071	78.4 %	137,680	62.8 %	143,404	63.1 %
Black	6,751	3.2	21,923	10.1	41,742	19.0	42,779	18.8
Native American	1,685	0.8	1,827	0.8	1,787	0.8	1,844	0.8
Asian/Pacific Islander	5,082	2.4	13,831	6.4	20,629	9.4	21,266	9.4
Other Races	973	0.5	9,331	4.3	17,566	8.0	18,057	7.9
Hispanic (Any Race)	2,436	1.2	6,290	2.9	17,629	8.0	22,283	9.8

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

Table 4-6



DEMOGRAPHIC AND INCOME SNAPSHOT

Tier One Cities I-94 Growth Corridor

4/30/2013

SNAPSHOT	1990 Census		2000 Census		2011 Estimated		2016 Projected	
Population		196,874		229,242		251,494		258,891
Households		71,942		86,003		93,759		96,666
Families		53,049		60,110		64,704		66,528
Per Capita Income	\$	15,611	\$	24,969	\$	28,298	\$	30,969
Median Household Income	\$	39,283	\$	57,442	\$	65,718	\$	69,183
Average Household Income	\$	42,536	\$	64,818	\$	75,483	\$	82,477
Average Household Size		2.71		2.64		2.66		2.66
Median Age		32		34		36		38

TRENDS	Annual Percent Change		
	1990 - 2000	2000 - 2011	2011 - 2016
Population	1.53 %	0.85 %	0.58 %
Households	1.80	0.79	0.61
Families	1.26	0.67	0.56
Median Household Income	3.87	1.23	1.03
Average Household Income	4.30	1.39	1.79

HOUSEHOLDS BY INCOME	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than \$15,000	8,564	11.9 %	5,698	6.6 %	6,367	6.8 %	6,677	6.9 %
\$15,000 - \$24,999	9,987	13.9	7,104	8.3	7,283	7.8	7,084	7.3
\$25,000 - \$34,999	11,295	15.7	9,191	10.7	8,435	9.0	7,846	8.1
\$35,000 - \$49,999	18,380	25.6	14,099	16.4	12,328	13.1	11,922	12.3
\$50,000 - \$74,999	17,303	24.1	22,519	26.2	19,818	21.1	19,363	20.0
\$75,000 - \$99,999	4,415	6.1	14,024	16.3	15,167	16.2	15,565	16.1
\$100,000 - \$149,999	1,487	2.1	10,074	11.7	15,556	16.6	17,769	18.4
\$150,000 +	487	0.7	3,294	3.8	8,805	9.4	10,440	10.8

POPULATION BY AGE	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<19	59,625	30.3 %	68,523	29.9 %	65,592	26.1 %	67,624	26.1 %
20-24	13,637	6.9	12,975	5.7	16,843	6.7	15,886	6.1
25-34	42,108	21.4	35,572	15.5	39,963	15.9	36,034	13.9
35-44	32,473	16.5	42,531	18.6	35,649	14.2	37,334	14.4
45-54	18,962	9.6	31,899	13.9	36,314	14.4	35,247	13.6
55-64	14,140	7.2	16,679	7.3	27,795	11.1	32,729	12.6
65-74	9,325	4.7	11,239	4.9	14,929	5.9	19,736	7.6
75-84	6,595	3.3	7,207	3.1	9,434	3.8	9,454	3.7
85+	NA	NA	2,617	1.1	4,975	2.0	4,847	1.9

RACE AND ETHNICITY	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	184,874	93.9 %	190,795	83.2 %	175,033	69.6 %	180,516	69.7 %
Black	5,862	3.0	17,613	7.7	37,504	14.9	38,385	14.8
Native American	1,142	0.6	1,169	0.5	1,210	0.5	1,221	0.5
Asian/Pacific Islander	4,240	2.2	12,262	5.3	22,937	9.1	23,636	9.1
Other Races	756	0.4	7,403	3.2	14,810	5.9	15,133	5.8
Hispanic (Any Race)	2,053	1.0	5,145	2.2	13,970	5.6	16,849	6.5

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

Table 4-7



DEMOGRAPHIC AND INCOME SNAPSHOT

Seven-County Metropolitan Area

4/29/2013

SNAPSHOT	1990 Census		2000 Census		2011 Estimated		2016 Projected	
Population	2,288,168		2,642,056		2,875,666		2,979,795	
Households	875,254		1,021,454		1,128,357		1,170,688	
Families	583,625		658,159		711,347		730,364	
Per Capita Income	\$	17,069	\$	27,227	\$	31,731	\$	34,596
Median Household Income	\$	38,033	\$	54,667	\$	62,465	\$	66,464
Average Household Income	\$	44,265	\$	68,484	\$	79,958	\$	87,063
Average Household Size	2.56		2.53		2.50		2.50	
Median Age	32		34		36		37	

TRENDS	Annual Percent Change		
	1990 - 2000	2000 - 2011	2011 - 2016
Population	1.45 %	0.77 %	0.71 %
Households	1.56	0.91	0.74
Families	1.21	0.71	0.53
Median Household Income	3.69	1.22	1.25
Average Household Income	4.46	1.42	1.72

HOUSEHOLDS BY INCOME	1990 Census		2000 Census		2011 Estimated		2016 Projected	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Less than \$15,000	143,619	16.4 %	94,987	9.3 %	100,226	8.9 %	104,550	8.9 %
\$15,000 - \$24,999	131,494	15.0	94,307	9.2	88,724	7.9	86,306	7.4
\$25,000 - \$34,999	136,160	15.6	112,850	11.0	100,920	8.9	94,851	8.1
\$35,000 - \$49,999	187,184	21.4	159,411	15.6	152,005	13.5	147,462	12.6
\$50,000 - \$74,999	173,787	19.9	233,614	22.9	226,764	20.1	219,656	18.8
\$75,000 - \$99,999	56,398	6.4	148,115	14.5	166,904	14.8	173,172	14.8
\$100,000 - \$149,999	29,185	3.3	114,688	11.2	174,265	15.4	202,270	17.3
\$150,000 +	16,815	1.9	63,482	6.2	118,549	10.5	142,421	12.2

POPULATION BY AGE	Number	Percent	Number	Percent	Number	Percent	Number	Percent
<19	652,081	28.5 %	768,028	29.1 %	783,409	27.2 %	801,940	26.9 %
20-24	175,542	7.7	173,732	6.6	189,862	6.6	192,262	6.5
25-34	467,416	20.4	411,155	15.6	417,260	14.5	396,052	13.3
35-44	376,040	16.4	469,324	17.8	416,462	14.5	407,567	13.7
45-54	227,988	10.0	363,592	13.8	440,983	15.3	433,762	14.6
55-64	163,775	7.2	200,980	7.6	317,979	11.1	381,648	12.8
65-74	125,644	5.5	130,615	4.9	164,660	5.7	216,477	7.3
75-84	99,528	4.3	90,292	3.4	97,689	3.4	101,987	3.4
85+	NA	NA	34,338	1.3	47,362	1.6	48,100	1.6

RACE AND ETHNICITY	Number	Percent	Number	Percent	Number	Percent	Number	Percent
White	2,096,114	91.6 %	2,238,117	84.7 %	2,267,068	78.8 %	2,349,676	78.9 %
Black	89,471	3.9	156,620	5.9	240,876	8.4	249,475	8.4
Native American	23,339	1.0	20,417	0.8	21,073	0.7	21,737	0.7
Asian/Pacific Islander	64,592	2.8	122,239	4.6	186,359	6.5	193,059	6.5
Other Races	14,652	0.6	104,663	4.0	160,290	5.6	165,848	5.6
Hispanic (Any Race)	36,640	1.6	95,902	3.6	179,857	6.3	228,964	7.7

Source: U.S. Census, Scan/US, Inc. and McComb Group, Ltd.

- ◆ By 2016, almost one-third of the households within the Opportunity Area Draw Area will have incomes above \$75,000, compared to 31.4 percent in Brooklyn Center and 45.3 percent in the Tier One Communities.
- ◆ In 2011, the Opportunity Area Draw Area had almost 63.0 percent Caucasian population, which is expected to remain at about 63.1 percent in 2016.

Additional demographic characteristics for Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities are contained in Appendix A.

Housing Tenure

Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities housing tenure is shown in Table 4-8. In 2011, 30.4 percent of housing units, or 25,969 units, within the Opportunity Area Draw Area were renter-occupied, which is comparable to the City of Brooklyn Center where 32.4 percent of 2011 households were renter-occupied. Renter-occupied housing in Tier One Communities is somewhat lower at 22.7 percent. Estimates indicate minimal change in housing tenure in all three areas through 2016. These estimates may be on the conservative side and do not reflect potential development in the Opportunity Area.

Table 4-8
CITY OF BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA,
AND TIER ONE COMMUNITIES
OWNER- AND RENTER-OCCUPIED HOUSEHOLDS

	Brooklyn Center		Opportunity Area Draw Area		Tier One Communities	
	Number	Percent	Number	Percent	Number	Percent
Owner-Occupied						
2000	7,855	68.7 %	60,914	70.6 %	65,846	76.6 %
2011E	7,232	67.6	59,555	69.6	72,474	77.3
2016E	7,239	68.0	62,183	69.8	74,778	77.4
Renter-Occupied						
2000	3,575	31.2 %	25,419	29.4 %	20,139	23.4 %
2011E	3,473	32.4	25,969	30.4	21,285	22.7
2016E	3,410	32.0	26,949	30.2	21,888	22.6
Total Housing Units						
2000	11,430		86,333		85,985	
2011E	10,705		85,524		93,759	
2016E	10,649		89,132		96,666	

E: Estimated.

Source: McComb Group, Ltd.

Employment

Wage and salary employment trends for Brooklyn Center are shown in Table 4-9. This table covers the period from 2002 to 2010, which is the latest employment information that is

available. This data is compiled by the U.S. Census and is based on the location where payroll checks are issued.

In Brooklyn Center, total employment was 13,354 in 2002 and rose to a peak of 14,633 in 2003. In the following two years, employment declined to 10,436 in 2005, with the retail category representing a decline of 3,144 jobs, employment recovered to 14,477 in 2008, almost equal to the employment in 2003 and higher than 2007, when the economy peaked. Employment in 2009 fell to 11,645 and increased by 282 employees in 2010. Ten of the nineteen employment categories reported an increase in employees from 2002 to 2010, while nine experienced a decline. The categories with the highest increases between 2002 and 2010 include: Manufacturing (607 employees), Administration and Support (477 employees), Public Administration (369 employees), Education (257 employees), Management of Companies and Enterprises (231 employees), and Accommodations and Food Services (122 employees). Employment categories with significant decreases in employment between 2002 and 2010 include: Retail Trade (2,770 employees), Finance and Insurance (226 employees), Construction (192 employees), and Transportation and Warehousing (156 employees).

