City of Saint Paul Market Watch Report

A Summary of Development, Economic, and Demographic Trends in the Capital City

Volume 5: Spring 2015

SAINT PAUL

The Most Livable City in America

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Fifth Semi-Annual Market Watch Report

The purpose of this report is to summarize the ways that Saint Paul is changing as a result of a constantly evolving social and economic landscape. Saint Paul Market Watch is published semi-annually, and the indicators featured will continue to expand and evolve to best capture the changes occurring within the city. The data presented in this report are sourced from a number of organizations, including the U.S. Census Bureau, the Minnesota Department of Employment and Economic Development, and various executive departments of the City of Saint Paul. Much of this data has not been previously reported to the public, although some may be available through other sources.

This issue builds on the information presented in previous issues by continuing to analyze trends in three important measures of city growth and development. The design of this version deviates in many ways from previous volumes. However, the information is organized in largely the same manner as previous reports. Four major categories of data are organized according to color:

1. Building and Development (Orange)
2. Employment (Olive)
3. Demographics (Light Blue)
4. Special Features (Dark Blue)

Consolidating this information in a single report provides a clearer, more understandable view of activity occurring within our city. Every stakeholder in the city, including the Mayor and City Council Members, residents, developers, workers, visitors, and businesses are more able to understand a wide variety of trends important to personal, social, and economic decisions. This report is designed to achieve a wide range of goals:

- Provide a rich source of information for everyone in the community
- Demonstrate policy outcomes in order to foster transparency and accountability for policy decisions
- Guide future decisions and policies
- Foster civic and community pride

Your suggestions, comments, or questions are welcome. Please contact Jake Reilly at jake.reilly@ci.stpaul.mn.us or 651-266-6618.

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Building and Development

- Building and development activity in the city remains strong. Nearly $600 million in permits were issued during 2014. This is the highest amount in the past seven years, surpassing the previous record set in 2013 by nearly 60%. Although total value increased, the total number of permits was less than in previous. However, 18 permits were valued at over $1 million, and several were worth more than $10 million.

Housing

- Single-family home starts and remodels are also up, singaling continued growth in the housing market. Several multifamily projects either continued work initiated in 2013, or began new construction. Saint Paul ended 2014 with the fewest number of foreclosures in a year since 2005. From 2012 to 2014, there has been a 31% decrease in foreclosures. The number of vacant buildings and total building demolitions are similar downward trends.

Employment and Wages

- Unemployment has dropped to 4.5% for the last quarter of 2014, and a 5.3% average for 2014. The number of jobs in the City continues to increase over previous years.

Demographics

- Demographic data shows that Saint Paul's population has become more racially and ethnically diverse since 2000. Trends in educational attainment continue from previous years: the number of residents with at least a college education continues to grow.
- Poverty rates at all levels of poverty continue to increase. The concentration of poverty by race and ethnicity is prevalent in Saint Paul.

Senior Citizens

- Saint Paul is experiencing explosive growth in populations 50 years or older. This appears to be existing residents aging into these age cohorts.

Youth Employment

- Youth of different ages are experiencing mixed trends in various measures of employment, including labor participation rate, employment and unemployment rates. However, there may be consistent improvement in job prospects for youth as the economy continues to recover from the housing and banking crisis.

The summary below shows directional trends for the 12 months ending in December 2014. Arrows indicate the relative direction of change compared to previous years while colors indicate whether these changes can be considered positive or negative for Saint Paul.
Positive trends in both directions represent changes that are generally good for the city, while negative trends represent detrimental changes. Some directional trends are characterized as neutral because the change is neither good nor bad for the city.

Building and Development

Total value of building permits
- $535.4 million

Total Number of permits
- 4,731

New Buildings
- 492

Projects over $1 million
- 18

Single-family Permits
- 1,334

New construction value
- $15.1 million

Addition Value
- $15.2 million

Remodel value
- $16.9 million

Demolitions
- 104 Total
  - 28 Commercial
  - 76 Residential

Foreclosures
- 521

Vacant buildings
- 973

	Positive Trends	Negative Trends	Neutral Trends
Increasing			
Decreasing			
Little or no change			

EMPLOYMENT AND WAGES*

Unemployment rate: 4.5% ▼

- Total employment: 143,185* ▼
- Total labor force: 148,531* ▼

Total jobs: 2.2% ▲

- Private 2.4% ▲
- Government: 1.1% ▲

Weekly wages: $1,051 ▲

	Positive Trends	Negative Trends	Neutral Trends
Increasing	▲	▲	▲
Decreasing	▼	▼	▼
Little or no change			◀▶

*As of October 2014. Statistics are based on data for period from January 2014 through October 2014.

Demographics*

Demographic change, 2000 to 2013

- Age groups with large population gains: ***60-64 years and 65-69 years***
- Age groups with large population losses: ***35-39; 45-49 years, and 75+ years***

Poverty Rate

- Below 50% of poverty level: 9.7%
- Below 125% of povery level: 28.4%
- Below 150% of poverty level: 33.7%

Race and Ethnicity

- Asian, Black/African American, Latino/Hispanic populations
- White population

Educational Attainment

- College educated residents
- Residents with high school diploma or less

	Positive Trends	Negative Trends	Neutral Trends
Increasing			
Decreasing			
Little or no change			

*Demographic estimates (unless otherwise noted) are based on three non-overlapping, American Community Survey 3-year Estimates 2005-2007; 2008-2010; & 2011-2013. This data is more accurate than 1-year estimates for examining demographic trends.