Table 4-9
EMPLOYMENT
BROOKLYN CENTER, MN; 2002 TO 2010

Category	2002	2003	2004	2005	2006	2007	2008	2009	2010
Total All Jobs	13,354	14,633	12,625	10,436	12,270	13,238	14,477	11,645	11,927
Agriculture, Forestry, Fishing and Hunting	-	-	-	-	92	111	112	92	123
Utilities	-	-	-	-	-	-	1	3	3
Construction	354	359	356	406	380	429	391	359	162
Manufacturing	1,306	1,202	1,186	1,231	2,492	2,408	2,109	2,101	1,913
Wholesale Trade	578	727	684	729	379	381	523	695	594
Retail Trade	5,494	5,424	3,295	2,280	2,670	3,755	5,334	2,879	2,724
Transportation and Warehousing	456	424	393	118	346	330	309	326	300
Information	151	168	152	85	199	290	173	144	108
Finance and Insurance	692	703	643	360	445	371	319	252	466
Real Estate and Rental and Leasing	183	286	341	271	221	102	166	172	112
Professional, Scientific, and Technical Services	397	389	334	315	271	245	247	293	336
Management of Companies and Enterprises	68	2	1	209	51	55	49	46	299
Admin & Support, Waste Mgmt and Remediation	249	329	315	329	393	504	544	526	726
Educational Services	471	556	501	520	635	671	656	703	728
Health Care and Social Assistance	1,430	1,516	1,595	1,653	1,910	1,976	1,778	1,782	1,545
Arts, Entertainment, and Recreation	179	146	326	74	79	41	43	35	79
Accommodation and Food Services	410	1,462	1,545	897	776	611	668	485	532
Other Services (excluding Public Administration)	582	632	644	670	649	665	763	461	456
Public Administration	351	308	313	289	282	293	292	291	720

Source: U.S. Census Bureau, Center for Economic Studies.

Chapter V

BROOKLYN CENTER RESIDENTIAL GROWTH TRENDS

This chapter summarizes historic residential growth trends in Brooklyn Center, I-94 growth corridor, and the metro area. These residential growth trends provide the framework for identifying future residential development potential in the Opportunity Area.

Population and Households

Past population and household growth trends in the 1960 to 1980 period are more important to understanding Opportunity Area growth potential than the most recent decades. In the two earlier decades, Brooklyn Center had developable vacant land and could compete with surrounding communities for its share of residential development. This has not been possible in the most recent decades.

Brooklyn Center experienced its largest increase in residential development between 1960 and 1970, when households increased from 5,869 to 9,151 or 56 percent, as shown in Table 5-1. During the same time period, Brooklyn Center population increased from 24,356 to 35,173, an increase of 44 percent. In the next 10 years, Brooklyn Center household count increased by 1,600 to 10,751. As Brooklyn Center became fully developed in the 1980 to 1990 period, households grew by only 475. In the next decade, households increased by 204; however, only 83 residential building permits were issued that year indicating a higher occupancy rate in existing units. While population decreased between 1970 and 1990, this was the result of declining household size: 3.84 in 1970 to 2.56 in 1990. Since then, average household size has increased modestly.

Table 5-1

BROOKLYN CENTER
POPULATION AND HOUSEHOLDS
CENSUS 1960, 1970, 1980, 1990, 2000 AND 2010; AND 2011 ESTIMATED

	Households		Population		Average HH Size
	Number	Change	Number	Change	
1960	5,869	N/A	24,356	N/A	4.15
1970	9,151	3,282	35,173	10,817	3.84
1980	10,751	1,600	31,230	(3,943)	2.90
1990	11,226	475	28,887	(2,343)	2.56
2000	11,430	204	29,172	285	2.52
2010	10,756	(674)	30,104	932	2.77
2011 E	10,707	(49)	29,954	(150)	2.78

N/A: Not Available.

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Household increases in relationship to multi-family units are shown in Table 5-2. From 1960 to 1969, about 72.0 percent of Brooklyn Center's household increase was in multi-family units. In

the following decade, single family households increased at about the same pace as multi-family units, with 47.4 percent of new households being represented by multi-family units. From 1980 to 1989, 94.9 percent of the household increase was in multi-family units. In the 1990's Brooklyn Center saw fewer new households with only 204 new households created and only one percent being new multi-family units. This trend continued through 2009, when households actually decreased by 674 units. Since 2009, Brooklyn Center has issued a building permit for only one unit.

Table 5-2

BROOKLYN CENTER INCREASE IN HOUSEHOLDS AND MULTI-FAMILY UNITS
BY DECADE 1960 TO 2009

Decade	Household Increase	Multi-Family Increase	Multi-Family Percent
1960 to 1969	3,282	2,363	72.0 %
1970 to 1979	1,600	758	47.4
1980 to 1989	475	451	94.9
1990 to 1999	204	2	1.0
2000 to 2009	(674)	6	(0.9)

() Decrease.

Source: Census Bureau, City of Brooklyn Center, and McComb Group, Ltd.

Metro area, I-94 Growth Corridor, and Tier One and Two household change is shown in Table 5-3. Household growth in the I-94 growth corridor has been relatively consistent at about 19,000 households over the last five decades, except for the 1970 to 1980 period. Household growth in the Tier One communities was slightly above 18,000 households in the first two decades and gradually declined by about 60 percent to 6,945 in the last decade. During this period, household growth in the Tier Two communities increased from 1,256 units in the first decade to over 12,000 units in the last decade.

Brooklyn Center competes with three other Tier One communities for residential development. These cities and Brooklyn Center are highlighted in yellow in Table 5-3. In the 1960 to 1970 decade, those communities that issued more than 2,000 building permits included Brooklyn Center (3,282), Brooklyn Park (4,890), New Hope (5,209), and Crystal (2,397). The other Tier One communities issued fewer than 1,000 building permits. In the following decade, building permits declined in all Tier One communities except Brooklyn Park, Maple Grove, and Champlin. Maple Grove experienced its largest increase in households between 1980 and 1990, with almost 6,300 new households. Maple Grove has been able to maintain similar household growth since 1990, adding 5,000 households between 1990 and 2000 and over 5,300 new households between 2000 and 2010. Between 2000 and 2010, Brooklyn Park's new households totaled 1,797, a sharp decline from previous decades. Champlin experienced their highest household growth between 1980 and 1990 with about 2,700 new households, followed by about 2,000 more new households between 1990 and 2000. Champlin's household growth slowed in 2000 to 2010, with 903 new households. Maple Grove has maintained a high level of residential development; while development in Brooklyn Park and Champlin has slowed. Most of these declines have related to lack of development sites resulting in residential development shifting to

Tier Two communities. Communities that have captured most of the growth are highlighted in yellow.

Table 5-3
METRO AREA, I-94 GROWTH CORRIDOR, TIER ONE, AND TIER TWO
CHANGE IN NUMBER OF HOUSEHOLDS; 1960 TO 2010

Community	Change				
	1960-70	1970-80	1980-90	1990-00	2000-10
Metro Area	86,848	182,313	154,060	145,950	96,295
I-94 Growth Corridor	19,742	23,408	19,355	19,236	18,968
Tier One	18,486	18,615	16,033	11,657	6,945
Brooklyn Center	3,282	1,600	475	204	(674)
Robbinsdale	573	415	303	89	(65)
Crystal	2,397	681	295	117	(206)
New Hope	5,209	1,608	880	158	(238)
Brooklyn Park	4,890	7,925	5,118	4,046	1,797
Osseo	254	208	(20)	40	93
Maple Grove	941	4,736	6,292	5,001	5,335
Champlin	940	1,442	2,690	2,002	903
Tier Two	1,256	4,793	3,322	7,579	12,023
Corcoran (partial)	49	420	150	120	42
Dayton	405	486	199	174	88
Hassan Township	37	237	133	193	88
Rogers	46	76	49	936	1,687
Albertville	NA	NA	256	877	1,090
Buffalo	311	587	822	1,257	1,997
Buffalo Township	NA	NA	83	(36)	1
Hanover	NA	NA	69	177	486
Monticello	98	443	819	1,167	1,749
Monticello Township	371	389	175	123	(192)
Otsego	124	1,040	204	465	2,674
St. Michael	NA	192	363	2,126	2,313

Source: McComb Group, Ltd. proprietary Twin Cities population and household growth model.

Market share, or the proportion of household growth in the I-94 growth corridor compared to Metropolitan Growth, shows a 30-year stability period in Table 5-4. I-94 growth corridor market share was 22.7 percent during the 1960-70 decade and then entered a three decade period where the I-94 Growth Corridor maintained a relatively consistent 12 to 13 percent market share of metro area household growth. In the last decade, market share increased to almost 20 percent. Tier One communities share of I-94 growth corridor household growth declined from 93.6 percent in the 70's and 80's and 60.6 percent in the 90's, falling to 36.6 percent through 2010 as development shifted to Tier Two communities.

When Brooklyn Center had developable land in the 60's, its market share was 16.6 percent compared to New Hope (26.4 percent) and Brooklyn Park (24.8 percent). Brooklyn Park and Maple Grove experienced the highest share of household growth between 1970 and 2000. Between 2000 and 2010, Maple Grove captured 28.1 percent market share of I-94 Growth

Corridor household growth and Brooklyn Park captured 9.5 percent; while other Tier One communities' market share fell below 5.0 percent.

Table 5-4
METRO AREA, I-94 GROWTH CORRIDOR, TIER ONE, AND TIER TWO
HOUSEHOLD MARKET SHARE; 1960 TO 2010

Community	Market Share				
	1960-70	1970-80	1980-90	1990-00	2000-10
I-94 Growth Corridor¹	22.7 %	12.8 %	12.6 %	13.2 %	19.7 %
Tier One²	93.6	79.5	82.8	60.6	36.6
Brooklyn Center	16.6	6.8	2.5	1.1	-3.6
Robbinsdale	2.9	1.8	1.6	0.5	-0.3
Crystal	12.1	2.9	1.5	0.6	-1.1
New Hope	26.4	6.9	4.5	0.8	-1.3
Brooklyn Park	24.8	33.9	26.4	21.0	9.5
Osseo	1.3	0.9	-0.1	0.2	0.5
Maple Grove	4.8	20.2	32.5	26.0	28.1
Champlin	4.8	6.2	13.9	10.4	4.8
Tier Two²	6.4 %	20.5 %	17.2 %	39.4 %	63.4 %
Corcoran (partial)	0.2	1.8	0.8	0.6	0.2
Dayton	2.1	2.1	1.0	0.9	0.5
Hassan Township	0.2	1.0	0.7	1.0	0.5
Rogers	0.2	0.3	0.3	4.9	8.9
Albertville	NA	NA	1.3	4.6	5.7
Buffalo	1.6	2.5	4.2	6.5	10.5
Buffalo Township	NA	NA	0.4	-0.2	0.0
Hanover	NA	NA	0.4	0.9	2.6
Monticello	0.5	1.9	4.2	6.1	9.2
Monticello Township	1.9	1.7	0.9	0.6	-1.0
Otsego	0.6	4.4	1.1	2.4	14.1
St. Michael	NA	0.8	1.9	11.1	12.2

1. Percent of Metro Area.

2. Percent of I-94 Growth Corridor.

Source: McComb Group, Ltd. proprietary Twin Cities population and household growth model.