SPECIAL SECTIONS

Saint Paul's Senior Citizens

- Age groups with large decreases in employment: 60-61 years; and 75+ years
- Age groups with large increases in employment: 55-59 years; and 62-64 year
- Housing Units occupied by senior citizen-owner:

Youth Employment in Saint Paul

- Labor force participation rate:
- Employment
- Unemployment

*Demographic estimates are based on three non-overlapping, American Community Survey 3-year Estimates 2005-2007; 2008-2010; & 2011-2013. This data is more accurate than 1-year estimates for examining demographic trends.

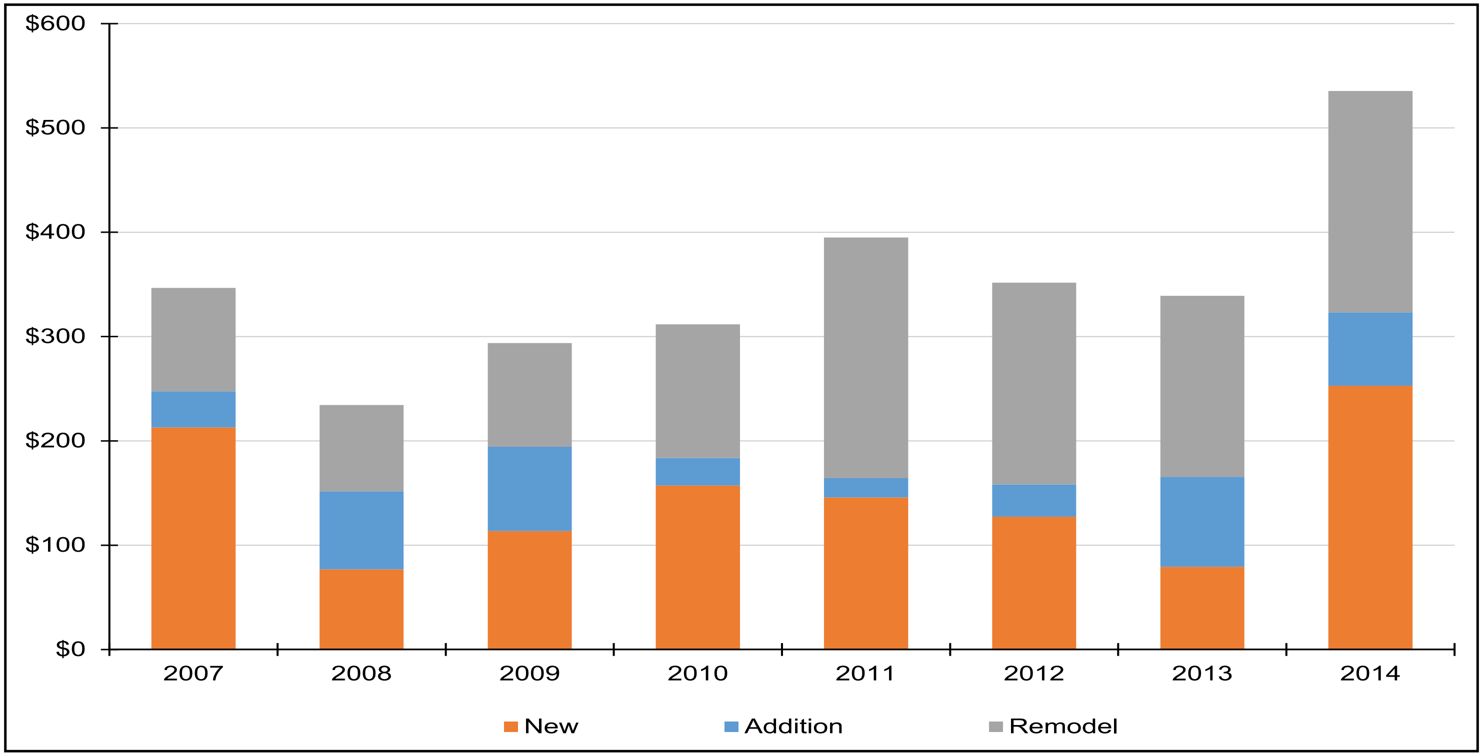
	Positive Trends	Negative Trends	Neutral Trends
Increasing			
Decreasing			
Little or no change			

The data suggest strong building activity throughout 2014. New construction permits alone totaled more than $250 million. The rolling annual averages show that an average of $143.4 million in permits were issued each month during the past 12 months. This total represents the strongest activity since prior to 2007. Nearly half of all money spent on development permits involved remodeling existing structures. This is consistent with the years 2011, 2012, and 2013. Permits for additions were of slightly less value than 2013. but the total value of $70.3 million is the second highest in the last seven years. Several projects that received permits in 2013 were still under construction in 2014, and were excluded from these totals.