Residential Building Permit Trends

Residential building permits provide an indication of residential building trends on an annual basis, while reliable household counts are only available in census year. McComb Group's proprietary growth corridor model contains annual building permits for all MSA communities from 1991 to 2012. This model provided more detailed information than the household data.

There were over 287,253 new housing units permitted in the MSA between 1991 and 2012, as shown in Table 5-5, which is an average of 13,057 units per year. Building permits peaked in 2003 at 20,973 units and declined steadily to 4,028 in 2009 before slowly recovering to 10,301 units in 2012.

Table 5-5
I-94 GROWTH CORRIDOR AND BROOKLYN CENTER
RESIDENTIAL BUILDING PERMITS; 1991 TO 2012

Year	Metro Area	I-94 Growth Corridor		Tier 1 Cities		Tier 2 Cities		Brooklyn Center	
		Building Permits	Market Share	Building Permits	Market Share	Building Permits	Market Share	Building Permits	Market Share
1991	12,060	1,335	11.07 %	1,091	81.7 %	244	18.3 %	7	0.64 %
1992	15,632	1,414	9.05	1,027	72.6	387	27.4	15	1.46
1993	15,882	1,527	9.61	1,044	68.4	483	31.6	9	0.86
1994	14,205	1,235	8.69	722	58.5	513	41.5	2	0.28
1995	13,956	1,261	9.04	748	59.3	513	40.7	2	0.27
1996	14,098	1,352	9.59	659	48.7	693	51.3	18	2.73
1997	13,234	1,421	10.74	704	49.5	717	50.5	3	0.43
1998	15,817	2,220	14.04	1,240	55.9	980	44.1	6	0.48
1999	17,679	2,611	14.77	1,400	53.6	1,211	46.4	18	1.29
2000	17,050	3,334	19.55	1,892	56.7	1,448	43.4	3	0.16
2001	16,788	3,053	18.19	933	30.6	2,128	69.7	2	0.21
2002	19,782	2,808	14.19	815	29.0	1,975	70.3	10	1.23
2003	20,973	3,001	14.31	1,626	54.2	1,354	45.1	17	1.05
2004	19,832	2,959	14.92	1,644	55.6	1,364	46.1	18	1.09
2005	11,514	3,146	27.32	1,466	46.6	1,677	53.3	13	0.89
2006	12,109	2,098	17.33	1,037	49.4	1,062	50.6	2	0.19
2007	8,039	1,225	15.24	655	53.5	571	46.6	4	0.61
2008	4,711	811	17.22	539	66.5	274	33.8	-	-
2009	4,028	592	14.70	442	74.7	151	25.5	-	-
2010	5,014	773	15.42	598	77.4	176	22.8	1	0.17
2011	4,549	490	10.77	345	70.4	145	29.6	-	-
2012	10,301	845	8.20	475	56.2	370	43.8	-	-
Total	287,253	39,511	13.75 %	21,102	53.4 %	18,436	46.7 %	150	0.71 %

Source: U.S. Census and McComb Group, Ltd.

There were 14,376 building permits issued by I-94 growth corridor communities between 1991 and 1999 representing 10.84 percent of all building permits. Market share during this period was 11.07 percent in 1991, declining to 8.69 percent in 1994, and increasing to 14.77 percent in 1999.

There were 25,135 units permitted in the I-94 Growth Corridor between 2000 and 2012, which was 16.2 percent of residential permits in the MSA. Annual building permits in the I-94 Growth Corridor ranged from a high of 3,334 in 2000 to a low of 490 in 2011. During the period 2000 to 2005, the I-94 growth corridor captured 17.3 percent of all building permits. During the great recession, building permits declined precipitously to a low of 490 in the I-94 growth corridor. Market share in this period was 10.8 percent. I-94 Growth Corridor market share of MSA building permits ranged from a high of 27.3 percent in 2005 to a low of 8.2 percent in 2012.

Tier One cities had an average market share of about 60 percent between 1991 and 1999. Market share ranged from a low of 48.7 percent in 1996 to 81.7 percent in 1991. Tier One communities permitted 9,413 units between 2000 and 2006, which was 46.1 percent of the units permitted in the growth corridor for the same period. Tier One building permits peaked in 2000 at 1,892 units, declined to 815 by 2002, and rebounded to over 1,600 units in 2003 and 2004. Building permits fell to 1,466 in 2005. Like the MSA as a whole, residential construction in the Tier One communities dropped off sharply after 2005. In 2006, Tier One communities building permits fell to 1,037 and continued to decline to 345 units in 2011. Tier One communities share of I-94 growth corridor building permits ranges from a low of 29.0 percent in 2002 to a high of 77.4

percent in 2010. The average market share was 55.4 percent, similar to the pre-boom era from 1991 to 1999. This market share recovery of Tier One cities reflects the growing preference to live closer to or in the urban core.

Brooklyn Center permitted 80 units between 1991 and 1999, and 70 units between 2000 and 2012, which is less than one percent of the Tier One cities total, as shown in Table 5-5. As indicated before, this is due to a lack of market attractive development sites.

Multi-Family Trends

Metro area building permits for single family, townhome, and multi-family units are illustrative of resident housing preferences. Since family building permits fluctuated in a narrow range of 8,193 to 12,399 between 1991 and 1999. Since then, single family building permits have declined steadily from 9,551 in 2000 to 2,822 in 2011, with a rebound in 2012. During the period 1991 to 1999, single family building permits ranged from 54.5 percent to 81.6 percent and averaged 66.9 percent. In the next period from 2000 to 2005, single family building permits ranged from 38.6 percent to 52.7 percent and averaged 43.8 percent. During the period 2006 to 2012, single family market share has ranged from 41.6 percent to 57.0 percent and averaged 46.4 percent. This represented less than 50 percent of building permits.

Table 5-6

METRO AREA BUILDING UNIT PERMITS; 1991 TO 2012

Year	Units				Percent		
	Single Family	Town Home	Multi-Family	Total	Town Home	Multi-Family	Total
1991	9,831	897	1,326	12,054	7.4	11.0	18.4
1992	12,399	1,353	2,193	15,945	8.5	13.8	22.2
1993	12,188	1,828	2,665	16,681	11.0	16.0	26.9
1994	10,171	1,876	2,700	14,747	12.7	18.3	31.0
1995	8,710	2,149	3,567	14,426	14.9	24.7	39.6
1996	9,550	2,346	2,848	14,744	15.9	19.3	35.2
1997	8,193	2,695	2,728	13,616	19.8	20.0	39.8
1998	10,086	2,781	3,751	16,618	16.7	22.6	39.3
1999	10,334	2,651	5,991	18,976	14.0	31.6	45.5
2000	9,551	3,393	5,193	18,137	18.7	28.6	47.3
2001	8,862	3,313	5,997	18,172	18.2	33.0	51.2
2002	8,287	3,427	8,457	20,171	17.0	41.9	58.9
2003	9,049	4,619	7,630	21,298	21.7	35.8	57.5
2004	8,256	5,126	7,980	21,362	24.0	37.4	61.4
2005	6,887	3,795	6,989	17,671	21.5	39.6	61.0
2006	5,261	2,961	4,437	12,659	23.4	35.1	58.4
2007	3,665	1,861	3,016	8,542	21.8	35.3	57.1
2008	2,282	960	1,894	5,136	18.7	36.9	55.6
2009	2,469	561	1,298	4,328	13.0	30.0	43.0
2010	2,792	614	2,404	5,810	10.6	41.4	51.9
2011	2,822	528	2,671	6,021	8.8	44.4	53.1
2012	4,662	14	5,625	10,301	0.1	54.6	54.7

Technical Note: Multi-Family includes duplex, triplex and quads.
Source: Metropolitan Council.

The above analysis indicates that multi-family housing, as represented by townhomes, duplexes, triplexes, quads, and multi-family larger than three units now represents about 55 percent of the new housing. There has also been a dramatic shift in the relationship of townhomes to other forms of multi-family housing.

Townhome building permits market share doubled between 1991 and 1998, increasing from about eight percent in the 1991-93 period to over 19 percent in 1997. The average market share in this period was 13.4 percent. Between 1999 and 2005, townhome market share increased from 14.0 percent to a peak of 24.0 percent in 2005. Market share averaged 19.3 percent during this period. During the period 2006 to 2012, demand for townhomes plummeted in a free fall from 2,961 units to 14 units in 2012. Market share dropped from 23.4 percent to less than one percent (0.14 percent). For many purchasers, townhomes have been a lower priced way to own a home when they cannot afford a single family home. With the collapse of home prices and the vast number of foreclosed single family homes, townhomes have lost their competitive position in the market place. As the housing market recovers, there may be increasing demand for townhomes both for-sale and for-rent.

Multi-family units have become more popular with younger households, seniors, and other households seeking one level, maintenance free living. This is demonstrated by the dramatic rise in multi-family building permit market share. From 1991 to 1998, market share has ranged from 11.0 percent to 24.7 percent and averaged 18.2 percent. During the period 1999 through 2005, market share has ranged from 28.6 percent to 41.9 percent with an average of 35.4 percent. Since 2005, multi-family market share has increased from 35.1 percent to 54.6 percent of all building permits. The average market share for this period was 40.0 percent. Much of this increase was transfer of market share from the townhome category. Multi-family building permit market share was more than doubled over the past 20 years.

Minneapolis Building Permits

The shift that is occurring in building permit trends is highlighted in Table 5-7. In 1991, Minneapolis issued 129 building permits, which was only 1.1 percent of the 12,054 Metropolitan Area building permits. In 1999, Minneapolis building permits were 5.2 percent of the 18,976 Metropolitan Area building permits. During the period 2000 to 2006, Minneapolis building permits increased to 7.3 percent of the Metropolitan Area total. During the most recent six-year period, Minneapolis has issued 16.0 percent of the Metropolitan Area building permits. In 2012, Minneapolis issued 3,303 building permits or 32 percent of all Metropolitan Area building permits.

Multi-family is the dominate housing type in Minneapolis representing over 90 percent of the units at the present time. Most of the Minneapolis developments are projects that were originally planned to be condominiums and were put on hold when the housing boom ended. Over the last three years, Minneapolis issued 4,705 multi-family buildings permits or 46.0 percent of the total Metropolitan Area building permits, indicating that over half of the multi-family units are being developed in other parts of the Metropolitan Area.

Table 5-7

MINNEAPOLIS BUILDING UNIT PERMITS; 1991 TO 2012

Year	Units			Total	Multi-Family Percent
	Single Family	Town Home	Multi-Family		
1991	63	32	34	129	26.4 %
1992	55	16	6	77	7.8
1993	58	48	114	220	51.8
1994	116	22	85	223	38.1
1995	85	23	89	197	45.2
1996	79	4	44	127	34.6
1997	102	44	381	527	72.3
1998	76	72	248	396	62.6
1999	80	40	874	994	87.9
2000	144	105	346	595	58.2
2001	182	63	780	1,025	76.1
2002	238	41	1,460	1,739	84.0
2003	202	166	745	1,113	66.9
2004	144	140	1,422	1,706	83.4
2005	164	60	1,285	1,509	85.2
2006	161	65	1,531	1,757	87.1
2007	88	49	817	954	85.6
2008	45	33	281	359	78.3
2009	30	-	245	275	89.1
2010	42	-	962	1,004	95.8
2011	49	8	526	583	90.2
2012	76	10	3,217	3,303	97.4

Technical Note: Multi-Family includes duplex, triplex and quads.
Source: Metropolitan Council.