Table 1 - Combined total value of building permits in millons (2014 $)

Year	2007	2008	2009	2010	2011	2012	2013	2014
New	$212.8 M	$76.8 M	$113.5 M	$157.1 M	$145.7 M	$127.4 M	$79.2 M	$252.7 M
Addition	$34.7 M	$74.8 M	$80.9 M	$26.3 M	$18.6 M	$30.8 M	$86.2 M	$70.3 M
Remodel	$99.2 M	$82.7 M	$99.3 M	$128.2 M	$230.7 M	$193.4 M	$173.5 M	$212.3 M
Total Value	$346.7 M	$234.3 M	$293.7 M	$311.6 M	$395.0 M	$351.6 M	$339.0 M	$535.4 M

Figure 1 - Combined total value of building permits in millons, by type of permit (2014 $)

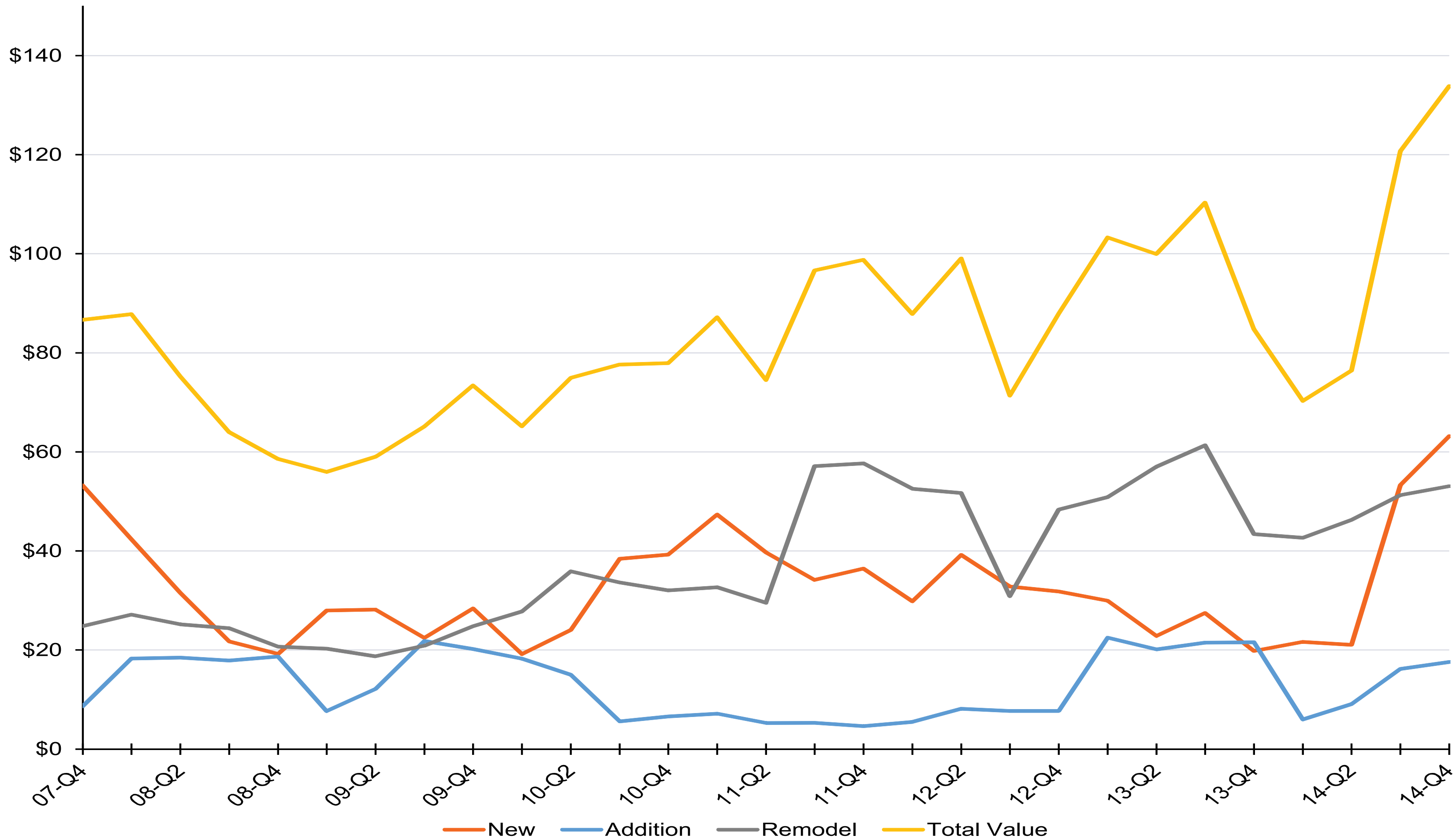


Source: Saint Paul Department of Safety and Inspections, data compiled by PED

Total Value of All Permits

The figure below graphically depicts the trends in the total value of permits issued each year. The data for 2014 indicates a drastic increase in total value. The past year (2014) ended with a total value of new permits, and total value of all types of permits, substantially greater than the total value of permits in 2013. Other permit types show improvements in total value, as well.

Figure 2 - Combined total value of select building permits, rolling annual average* (2014 $ M)



*The "rolling annual average" puts quarterly fluctuations in context with long term trends. Fluctuations are usually the result of temporarily elevated building activity, or because of large single-project permits within a particular quarter. Seasonality may also impact these figures.

Source: Saint Paul Department of Safety and Inspections, data compiled by PED

The total number of building permits issued in Saint Paul has been close to 5,000 six out of the last eight years. Major increases in the number of permits issued took place in 2010 and in 2013. The large increase in total permits issued for 2013 was due, in part, to an increase in the number of permits issued for remodeling projects. The total number of permits issued for new construction is the highest in the past seven years. Although the total number of all types of permits is less than in recent years, construction remains at strong levels. Tables 3 through 5, on the following pages, break down these totals, and highlight a few more interesting trends.

Table 2 - Number of building permits in Saint Paul, annual totals

Year	2007	2008	2009	2010	2011	2012	2013	2014
New	399	288	297	380	451	448	489	499
Addition	294	259	310	300	324	337	296	286
Remodel	1,059	1,123	1,379	1,649	1,556	1,577	1,834	1,697
Repair	941	1,452	2,287	3,198	3,475	3,123	2,283	2,249
Total Number	2,693	3,122	4,273	5,527	5,806	5,485	4,902	4,731

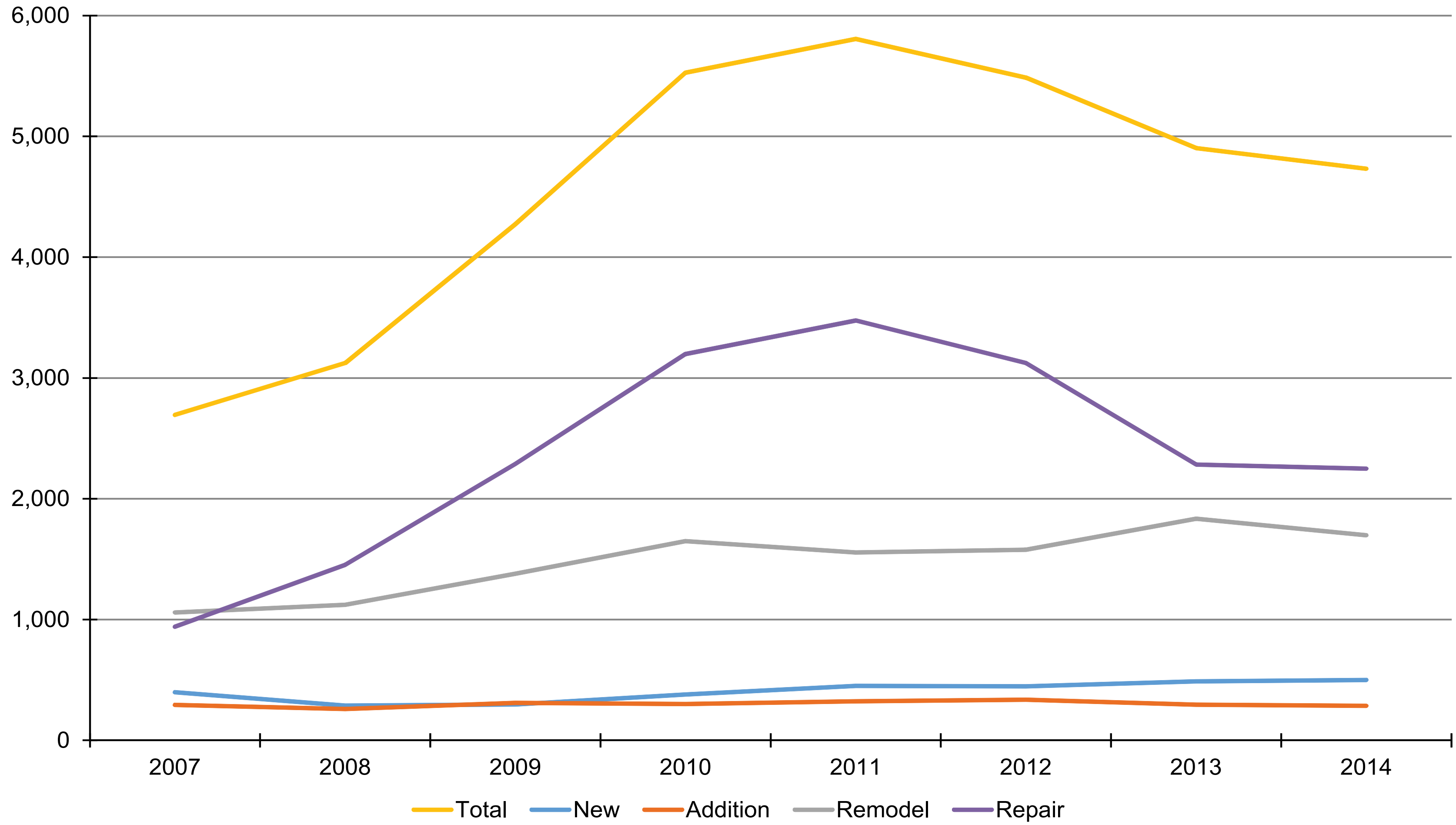
Note: permit value and number totals for past years may vary between this and past reports. This is due to an additional effort to eliminate duplicate permits in this year's report. There are certain instances in which a permit record for a building is reported twice due to the necessity of obtaining a building permit for various types of work: electrical, plumbing, etc. In addition, 44 permits associated with LRT facility development between 2010 and 2012 were eliminated from this analysis.