Household Formation

The dramatic decline in housing construction has many causes. It is becoming apparent that household formation has recently departed significantly from past trends. This appears to have been a major contributor to the sharp decline in residential construction following 2006 in the Metropolitan Area and nationally.

The decline in household formation is a national trend and was documented in a recent analysis published by the Cleveland Federal Reserve Bank. This report found that annual household formation in the United States fell from an average of 1.5 million households in the 1997 to 2007 period to 500,000 per year in 2010, a level that is one-third of the annual households formed in the previous 10 years. The great recession reduced the formation of households by two-thirds. The shortfall in household formation was estimated at 2.6 million households.

The decline in households was not uniform across all age cohorts. Nationally, households age 18 to 34 accounted for 25.6 million households or 21.6 percent of total households in 2011. This group, however, accounted for 1.9 million or 73 percent of the shortfall in household formation. The recession had a dramatic impact on the economic prospects for the 18 to 34 age cohort as unemployment increased and job openings evaporated as a result of the recession and the sluggish recovery that has created few jobs. The recession caused adult children to move home,

singles to double-up, and homeowners to take in renters reducing the rate of household formation.

During the past 10 years, Metropolitan Area residential building permits declined from a peak of 20,973 units in 2003 to 4,028 in 2009, as shown in Table 5-5. The housing boom undoubtedly fueled the high number of building permits in the 1999 to 2004 period. Building permits fell below average in 2005 and began a sharp decline in 2007. While it was not apparent at that time, this decline coincided with a significant decline in household formation.

Between 2006 and 2009, building permits fell from 12,109 to 4,028 in 2009, a two-thirds drop similar to the drop in household formation nationally. In past recessions, declines in household formation have been less severe and have been reflected in slight drops in building permits and decreased apartment occupancy rates. During the Great Recession, those declines have been greater and lasted longer due to the slow recovery.

In the Metropolitan Area, as the economy has improved and the unemployment rate has declined, there's been an increase in the number of building permits issued, particularly for multi-family housing. This indicates that the rate of household formation is beginning to increase creating demand for new housing. It's uncertain how long it will take household formation to recover to previous levels, but the process seems to be underway. At some point, there may be an increase in household formation that makes up for some of the household formation that did not occur in 2008, 2009, 2010, and 2011. How much pent up demand exists is subject to speculation.

Stabilized Residential Demand

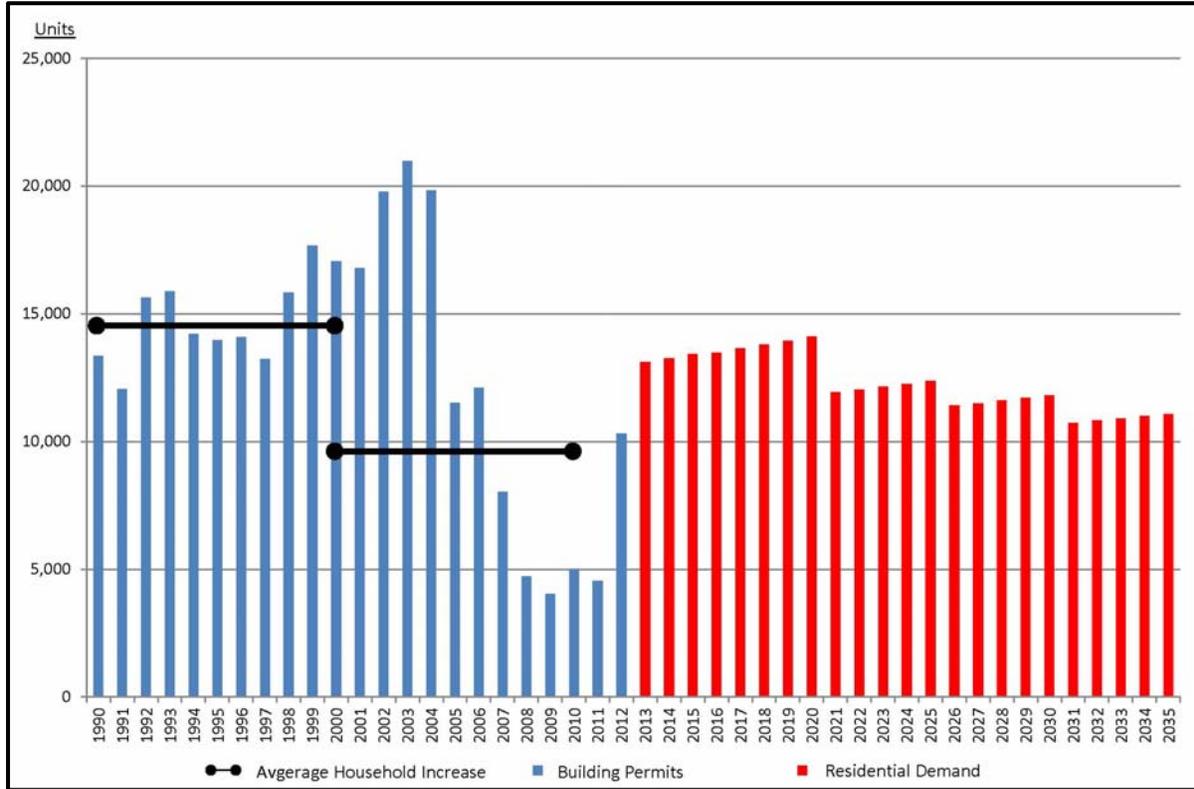
The estimates of future housing demand in incorporate State Demographer estimates of future household growth for 10-year periods. These estimates represent stabilized residential demand based on long-term household growth estimates and do not reflect cyclical changes in household formations.

The relationship of stabilized residential demand to past annual building permits and household formations for the Metropolitan Area are shown on Figure 5-1. The blue bars represent annual unit building permits and the horizontal black lines represent average annual household growth for 1990 to 2000 and 2000 to 2010. The red bars represent stabilized future residential demand. Stabilized annual demand is decreasing because the State Demographer is projecting slower future population and household growth for the Metropolitan Area.

Household growth in the Metropolitan Area has been declining since the 1970 to 1980 period when annual average household increase was 18,231. In the next decade (1980 to 1990), the average annual increase was 15,406. Between 1990 and 2000, the average annual household increase was 14,595 (shown by the black line in Figure 5-1) compared to annual average building permits of 15,141, a difference of 3.6 percent, which could be accounted for by vacancy and demolition of existing units. In the latest 10-year period (2000 to 2010), average annual household growth was 9,830 compared to average annual building permits of 12,279. The sharp decline in building permits beginning in 2007 is clearly evident. Building permits more than doubled in 2012 to 10,301, a positive sign. Future stabilized residential demand is represented by the red bars and is expected to grow slowly over the next five years. This graph demonstrates that over the long-term, residential demand is expected to moderate as household growth slows.

Figure 5-1

**METROPOLITAN AREA BUILDING PERMITS; 1990 TO 2012
STABILIZED RESIDENTIAL DEMAND; 2013 TO 2035**



Source: U.S. Census, State Demographer, and McComb Group, Ltd.

Brooklyn Center Residential Demand

Future stabilized household growth projections for Brooklyn Center take into consideration estimated future market share in the I-94 Corridor Cities, and Tier One and Tier Two communities, and Brooklyn Center. Market share relationships established in the previous section are used to estimate future stabilized residential market demand. Two estimates of residential demand were prepared to create a range (low and high) for the demand estimates. The low and high estimates are contained in Tables 5-8 and 5-9, respectively. The low and high estimates for Brooklyn Center are summarized in Table 5-10. Future Metropolitan Area households for 2015 through 2035 are shown in the second column of Table 5-8. These estimates are based on households for the Metropolitan Area derived from the 2010 Census.

Future household estimates are based on the State Demographers 2013 population estimates adjusted to reflect average household size contained in the State Demographers 2008 estimate of population and households. Metropolitan Area households are estimated at 1,183,326 in 2015, followed by an increase to 1,252,292 households in 2020. The rate of household growth slows after each five-year period.

Over the past 20 years, the I-94 Growth Corridor has captured an average of 13.5 percent of Metropolitan Area growth with a 17.0 percent market share during the housing boom. In the future, it's estimated that the I-94 Growth Corridor will capture about 17.0 percent of the

Metropolitan Area new households in both the low and high estimates. This results in an estimated household increase of 2,281 in 2015, increasing to about 2,398 new households in 2020.

The Tier One communities have maintained a relatively stable share of I-94 Growth Corridor households, averaging about 80 percent in the 1970 to 1990 period and 60 percent in the 90's. Tier One communities market share in the low estimate is 65.0 percent and 75.0 percent in the high estimate through 2035. This is a shift of only 228 households or about 16 percent in 2015.

Brooklyn Center's market share of the Tier One Communities is estimated to be stable at 17.5 percent of Tier One Communities households in the low estimate and 20 percent in the high estimate from 2015 through 2035. This results in an estimated 259 to 342 households in 2015, increasing to a range of 273 to 356 households in 2020; and then slowly decreasing to a range of 214 to 282 by 2035.

The low and high estimates for Brooklyn Center are summarized in Table 5-10 along with an estimate of multi-family demand, which is most suitable for the Opportunity Area. Multi-family demand is estimated at 75 percent of total housing demand.

Table 5-10
PRELIMINARY STABILIZED RESIDENTIAL GROWTH METRO AREA
LOW AND HIGH ESTIMATES

Year	Low Estimate			High Estimate		
	Brooklyn Center Units	Multi-Family Market Share	Units	Brooklyn Center Units	Multi-Family Market Share	Units
2015	259	75.0 %	195	342	75.0 %	257
2016	261	75.0	196	344	75.0	258
2017	264	75.0	198	348	75.0	261
2018	267	75.0	200	352	75.0	264
2019	270	75.0	202	356	75.0	267
2020	273	75.0	205	360	75.0	270
2021	231	75.0	173	304	75.0	228
2022	233	75.0	174	307	75.0	230
2023	235	75.0	176	310	75.0	232
2024	237	75.0	178	313	75.0	234
2025	239	75.0	179	315	75.0	237
2026	221	75.0	165	291	75.0	218
2027	222	75.0	167	293	75.0	220
2028	224	75.0	168	296	75.0	222
2029	226	75.0	170	298	75.0	224
2030	228	75.0	171	301	75.0	226
2031	207	75.0	156	274	75.0	205
2032	209	75.0	157	276	75.0	207
2033	211	75.0	158	278	75.0	208
2034	212	75.0	159	280	75.0	210
2035	214	75.0	160	282	75.0	212
	<u>4,943</u>		<u>3,707</u>	<u>6,518</u>		<u>4,888</u>

Source: McComb Group, Ltd.