Source: Saint Paul Department of Safety and Inspections, data compiled by PED.

Total Number of Permits

The figure below graphically depicts the trends in the total number of permits issued each year. As noted above, 2014 ended with a total number of permits greater than 2013.

Figure 3 - Number of select building permits, annual totals



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Source: Saint Paul Department of Safety and Inspections, data compiled by PED.

The City's Department of Safety and Inspections (DSI) issued 120 permits for new buildings during 2014. This total does not necessarily mean that 120 individual buildings were permitted because some projects require multiple permits. This is nearly 50% more than the 78 permits for new buildings issued in 2013, and illustrates the continued growth experienced over the past six years. The city also saw a considerable amount of new residential construction activity in the past year. There were 64 new single family home permits in the past year, the highest total since 2007. This suggests higher levels of confidence in the single-family homeownership market. It should be noted that some new single-family homes were constructed through the Inspiring Communities program. Since 2010, the City's Housing and Redevelopment Authority has worked to construct new homes through the program.

Table 3 - New building permits exceeding $50,000 (2014 $)

Year	2007	2008	2009	2010	2011	2012	2013	2014
Residential	51	22	22	19	25	43	47	**70**
Single-Family Home	43	15	14	17	23	32	43	64
Duplex	0	2	0	2	1	0	0	3
Multi-Unit	8	7	8	0	1	11	4	3
Units	507	449	348	0	44	382	224	98
Mixed Comm/Res	0	0	0	2	2	3	2	**2**
Units	0	0	0	108	60	435	348	318
Accessory Structure	9	7	9	13	11	15	14	**11**
Non-Residential	29	28	14	25	26	23	15	**37**
Commerical	21	25	9	11	16	17	12	25
Institutional	8	3	5	14	10	6	3	12
Totals*	**87**	**55**	**45**	**57**	**61**	**82**	**78**	**120**

Dataset includes building permits for "New" buildings with the status of "Active/Issued," "Inspected," or "Finaled," indicating active or completed construction activity. Some projects may have permits pulled in one year, with construction continuing into the next year. Particularly large and complex projects may have multiple permits pulled for one construction project. As a result, these tallies do not represent an exact count of unique buildings permitted in any given year.

"Accessory Structure" could include Antenna, Carport, Garage, Shed, Pool-In Ground, Pool-Above Ground, Tower, Tank, Gazebo, or Other Accessory Structure

Source: Saint Paul Department of Safety and Inspections

Table 4 lists new construction projects with at least one permit with a value greater than or equal to $1 million. During the year, 18 projects were issued at least one permit worth $1 million or more. As the table shows, three of the largest permits were for substantial mixed-use-commercial/residential and multifamily residential construction projects. The remaining are a mix of institutional, commercial and multi-family residential construction; construction activity remained strong during 2014.

Table 4 - “New” construction permits worth $1 million or more (2014 $)

Address	Project Name	Building Type	Permit value	Units
1573 Selby Ave	The Vintage on Selby	Mixed C/R	$42,535,691	210
360 Broadway St	Saint Paul Saints Ball Park*	Commercial	$36,560,325	
664 6th St E	Metro State University Science Education Center	Institutional	$22,861,338	
1309 University Ave W	Project for Pride in Living	Mixed C/R	$15,697,570	174
95 University Ave W	State Capitol Office Building*	Institutional	$14,949,221	
678 Snelling Ave S	The Waters of Highland Park	Multi-Family Residential	$12,941,768	84
424 Rice St	Capitol Campus Parking Facility Lot F	Commercial	$11,342,969	
400 Maria Ave	Metro State University Parking Ramp*	Commercial	$10,425,978	
690 7th St E	Mero State University Student Center	Institutional	$8,353,332	
637 Barge Channel Road	Form-A-Feed Southport Terminal Shipping Facility	Commercial	$5,503,372	
2260 Summit Ave	University of St. Thomas MTCE Engineering Facility	Institutional	$4,981,601	
740 7th St E	Associated Bank Building	Commercial	$3,799,009	
1065 Phalen Blvd	Mississippi Market	Commercial	$2,900,368	
345 Smith Ave N	Childrens Hospital	Institutional	$2,711,040	
835 Pierce Butler Route	Loomis Armored	Commercial	$2,681,693	
1239 University Ave W	Goodwill	Commercial	$2,172,849	
1281 7th St E	180 Degrees	Multi-Family Residential	$1,793,376	10
283 Alabama St	River Services - Waterfront Parcel	Commercial	$1,720,132	

*These projects all had multiple permits worth at least $1,000,000.

Permit value is the total permit value for permits issued only in 2014. Since some projects take multiple years to complete, some projects still under constructiong were exlcuded. Further, the individual permit value above may be lower than the total project cost.

Source: Saint Paul Department of Safety and Inspections, data compiled by PED.

Table 5 lists the five most valuable pemits for other types of construction, including additions, remodels, and repairs, demonstrating the variety of projects located in various parts of the city. One notable project is the rehabilitation and remodeling of the former Old Home Dairy site adjacent to the Western Ave Green Line station platfrom; this construction may be a sign of the new light rail system's continued influence on economic development.

Table 5 - Recent construction projects over $1 million (2014 $)

Address	Description	Building Type	Activity	Permit value	Units
1619 Maryland Ave E	Maryland Park Apartments	Multi-Family Residential	Remodel	$5,000,000	172
470 Western Ave N	Western U Plaza	Multi-Family Residential	Remodel	$4,800,000	60
1950 Burns Ave	Creek Point Apartments	Multi-Family Residential	Remodel	$4,397,949	234
1272 Hudson Rd	Maryland Park Apartments	Multi-Family Residential	Remodel	$3,250,000	68
360 Spring St	Building 5	Multi-Family Residential	Repair	$1,240,590	
75 Rev. Dr. Martin Luther King Jr. Blvd	State Capitol Grounds	Institutional	Remodel	$49,509,907	
680 Stewart Ave	Hazelden Fellowship Club	Institutional	Addition	$13,000,000	
1712 Randolph Ave	St. Paul Academy Arena	Institutional	Addition	$11,077,446	
484 Ashland Ave	St. Paul Church Home	Institutional	Addition	$8,965,799	
640 Jackson St E	Regions Hospital	Institutional	Remodel	$7,446,053	
172 4th St E	Twin Cities Public TV	Commercial	Remodel	$9,723,186	
11 Kellogg Blvd	Crowne Plaza Hotel	Commercial	Remodel	$5,908,693	
515 Cleveland Ave N	Metro Transit Overhaul Base	Commercial	Addition	$5,660,591	
10 River Park Plaza	Comcast	Commercial	Remodel	$4,225,000	
640 Jackson St E	Regions Hospital	Commercial	Remodel	$3,098,518	

Source: Saint Paul Department of Safety and Inspections, data compiled by PED

The total value of single-family home permits demonstrates increased investment in building, improving, and renovating single-family homes in Saint Paul. The total value of addition, remodel, and new construction permits issued during 2014 was $41.6 million, and may end higher than even last year's near-record total. The value of permits for new construction ($14.4 million) continues its increase since 2012, and and has already surpassed even pre-recession levels. The amount spent on remodeling has increased steadily since 2009. Investment in remodeling homes remains strong, but will likely end the year lower than the total for 2013.

Figure 4 - Value of select single-family home permits, rolling annual average* (2014 $)