Currently, there has been a trend toward higher demand for rental housing as the interest in homeownership has moderated. It is uncertain if this is a long-term trend. Over the recent past, however, multi-family building permits (including townhomes) have averaged 60 percent of all building permits. For the short-term and possibly long-term, this could increase Brooklyn Center's stabilized multi-family share to 75 percent.

Estimated multi-family unit demand ranges from 195 units in the low estimate to 257 units in the high estimate in 2015. Estimated unit demand ranges from 205 to 270 units in 2020.

These household growth forecasts assume historic household formation rates. Until household formation recovers, new households and new residential construction are likely to be less than forecast. On the other hand, if deferred households begin to seek housing, this would increase demand above the estimates.

Table 5-8
PRELIMINARY STABILIZED RESIDENTIAL GROWTH METRO AREA -- LOW

Year	Units	Increase	I-94 Corridor Cities		Tier One		Brooklyn Center		Multi-Family	
			Market Share	Units	Market Share	Units	Market Share	Units	Market Share	Units
2015	1,183,326	13,415	17.0 %	2,281	65.0 %	1,482	17.5 %	259	75.0 %	195
2016	1,196,811	13,485	17.0	2,292	65.0	1,490	17.5	261	75.0	196
2017	1,210,447	13,636	17.0	2,318	65.0	1,507	17.5	264	75.0	198
2018	1,224,239	13,792	17.0	2,345	65.0	1,524	17.5	267	75.0	200
2019	1,238,188	13,949	17.0	2,371	65.0	1,541	17.5	270	75.0	202
2020	1,252,292	14,104	17.0	2,398	65.0	1,558	17.5	273	75.0	205
2021	1,264,213	11,921	17.0	2,027	65.0	1,317	17.5	231	75.0	173
2022	1,276,243	12,030	17.0	2,045	65.0	1,329	17.5	233	75.0	174
2023	1,288,388	12,145	17.0	2,065	65.0	1,342	17.5	235	75.0	176
2024	1,300,648	12,260	17.0	2,084	65.0	1,355	17.5	237	75.0	178
2025	1,313,020	12,372	17.0	2,103	65.0	1,367	17.5	239	75.0	179
2026	1,324,425	11,405	17.0	1,939	65.0	1,260	17.5	221	75.0	165
2027	1,335,923	11,498	17.0	1,955	65.0	1,271	17.5	222	75.0	167
2028	1,347,522	11,599	17.0	1,972	65.0	1,282	17.5	224	75.0	168
2029	1,359,221	11,699	17.0	1,989	65.0	1,293	17.5	226	75.0	170
2030	1,371,018	11,797	17.0	2,005	65.0	1,304	17.5	228	75.0	171
2031	1,381,748	10,730	17.0	1,824	65.0	1,186	17.5	207	75.0	156
2032	1,392,562	10,814	17.0	1,838	65.0	1,195	17.5	209	75.0	157
2033	1,403,460	10,898	17.0	1,853	65.0	1,204	17.5	211	75.0	158
2034	1,414,446	10,986	17.0	1,868	65.0	1,214	17.5	212	75.0	159
2035	1,425,510	11,064	17.0	1,881	65.0	1,223	17.5	214	75.0	160
		255,599		43,452		28,244		4,943		3,707

Source: McComb Group, Ltd.

Table 5-9
PRELIMINARY STABILIZED RESIDENTIAL GROWTH METRO AREA -- HIGH

Year	Units	Increase	I-94 Corridor Cities		Tier One		Brooklyn Center		Multi-Family	
			Market Share	Units	Market Share	Units	Market Share	Units	Market Share	Units
2015	1,183,326	13,415	17.0 %	2,281	75.0 %	1,710	20.0 %	342	75.0 %	257
2016	1,196,811	13,485	17.0	2,292	75.0	1,719	20.0	344	75.0	258
2017	1,210,447	13,636	17.0	2,318	75.0	1,739	20.0	348	75.0	261
2018	1,224,239	13,792	17.0	2,345	75.0	1,758	20.0	352	75.0	264
2019	1,238,188	13,949	17.0	2,371	75.0	1,779	20.0	356	75.0	267
2020	1,252,292	14,104	17.0	2,398	75.0	1,798	20.0	360	75.0	270
2021	1,264,213	11,921	17.0	2,027	75.0	1,520	20.0	304	75.0	228
2022	1,276,243	12,030	17.0	2,045	75.0	1,534	20.0	307	75.0	230
2023	1,288,388	12,145	17.0	2,065	75.0	1,548	20.0	310	75.0	232
2024	1,300,648	12,260	17.0	2,084	75.0	1,563	20.0	313	75.0	234
2025	1,313,020	12,372	17.0	2,103	75.0	1,577	20.0	315	75.0	237
2026	1,324,425	11,405	17.0	1,939	75.0	1,454	20.0	291	75.0	218
2027	1,335,923	11,498	17.0	1,955	75.0	1,466	20.0	293	75.0	220
2028	1,347,522	11,599	17.0	1,972	75.0	1,479	20.0	296	75.0	222
2029	1,359,221	11,699	17.0	1,989	75.0	1,492	20.0	298	75.0	224
2030	1,371,018	11,797	17.0	2,005	75.0	1,504	20.0	301	75.0	226
2031	1,381,748	10,730	17.0	1,824	75.0	1,368	20.0	274	75.0	205
2032	1,392,562	10,814	17.0	1,838	75.0	1,379	20.0	276	75.0	207
2033	1,403,460	10,898	17.0	1,853	75.0	1,389	20.0	278	75.0	208
2034	1,414,446	10,986	17.0	1,868	75.0	1,401	20.0	280	75.0	210
2035	1,425,510	11,064	17.0	1,881	75.0	1,411	20.0	282	75.0	212
		255,599		43,452		32,589		6,518		4,888

Source: McComb Group, Ltd.

Chapter VI
FINDINGS AND RECOMMENDATIONS

The Opportunity Area is located in the northwest metro area with convenient access to employment centers in downtown Minneapolis, and the western and northern suburbs, making it an ideal location for households that wish to reduce commuting costs.

Housing demand during the short-term period 2015 to 2025 is estimated at 2,076 to 2,737 units, as shown in Table 6-1. Initial market demand is estimated at about 200 to 260 units annually. Longer term demand (2026 to 2035) is estimated at 1,630 to 2,150 units.

Table 6-1
STABILIZED RESIDENTIAL UNIT DEMAND; 2015 TO 2035
OPPORTUNITY AREA -- LOW AND HIGH

Short-Term			Long-Term		
Year	Units		Year	Units	
	Low	High		Low	High
Short-Term			Long-Term		
2015	195	257	2026	165	218
2016	196	258	2027	167	220
2017	198	261	2028	168	222
2018	200	264	2029	170	224
2019	202	267	2030	171	226
2020	205	270	2031	156	205
2021	173	228	2032	157	207
2022	174	230	2033	158	208
2023	176	232	2034	159	210
2024	178	234	2035	160	212
2025	179	237	Total	1,631	2,151
Total	2,076	2,737			

Source: McComb Group, Ltd.

The housing market is cyclical in terms of product types--single family, townhomes, and traditional multi-family, as well as rental and for-sale products. Single family is predominately for-sale products; however, many of the foreclosed homes have been purchased and are being offered as rental homes. Single family for-sale housing demand is recovering and is likely to be about 50 percent of annual housing production in the future.

Townhomes, twin homes, and the multiplex units have been offered as both rental and for-sale products. Production of townhome and similar unit types has declined dramatically, only building permits for 14 units were issued in 2012. One factor currently influencing the for-sale townhome market is the narrow cost disparity with single family homes. Another factor is the potential for homeowner association litigation over perceived construction defects, which has caused some developers to avoid for-sale townhomes. Most townhomes and similar products in the future are likely to be rental products.

The condominium market peaked in 2007 and has been replaced by an apartment boom. Condominium values are recovering; one building is under construction in downtown Minneapolis. Many developers are not interested in developing condominiums due to the potential for homeowner association litigation discussed above.

These factors indicate that the likely housing products in the Opportunity Area will be rental products until such time the above concerns are resolved.

Rental Market Segments

There are six general rental market segments ranging from entry level households to seniors, as shown in Figure 6-1. All of these market segments are suitable for the Opportunity Area with unit features and building amenities that appeal to the prospective tenants.

Figure 6-1

RENTAL RESIDENTIAL MARKET SEGMENT

Entry-Level Households
<ul style="list-style-type: none"> ▪ Frequently prefer to rent ▪ Single, couple, or roommates, without children, in early 20s ▪ Young professionals seek features and amenities they grew up with
Move-Up Renters
<ul style="list-style-type: none"> ▪ Rent more upscale apartments ▪ Married or cohabitating couples, mid-20s to 30s, most without children
Displaced Homeowners
<ul style="list-style-type: none"> ▪ Lost home to foreclosure in great recession ▪ Lost interest in homeownership and prefer to rent ▪ Can afford upscale apartments with features and amenities
Empty Nesters/Never Nesters
<ul style="list-style-type: none"> ▪ Generally couples in 50s and 60s ▪ Some seek lower maintenance housing products ▪ Some will consider renting
Younger Independent Seniors
<ul style="list-style-type: none"> ▪ Will consider renting ▪ Generally late 60s or 70s ▪ May have a second home ▪ Often seek lower maintenance housing types
Older Seniors
<ul style="list-style-type: none"> ▪ Generally single female (widows) in mid-70s or older ▪ May move from single family home due to physical/health issues

To enhance unit absorption over the long-term, Opportunity Area developments should appeal to as many market segments as possible.

Short- and long-term housing demand is allocated in Table 6-2 between multi-family (90 percent) and townhomes (10 percent). Townhomes may or may not be included in the unit mix depending on developer preferences. Allocations between market rate and income restricted units is also suggested. Income restricted units are allocated at 30 percent of the total.

Table 6-2

OPPORTUNITY AREA SHORT- AND LONG-TERM HOUSING DEMAND; 2015 TO 2035
MULTI-FAMILY AND TOWNHOMES

Year	Units	Multi-Family		Townhomes	
		Market Rate	Income Restricted	Market Rate	Income Restricted
Short-Term					
2015	195 - 257	123 - 162	53 - 69	14 - 18	6 - 8
2016	196 - 258	123 - 162	53 - 70	14 - 18	6 - 8
2017	198 - 261	125 - 164	53 - 70	14 - 18	6 - 8
2018	200 - 264	126 - 166	54 - 71	14 - 18	6 - 8
2019	202 - 267	127 - 168	55 - 72	14 - 19	6 - 8
2020	205 - 270	129 - 170	55 - 73	14 - 19	6 - 8
2021	173 - 228	109 - 144	47 - 62	12 - 16	5 - 7
2022	174 - 230	110 - 145	47 - 62	12 - 16	5 - 7
2023	176 - 232	111 - 146	48 - 63	12 - 16	5 - 7
2024	178 - 234	112 - 148	48 - 63	12 - 16	5 - 7
2025	179 - 237	113 - 149	48 - 64	13 - 17	5 - 7
Subtotal	2,076 - 2,737	1,308 - 1,724	560 - 739	145 - 192	62 - 82
Long-Term					
2026	165 - 218	104 - 137	45 - 59	12 - 15	5 - 7
2027	167 - 220	105 - 139	45 - 59	12 - 15	5 - 7
2028	168 - 222	106 - 140	45 - 60	12 - 16	5 - 7
2029	170 - 224	107 - 141	46 - 60	12 - 16	5 - 7
2030	171 - 226	108 - 142	46 - 61	12 - 16	5 - 7
2031	156 - 205	98 - 129	42 - 55	11 - 14	5 - 6
2032	157 - 207	99 - 130	42 - 56	11 - 14	5 - 6
2033	158 - 208	100 - 131	43 - 56	11 - 15	5 - 6
2034	159 - 210	100 - 132	43 - 57	11 - 15	5 - 6
2035	160 - 212	101 - 133	43 - 57	11 - 15	5 - 6
Subtotal	1,631 - 2,151	1,028 - 1,355	440 - 581	114 - 151	49 - 65
Total	3,707 - 4,888	2,335 - 3,080	1,001 - 1,320	259 - 342	111 - 147

Source: McComb Group, Ltd.