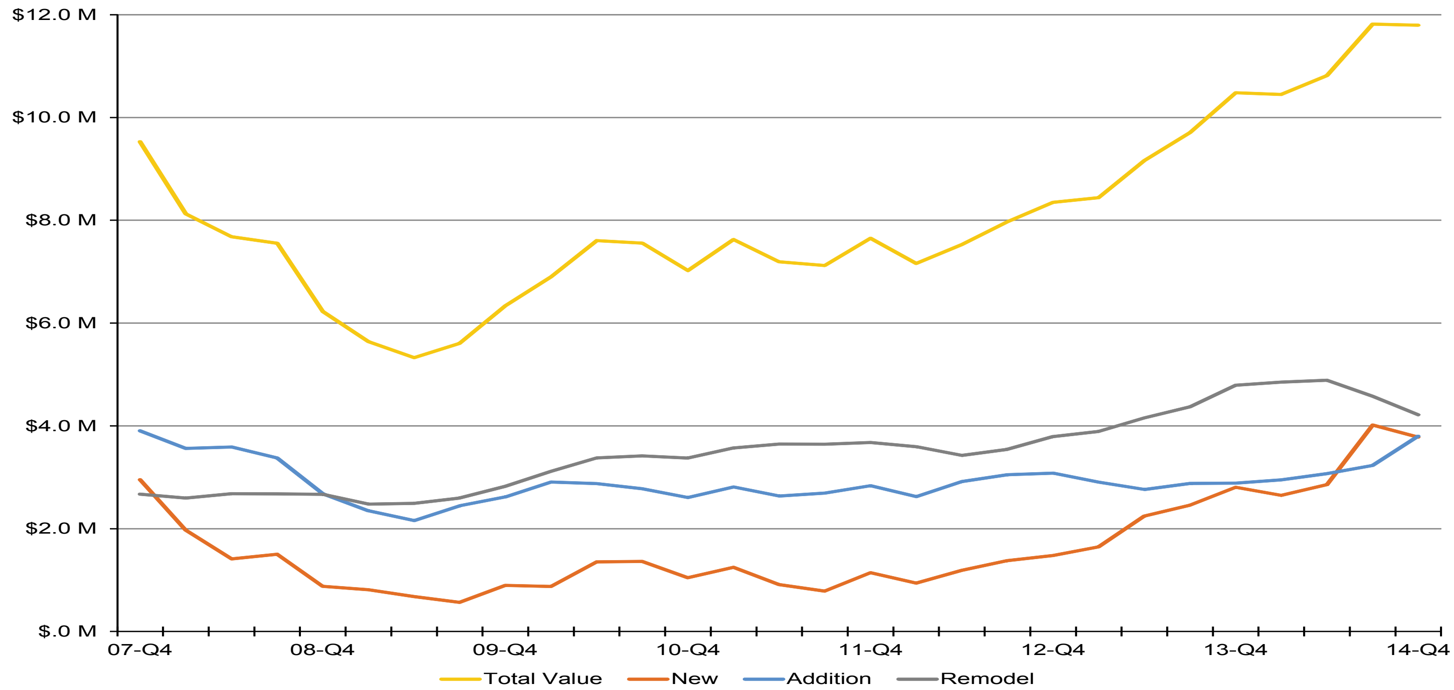


Table 6 - Total Annual Value of Select Permits for Single-Family Homes, in millions (2014 $)

Year	2007	2008	2009	2010	2011	2012	2013	2014
New	$11.8	$3.5	$3.6	$4.2	$4.6	$5.9	$11.2	$15.1
Addition	$15.6	$10.7	$10.5	$10.4	$11.3	$12.3	$11.5	$15.2
Remodel	$10.7	$10.7	$11.3	$13.5	$14.7	$15.2	$19.2	$16.9
Total Value	**$38.1**	**$24.9**	**$25.3**	**$28.1**	**$30.6**	**$33.4**	**$41.9**	**$47.2**

*The "rolling annual average" puts quarterly fluctuations in context with long term trends. Fluctuations are usually the result of temporarily elevated building activity, or because of large single-project permits within a particular quarter. Seasonality may also impact these figures.

Source: Saint Paul Department of Safety and Inspections, data compiled by PED.

The total number of addition, remodel, and new building permits issued for single-family homes has been increasing since 2009. The large increase in total permits issued is primarily due to an increase in the number of permits issued for remodel projects; remodeling permits continue to dominate the total number of single-family home construction permits. As mentioned earlier, the total number of permits issued for new single-family home construction increased drastically over previous years.