Figure 6-2

MULTI-FAMILY PRODUCT TYPES

General Occupancy	Senior (Age Restricted)
<ul style="list-style-type: none"> ▪ Market Rate - Rental ▪ Workforce - Rental ▪ Affordable - Rental ▪ Subsidized - Rental ▪ Townhouse 	<ul style="list-style-type: none"> ▪ Active Adults - Rental ▪ Congregate ▪ Assisted Living ▪ Memory Care

The Opportunity Area is suitable for all of the general occupancy product types with for-sale units dependent on future market conditions. Workforce and affordable units should be included in the unit mix to increase absorption.

Area Median Income (AMI) limits for two and four person households in the Metropolitan Area for 2013 are shown in Table 6-3. There are no income limits for market rate buildings. Workforce housing, for this example, are households with incomes over \$51,550 and \$64,400 for two and four person households, respectively. By way of comparison, Brooklyn Center’s 2011 median income was estimated at \$49,327 and the Metropolitan Area was \$62,465. About half of the Metropolitan Area households are eligible for income limited housing at the 80 percent AMI limit or below. Since Brooklyn Center has a large supply of moderate income housing, it is recommended that income restricted units be for households with incomes above 60 percent of AMI.

Table 6-3

AREA MEDIAN INCOME (AMI) LIMITS; 2013

Housing Type	Income Limit	
	2 Person	4 Person
Market Rate	None	None
Workforce (> 80%)	> \$ 51,550	> \$ 64,400
Low Income (80%)	51,550	64,400
Very Low Income (50%)	32,950	41,150
Subsidized (30%)	19,800	24,700

Source: HUD.

General Occupancy Apartments

Market demand for multi-family units ranges from about 195 to 260 units per year over the next five years. Initial development may be less than estimated based on the developer’s desires. The potential unit mix could be similar to the unit mix contained in table 6-4. The unit mix is primarily one and two bedroom units with a few studios and two bedroom/den units. Unit size ranges are similar to apartment communities in St. Louis Park and Minneapolis. Suggested rental rates in 2013 dollars are comparable to St. Louis Park. Brooklyn Center is an untested market and it is suggested that introductory rents are slightly lower in the initial development phase. Market rents can be increased in later phases.

Table 6-4

OPPORTUNITY AREA MARKET RATE APARTMENT UNIT MIX

Percent of Units	Type	Baths	Unit Size Sq. Ft. Range	Rent Range	
				Market	Introductory
5%	Studio	1	500 - 600	\$1,050 - \$1,260	\$965 - \$1,160
25%	One Bedroom	1	700 - 800	\$1,365 - \$1,640	\$1,225 - \$1,510
20%	One Bedroom	1.5	800 - 850	\$1,520 - \$1,575	\$1,395 - \$1,445
10%	One Bedroom/Den	1.5	900 - 1,000	\$1,620 - \$1,850	\$1,490 - \$1,700
38%	Two Bedroom	2	1,000 - 1,200	\$1,860 - \$2,232	\$1,710 - \$2,053
2%	Two Bedroom/Den	2	1,190 - 1,300	\$2,140 - \$2,340	\$1,970 - \$2,153

Source: McComb Group, Ltd.

Proposed rents for the Opportunity Area are compared to existing rental rates in Brooklyn Center in Table 6-5. Existing rents range from 45 to 70 percent of AMI, reinforcing the point that Brooklyn Center has a significant inventory of affordable housing. Proposed rents range from 75 to 150 percent of AMI.

Table 6-5

EXISTING RENTS AND PROPOSED RENTS
AS A PERCENT OF AREA MEDIAN INCOME; 2013

Rent/Mo	Annual Rent	Required Income	Percent of AMI
Brooklyn Center			
\$750	\$ 9,000	\$ 30,000	45.4 %
\$900	10,800	36,000	54.6
\$1,150	13,800	46,000	69.7
Opportunity Area			
\$1,250	\$ 15,000	\$ 50,000	75.7 %
\$1,500	18,000	60,000	90.9
\$1,750	21,000	70,000	106.1
\$2,000	24,000	80,000	121.2
\$2,250	27,000	90,000	136.4
\$2,500	30,000	100,000	151.5

Source: HUD and McComb Group, Ltd.

Recommended unit features, contained in Table 6-6, are similar to comparable buildings in St. Louis Park and Minneapolis.

Table 6-6

SUGGESTED APARTMENT UNIT FEATURES

Feature	Townhomes			
	Market Rate	Income Restricted	Market Rate	Income Restricted
Kitchen				
Dishwasher	X	X	X	X
Microwave	X	X	X	X
Stainless Appliances	X		X	
Granite Countertops	X		X	
Upgrade Cabinets	X		X	
Kitchen Island	X	X	X	X
Pantry	O		O	
Master Bath				
His/Her Sinks	O		O	
Tile Shower	X		X	
Walk-In Closet	X	X	X	X
Living				
Oversize Windows	X	X	X	X
High Ceilings	X	X	X	X
Patio/Balcony	X	X	X	X
Fireplace	O		X	
Wood Floor	X			
Linen Closet	X	X	X	X
Laundry				
Washer/Dryer	X	X	X	X
Utilities				
Air Conditioning - Central	X	X	X	X
High Speed Internet	X	X	X	X
WI-FI	X	X	X	X
Cable	X	X	X	X

X: Recommended.

O: Optional.

Source: McComb Group, Ltd.

Recommended building amenities, contained in Table 6-7, include items that are comparable to those being offered in Minneapolis and St. Louis Park. As with the unit features, building amenities are designed to position the Opportunity Area as a strong competitor in future years.

Table 6-7

SUGGESTED APARTMENT BUILDING AMENITIES

Amenity	Market Rate	Income Restricted
Common Facilities		
Party Room	X	X
Fireplace	X	X
Lounge	O	O
Coffee Bar	O	O
Theater	O	O
Business Center	X	X
Fitness Center	X	X
Pool	X	X
Sauna	O	O
Hot Tub	O	O
Guest Suite	X	X
Storage Lockers	X	X
Controlled Access	X	X
Parking		
Under Building	X	X
Services		
On-Site Staff	X	X
Concierge	O	O
Common Area		
Terrace/Courtyard	X	X
Grilling Station	X	X
Sports Area	O	O
Other		
Pet Friendly	X	X
Pet Area	O	O
Pet Services	O	O
LEED	O	O

X: Recommended.

O: Optional.

Source: McComb Group, Ltd.

Senior Housing Demand

Senior housing in Brooklyn Center is expected to be weak during the short-term period due to demographic trends in the over 55 population. Senior housing is typically referred to as units designed for persons age 55 and above. Experience has shown, however, that seniors typically move to a “senior” housing development, on average, at about age 72 or 73. Senior housing options include independent living, congregate care, assisted living, and memory care. Which option senior households choose depends on the health and mobility of one or both household members.

Population trends for senior households in Brooklyn Center, the Opportunity Area Draw Area, and Tier One Communities are contained in Table 6-8. Two different population trends are shown for all three areas. In the younger age cohorts (55 to 64 and 65 to 74), population increased between 2000 and 2011 and is expected to increase during the next five-year period. In the older age cohorts (75 to 84 and 85 plus), a different trend is evident—population is either growing modestly or declining. In Brooklyn Center, population in the older age cohorts is

estimated to decrease between 2011 and 2016 suggesting a flat to declining demand for senior housing. In the 75 to 84 age cohort, population is estimated at 1,045 in 2011 and is expected to be 1,007 in 2016, a decline of 38. In the 85 plus age cohort, population is estimated to drop from 573 in 2011 to 540 in 2016, a decline of 33 adults. In the draw area and Tier One Cities, population is increasing modestly in the 75 to 84 age cohort and declining in the 85 and older age cohort.

Table 6-8
CHANGE IN SENIOR POPULATION AND HOUSING DEMAND

<u>Area/Age Cohort</u>	<u>2000</u>	<u>2011</u>	<u>2016</u>	<u>2011-16 Change</u>	<u>Households</u>
Brooklyn Center					
55-64	2,373	3,270	3,715	445	327
65-74	2,428	1,675	2,139	464	341
75-84	1,569	1,045	1,007	(38)	(28)
85 plus	510	573	540	(33)	(24)
Draw Area					
55-64	18,405	24,932	29,634	4,702	3,457
65-74	14,258	12,734	16,767	4,033	2,965
75-84	9,302	7,792	8,027	235	173
85 plus	3,316	3,944	3,912	(32)	(24)
Tier One Cities					
55-64	16,679	27,795	32,729	4,934	3,628
65-74	11,239	14,929	19,736	4,807	3,535
75-84	7,207	9,434	9,454	20	15
85 plus	2,617	4,975	4,847	(128)	(94)

Source: U.S. Census and Scan/US, Inc.

Household growth in the 55 to 64 and 65 to 74 age cohorts indicates there may be demand for maintenance free living options that appeal to older adults. These households could be accommodated in the Opportunity Area.

Brooklyn Center had 2,369 households over the age of 65 in 2011, as shown in Table 6-9: 1,693 owner-occupied and renter-occupied. At the present time, Brooklyn Center has 440 units of senior rental housing indicating that about 65 percent of the renters are living in senior buildings. In Brooklyn Center, renter-occupied households increase with age from 27.8 percent in the 65 to 74 age cohort to 50.9 percent of the 85 and over age cohort. The trend is the same in the draw area and Tier One Cities. There are a wide variety of social services available to senior households that enable them to remain in their homes. The expansion of these services has reduced the demand for senior housing. As indicated earlier, there is an opportunity for senior housing that provides maintenance free living to empty nesters that can be satisfied in the Opportunity Area. The existing senior housing options in Brooklyn Center face the challenge of adapting their buildings and services to a changing senior demographic with far different needs and expectations.

Table 6-9

TENURE BY AGE OF HOUSEHOLDER; 2011 ESTIMATED
BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA, AND TIER ONE COMMUNITIES
(Number of Households)

	65 to 74		75 to 84		85 and over	
	Own	Rent	Own	Rent	Own	Rent
Brooklyn Center	770	297	677	124	246	255
Percent	72.2 %	27.8 %	84.5 %	15.5 %	49.1 %	50.9 %
Opportunity Area Draw Area	7,882	1,421	4,681	1,933	860	1,268
Percent	84.7 %	15.3 %	70.8 %	29.2 %	40.4 %	59.6 %
Tier One Cities	6,685	1,201	4,063	1,289	1,207	1,413
Percent	84.7 %	15.3 %	75.9 %	24.1 %	46.1 %	53.9 %

Source: U.S. Census.

Recommendations

The Opportunity Area consists of three areas: South, East, and North as described in Chapter I. These areas contain 83.8 acres, not all of which are recommended for redevelopment. The areas recommended for redevelopment are summarized in Table 6-10. Redevelopable area totals 63.1 acres. The South parcel is the largest (39.38 acres) including 8.6 acres owned by the City. The proposed redevelopment area excludes the Minnesota School of Business building. The East parcel, excluding Davanni's which can remain, totals 11.9 acres. The recommended redevelopment area on the North parcel, excluding Target and Shingle Creek Center, is about 11.8 acres. These parcels can be developed in three phases.

Table 6-10

OPPORTUNITY AREA REDEVELOPABLE AREA

Area	Acres	Square Feet	Assessed Value
South	39.38	1,715,393	\$ 14,244,800
East	11.89	517,928	2,400,000
North	11.84	515,750	4,900,000
Total	63.11	2,749,071.00	\$ 21,544,800

Source: Brooklyn Center Assessor and McComb Group, Ltd.

These three parcels, developed at an average density of 50 dwelling units per acre, could accommodate over 3,100 units. At 200 units per year, this represents a 15-year build out. The South parcel, developed at a similar density, would accommodate almost 2,000 units.

The assessed value of the three parcels is about \$21.5 million including the land owned by the City. The fact that many of the buildings are vacant or have large vacancies indicates the assessed value may be higher than the cost of a negotiated acquisition.

The redevelopment opportunity is to create a development large enough that it creates its own environment. To initiate a development of this magnitude, a prospective developer would like to

have the assurance of being able to control the redevelopment area so that land prices do not inhibit the overall development plan. Even taking into consideration the City's ownership of the Brookdale Ford site valued at \$4.1 million, the land acquisition is likely to require an investment of between \$15 and \$18 million to acquire land control of the redevelopment area. This will require a financially strong, well funded developer that has the capability to hold the land through the development period.

Major developers operating in the Twin Cities that may have the financial capacity and an interest in a development of this magnitude are listed below. Legacy Management & Development Corporation partnered with McCormack Baron Salazar Inc., a national developer, to develop Heritage Park in Minneapolis.

- M.A. Mortenson Co.
- Ryan Cos. US Inc.
- Hines
- Doran Cos.
- Kraus-Anderson Realty Co.
- United Properties
- Legacy Management & Development Corporation

There are additional national developers that may be interested in the Opportunity Area redevelopment.

Implementing a redevelopment plan, with a financially capable developer is likely to require the use of redevelopment tools including tax increment and land acquisition powers.

Appendix

Appendix A

DEMOGRAPHIC CHARACTERISTICS

Table A-1 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Population and Households: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-2 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Average and Median Household Incomes: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-3 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Household Income: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-4 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Households, Families and Household Size: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-5 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Educational Attainment: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-6 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Gender and Marital Status: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-7 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Age Distribution: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-8 Brooklyn Center, Opportunity Area Draw Area, and Tier One Communities Ethnicity: 1990 and 2000 Census; 2011 and 2016 Estimated

Table A-1

BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
TIER ONE COMMUNITIES
POPULATION AND HOUSEHOLDS: 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Trade Area / Year	Population		Households	
	Number	Rate of Change	Number	Rate of Change
BROOKLYN CENTER				
1990	28,327	N/A	11,029	N/A
2000	29,153	0.29 %	11,422	0.35 %
2011 E	29,954	0.25	10,707	(0.59)
2016 E	29,740	(0.14)	10,649	(0.11)
OPPORTUNITY AREA DRAW AREA				
1990	210,499	N/A	81,751	N/A
2000	216,982	0.30 %	86,074	0.52 %
2011 E	219,404	0.10	85,016	(0.11)
2016 E	227,350	0.71	88,410	0.79
TIER ONE COMMUNITIES				
1990	196,874	N/A	71,942	N/A
2000	229,242	1.53 %	86,003	1.80 %
2011 E	251,494	0.85	93,759	0.79
2016 E	258,891	0.58	96,666	0.61

N/A: Not Available.

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-2

BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
TIER ONE COMMUNITIES
AVERAGE AND MEDIAN HOUSEHOLD INCOMES
1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Income Type / Year	Brooklyn Center	Opportunity Area Draw Area	Tier One Communities
Average Household Income			
1990	\$ 37,537	\$ 39,513	\$ 42,536
2000	49,769	57,679	64,818
2011 E	54,765	59,499	75,483
2016 E	59,581	65,148	82,477
Median Household Income			
1990	\$ 34,269	\$ 35,549	\$ 39,283
2000	44,594	48,692	57,442
2011 E	49,327	52,970	65,718
2016 E	51,387	55,872	69,183

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-3
 BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
 TIER ONE COMMUNITIES
 HOUSEHOLD INCOME: 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

	1990		2000		2011 E		2016 E	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
BROOKLYN CENTER								
Households	11,029	N/A	11,422	N/A	10,707	N/A	10,649	N/A
Average Size	2.56	N/A	2.52	N/A	2.78	N/A	2.78	N/A
Household Income								
Median	\$ 34,269	N/A	\$ 44,594	N/A	\$ 49,327	N/A	\$ 51,387	N/A
Average	\$ 37,537	N/A	\$ 49,769	N/A	\$ 54,765	N/A	\$ 59,581	N/A
Households Above \$50,000	2,701	24.5 %	4,995	43.7 %	5,280	49.3 %	5,476	51.4 %
Households Above \$75,000	688	6.2	2,036	17.8	3,078	28.7	3,339	31.4
Income Distribution								
Less than \$15,000	1,659	15.0 %	1,226	10.7 %	1,066	10.0 %	1,079	10.1 %
\$15,000 - \$24,999	1,969	17.9	1,444	12.6	1,110	10.4	1,044	9.8
\$25,000 - \$34,999	2,016	18.3	1,632	14.3	1,267	11.8	1,162	10.9
\$35,000 - \$49,999	2,686	24.4	2,125	18.6	1,984	18.5	1,888	17.7
\$50,000 - \$74,999	2,013	18.2	2,959	25.9	2,202	20.6	2,137	20.1
\$75,000 - \$99,999	479	4.3	1,263	11.1	1,846	17.2	1,897	17.8
\$100,000 - \$149,999	162	1.5	648	5.7	981	9.2	1,135	10.7
\$150,000 +	48	0.4	125	1.1	251	2.3	307	2.9
OPPORTUNITY AREA DRAW AREA								
Households	81,751	N/A	86,074	N/A	85,016	N/A	88,410	N/A
Average Size	2.55	N/A	2.49	N/A	2.55	N/A	2.55	N/A
Household Income								
Median	\$ 35,549	N/A	\$ 48,692	N/A	\$ 52,970	N/A	\$ 55,872	N/A
Average	\$ 39,513	N/A	\$ 57,679	N/A	\$ 59,499	N/A	\$ 65,148	N/A
Households Above \$50,000	22,399	27.4 %	40,827	47.4 %	44,087	51.9 %	47,786	54.1 %
Households Above \$75,000	6,569	8.0	20,243	23.5	25,259	29.7	29,067	32.9
Income Distribution								
Less than \$15,000	12,969	15.9 %	8,430	9.8 %	8,436	9.9 %	8,865	10.0 %
\$15,000 - \$24,999	13,466	16.5	9,523	11.1	8,493	10.0	8,374	9.5
\$25,000 - \$34,999	13,859	16.9	11,596	13.5	9,941	11.7	9,508	10.8
\$35,000 - \$49,999	19,086	23.3	15,700	18.2	14,058	16.5	13,877	15.7
\$50,000 - \$74,999	15,830	19.4	20,584	23.9	18,828	22.1	18,719	21.2
\$75,000 - \$99,999	4,412	5.4	10,967	12.7	12,032	14.2	12,985	14.7
\$100,000 - \$149,999	1,631	2.0	6,993	8.1	9,569	11.3	11,444	12.9
\$150,000 +	526	0.6	2,283	2.7	3,659	4.3	4,638	5.2
TIER ONE COMMUNITIES								
Households	71,942	N/A	86,003	N/A	93,759	N/A	96,666	N/A
Average Size	2.71	N/A	2.64	N/A	2.66	N/A	2.66	N/A
Household Income								
Median	\$ 39,283	N/A	\$ 57,442	N/A	\$ 65,718	N/A	\$ 69,183	N/A
Average	\$ 42,536	N/A	\$ 64,818	N/A	\$ 75,483	N/A	\$ 82,477	N/A
Households Above \$50,000	23,692	32.9 %	49,911	58.0 %	59,346	63.3 %	63,137	65.3 %
Households Above \$75,000	6,389	8.9	27,392	31.9	39,528	42.2	43,774	45.3
Income Distribution								
Less than \$15,000	8,564	11.9 %	5,698	6.6 %	6,367	6.8 %	6,677	6.9 %
\$15,000 - \$24,999	9,987	13.9	7,104	8.3	7,283	7.8	7,084	7.3
\$25,000 - \$34,999	11,295	15.7	9,191	10.7	8,435	9.0	7,846	8.1
\$35,000 - \$49,999	18,380	25.6	14,099	16.4	12,328	13.1	11,922	12.3
\$50,000 - \$74,999	17,303	24.1	22,519	26.2	19,818	21.1	19,363	20.0
\$75,000 - \$99,999	4,415	6.1	14,024	16.3	15,167	16.2	15,565	16.1
\$100,000 - \$149,999	1,487	2.1	10,074	11.7	15,556	16.6	17,769	18.4
\$150,000 +	487	0.7	3,294	3.8	8,805	9.4	10,440	10.8

N/A: Not Available or Not Applicable.

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-4

BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
TIER ONE COMMUNITIES
HOUSEHOLDS, FAMILIES AND HOUSEHOLD SIZE; 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

	1990		2000		2011 E		2016 E	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
BROOKLYN CENTER								
Households	11,029		11,422		10,707		10,649	
Families	7,939		7,378		7,082		7,047	
As Percent of Households		72.0 %		64.6 %		66.1 %		66.2 %
Household Size								
1 Person	N/A	N/A %	3,215	28.1 %	2,887	27.0 %	2,924	27.5 %
2 Persons	N/A	N/A	3,900	34.1	3,161	29.5	3,068	28.8
3-4 Persons	N/A	N/A	3,123	27.3	2,841	26.5	2,823	26.5
5+ Persons	N/A	N/A	1,184	10.4	1,818	17.0	1,834	17.2
Average Household Size	2.56		2.52		2.78		2.78	
OPPORTUNITY AREA DRAW AREA								
Households	81,751		86,074		85,016		88,410	
Families	56,700		55,527		53,769		55,601	
As Percent of Households		69.4 %		64.5 %		63.2 %		62.9 %
Household Size								
1 Person	N/A	N/A %	24,192	28.1 %	25,670	30.2 %	27,446	31.0 %
2 Persons	N/A	N/A	29,071	33.8	26,503	31.2	26,794	30.3
3-4 Persons	N/A	N/A	24,846	28.9	22,783	26.8	23,562	26.7
5 + Persons	N/A	N/A	7,966	9.3	10,059	11.8	10,609	12.0
Average Household Size	2.55		2.49		2.55		2.55	
TIER ONE COMMUNITIES								
Households	71,942		86,003		93,759		96,666	
Families	53,049		60,110		64,704		66,528	
As Percent of Households		73.7 %		69.9 %		69.0 %		68.8 %
Household Size								
1 Person	N/A	N/A %	20,309	23.6 %	24,134	25.7 %	25,453	26.3 %
2 Persons	N/A	N/A	27,947	32.5	28,117	30.0	28,281	29.3
3-4 Persons	N/A	N/A	28,899	33.6	29,842	31.8	30,661	31.7
5 + Persons	N/A	N/A	8,848	10.3	11,666	12.4	12,271	12.7
Average Household Size	2.71		2.64		2.66		2.66	

N/A: Not Available or Not Applicable.

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-5

BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
TIER ONE COMMUNITIES
EDUCATIONAL ATTAINMENT: 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Attainment	1990		2000		2011 E		2016 E	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
BROOKLYN CENTER								
No College	6,941	44.5 %	6,608	40.0 %	6,208	35.3 %	5,965	33.2 %
Some College/2 yr. Degree	6,005	38.5	6,749	40.8	6,786	38.6	6,574	36.6
College Graduate	2,014	12.9	2,385	14.4	3,275	18.6	3,794	21.1
Graduate School	645	4.1	786	4.8	1,295	7.4	1,636	9.1
OPPORTUNITY AREA DRAW AREA								
No College	47,906	41.0 %	42,839	34.0 %	41,677	31.5 %	42,011	30.0 %
Some College/2 yr. Degree	42,844	36.6	48,224	38.3	47,643	36.0	48,187	34.4
College Graduate	20,081	17.2	25,742	20.4	30,564	23.1	35,036	25.0
Graduate School	6,117	5.2	9,109	7.2	12,285	9.3	15,021	10.7
TIER ONE COMMUNITIES								
No College	41,457	37.8 %	40,232	29.8 %	41,221	26.2 %	41,084	25.0 %
Some College/2 yr. Degree	42,661	38.9	52,729	39.1	56,102	35.7	55,673	33.9
College Graduate	20,134	18.4	32,145	23.8	43,029	27.4	47,813	29.1
Graduate School	5,466	5.0	9,880	7.3	16,815	10.7	19,898	12.1

N/A: Not Available or Not Applicable.

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-6
 BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
 TIER ONE COMMUNITIES
 GENDER AND MARITAL STATUS: 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Ethnicity	1990		2000		2011 E		2016 E	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
BROOKLYN CENTER								
Gender								
Male	13,690	48.3 %	14,196	48.7 %	14,955	49.9 %	14,871	50.0 %
Female	14,636	51.7	14,957	51.3	14,999	50.1	14,869	50.0
Marital Status								
Single	9,764	43.4 %	662	9.0 %	684	9.5 %	651	9.1 %
Single With Children	N/A	N/A	1,423	19.3	1,957	27.2	1,953	27.2
Married	12,722	56.6	5,297	71.8	4,554	63.3	4,563	63.7
OPPORTUNITY AREA DRAW AREA								
Gender								
Male	101,418	48.2 %	105,773	48.7 %	108,545	49.5 %	112,443	49.5 %
Female	109,082	51.8	111,210	51.3	110,859	50.5	114,906	50.5
Marital Status								
Single	74,452	44.7 %	4,775	8.6 %	687	9.7 %	661	9.8 %
Single With Children	N/A	N/A	9,441	17.0	1,907	26.9	1,596	23.6
Married	91,947	55.3	41,433	74.5	4,494	63.4	4,496	66.6
TIER ONE COMMUNITIES								
Gender								
Male	95,763	48.6 %	112,584	49.1 %	124,175	49.4 %	127,720	49.3 %
Female	101,111	51.4	116,658	50.9	127,319	50.6	131,171	50.7
Marital Status								
Single	60,271	40.4 %	4,064	6.7 %	4,582	7.1 %	4,669	7.0 %
Single With Children	N/A	N/A	8,395	13.9	10,305	15.9	10,806	16.2
Married	89,094	59.6	47,816	79.3	50,006	77.1	51,242	76.8

N/A: Not Available or Not Applicable.

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-7

BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
TIER ONE COMMUNITIES
AGE DISTRIBUTION: 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Age Distribution	1990		2000		2011 E		2016 E	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
BROOKLYN CENTER								
Under 5	2,150	7.6 %	1,955	6.7 %	2,105	7.0 %	2,028	6.8 %
5 - 9	1,963	6.9	2,148	7.4	1,878	6.3	2,004	6.7
10 - 14	1,731	6.1	2,053	7.0	1,834	6.1	1,871	6.3
15 - 19	1,716	6.1	1,937	6.6	1,787	6.0	1,673	5.6
20 - 24	2,072	7.3	2,014	6.9	1,945	6.5	1,770	6.0
25 - 34	5,383	19.0	4,326	14.8	5,045	16.8	4,414	14.8
35 - 44	3,826	13.5	4,448	15.3	4,398	14.7	4,465	15.0
45 - 54	2,798	9.9	3,392	11.6	4,399	14.7	4,114	13.8
55 - 64	3,271	11.5	2,373	8.1	3,270	10.9	3,715	12.5
65 - 74	2,209	7.8	2,428	8.3	1,675	5.6	2,139	7.2
75 +	1,200	4.2	2,079	7.1	1,618	5.4	1,547	5.2
25 - 64	15,278	54.0 %	14,539	49.9 %	17,112	57.1 %	16,708	56.2 %
65 and Over	3,410	12.0	4,507	15.5	3,293	11.0	3,686	12.4
OPPORTUNITY AREA DRAW AREA								
Under 5	16,074	7.6 %	14,953	6.9 %	15,441	7.0 %	15,690	6.9 %
5 - 9	15,109	7.2	15,408	7.1	14,203	6.5	15,511	6.8
10 - 14	12,947	6.2	14,948	6.9	13,921	6.3	14,392	6.3
15 - 19	13,027	6.2	14,381	6.6	14,140	6.4	13,695	6.0
20 - 24	16,791	8.0	14,457	6.7	14,638	6.7	14,330	6.3
25 - 34	41,538	19.7	33,433	15.4	33,364	15.2	30,981	13.6
35 - 44	31,166	14.8	35,575	16.4	30,844	14.1	31,587	13.9
45 - 54	22,335	10.6	28,546	13.2	33,452	15.2	32,823	14.4
55 - 64	19,104	9.1	18,405	8.5	24,932	11.4	29,634	13.0
65 - 74	13,143	6.2	14,258	6.6	12,734	5.8	16,767	7.4
75 +	9,277	4.4	12,618	5.8	11,736	5.3	11,939	5.3
25 - 64	114,142	54.2 %	115,959	53.4 %	122,592	55.9 %	125,025	55.0 %
65 and Over	22,420	10.7	26,876	12.4	24,469	11.2	28,706	12.6
TIER ONE COMMUNITIES								
Under 5	17,321	8.8 %	16,885	7.4 %	17,976	7.1 %	17,979	6.9 %
5 - 9	16,342	8.3	17,868	7.8	16,169	6.4	17,850	6.9
10 - 14	13,831	7.0	17,683	7.7	15,592	6.2	16,430	6.3
15 - 19	12,131	6.2	16,087	7.0	15,855	6.3	15,365	5.9
20 - 24	13,637	6.9	12,975	5.7	16,843	6.7	15,886	6.1
25 - 34	42,108	21.4	35,572	15.5	39,963	15.9	36,034	13.9
35 - 44	32,473	16.5	42,531	18.6	35,649	14.2	37,334	14.4
45 - 54	18,962	9.6	31,899	13.9	36,314	14.4	35,247	13.6
55 - 64	14,140	7.2	16,679	7.3	27,795	11.1	32,729	12.6
65 - 74	9,325	4.7	11,239	4.9	14,929	5.9	19,736	7.6
75 +	6,595	3.3	9,824	4.3	14,409	5.7	14,301	5.5
25 - 64	107,683	54.7 %	126,681	55.3 %	139,721	55.6 %	141,344	54.6 %
65 and Over	15,920	8.1	21,063	9.2	29,338	11.7	34,037	13.1

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.

Table A-8

BROOKLYN CENTER, OPPORTUNITY AREA DRAW AREA AND
TIER ONE COMMUNITIES
ETHNICITY: 1990 AND 2000 CENSUS; 2011 AND 2016 ESTIMATED

Ethnicity	1990		2000		2011 E		2016 E	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
BROOKLYN CENTER								
Caucasian	25,629	90.5 %	20,811	71.4 %	14,796	49.4 %	14,833	49.9 %
African-American	1,522	5.4	4,108	14.1	7,728	25.8	7,583	25.5
Native American	278	1.0	253	0.9	232	0.8	224	0.8
Asian/Pacific Islander	724	2.6	2,567	8.8	4,290	14.3	4,232	14.2
Other	174	0.6	1,414	4.9	2,908	9.7	2,868	9.6
Hispanic (any race)	378	1.3 %	823	2.8 %	2,996	10.0 %	3,451	11.6 %
OPPORTUNITY AREA DRAW AREA								
Caucasian	196,008	93.1 %	170,071	78.4 %	137,680	62.8 %	143,404	63.1 %
African-American	6,751	3.2	21,923	10.1	41,742	19.0	42,779	18.8
Native American	1,685	0.8	1,827	0.8	1,787	0.8	1,844	0.8
Asian/Pacific Islander	5,082	2.4	13,831	6.4	20,629	9.4	21,266	9.4
Other	973	0.5	9,331	4.3	17,566	8.0	18,057	7.9
Hispanic (any race)	2,436	1.2 %	6,290	2.9 %	17,629	8.0 %	22,283	9.8 %
TIER ONE COMMUNITIES								
Caucasian	184,874	93.9 %	190,795	83.2 %	175,033	69.6 %	180,516	69.7 %
African-American	5,862	3.0	17,613	7.7	37,504	14.9	38,385	14.8
Native American	1,142	0.6	1,169	0.5	1,210	0.5	1,221	0.5
Asian/Pacific Islander	4,240	2.2	12,262	5.3	22,937	9.1	23,636	9.1
Other	756	0.4	7,403	3.2	14,810	5.9	15,133	5.8
Hispanic (any race)	2,053	1.0 %	5,145	2.2 %	13,970	5.6 %	16,849	6.5 %

E: Estimated.

Source: U.S. Census, Scan/US and McComb Group, Ltd.