Figure 5 - Total number of single-family home permits, 2007-2014

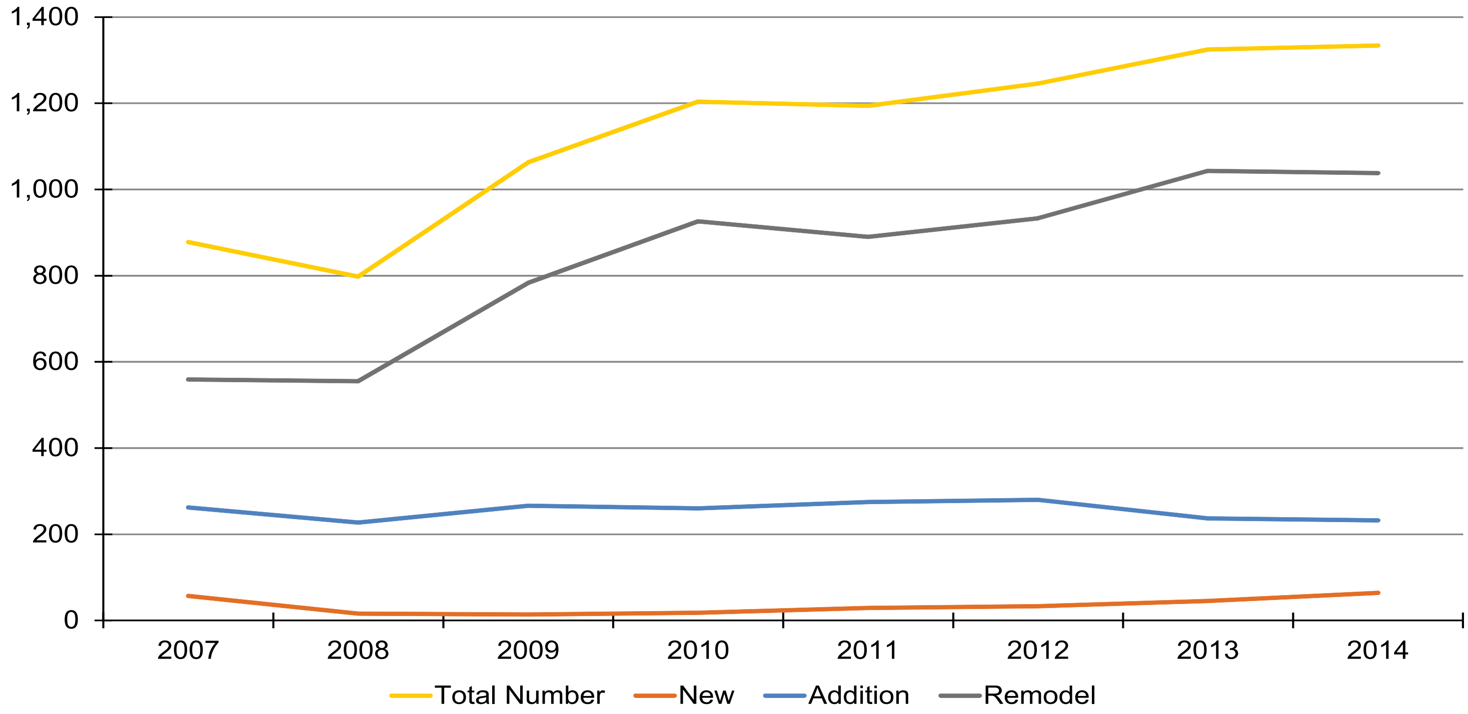


Table 7 - Total number of Select Permits for Single Family Homes

Year	2007	2008	2009	2010	2011	2012	2013	2014
New	57	16	14	18	29	33	45	64
Addition	262	227	266	260	275	280	237	232
Remodel	559	555	783	926	890	933	1,043	1,038
Total	**878**	**798**	**1,063**	**1,204**	**1,194**	**1,246**	**1,325**	**1,334**

Source: Saint Paul Department of Safety and Inspections, data compiled by PED.

In 2014, nine major multi-family residential construction projects were issued permits worth more than $1 million. The projects with the highest issued permit values include the new Vintage on Selby, and the new Waters of Highland Park assisted living building on Snelling Ave. Several other substantial remodel and repair projects are occuring throughout the city.

Table 8 - Current active or completed residential construction projects over $1 million (2014 $)

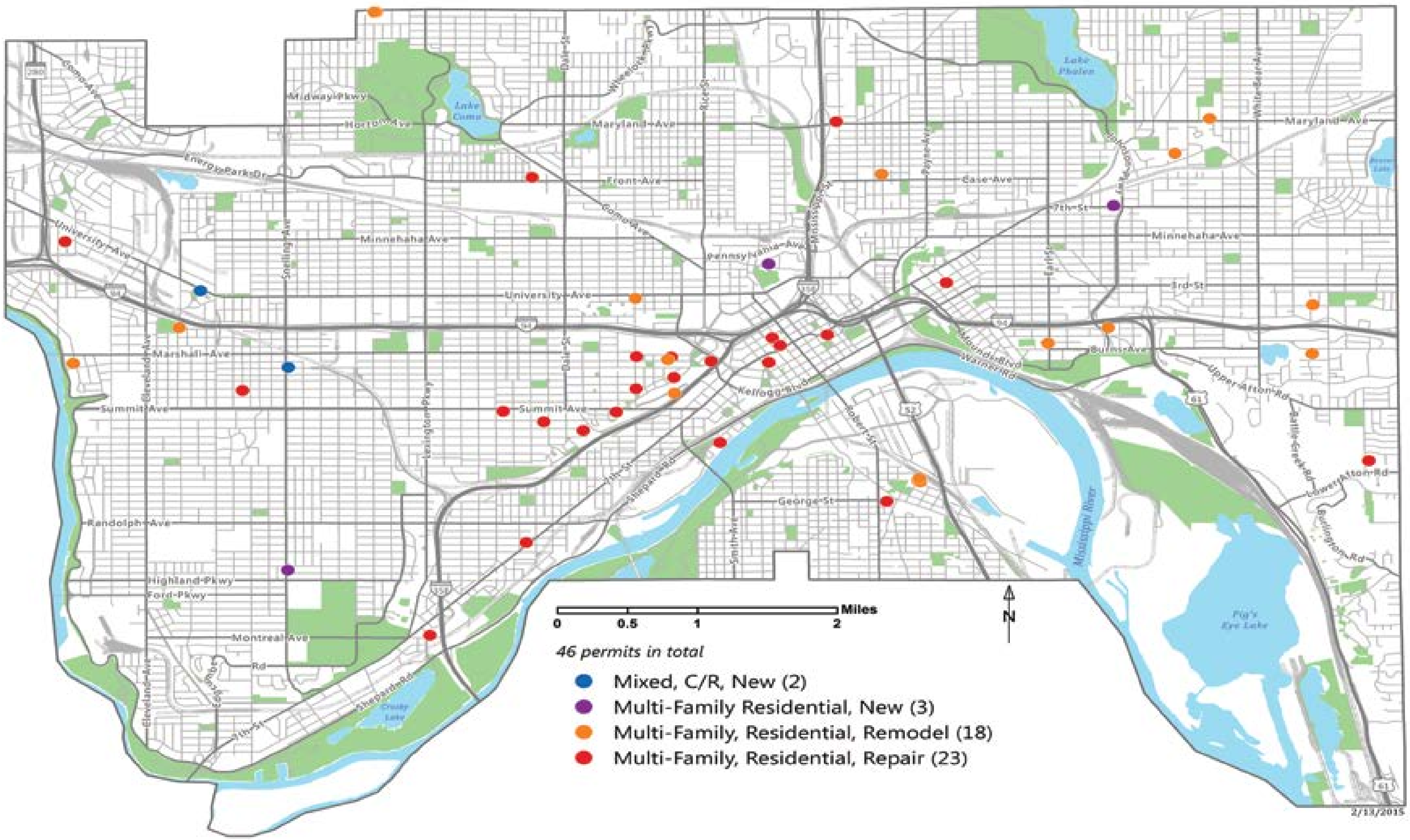
Address	Project Name	Building Type	Activity	Permit value	# of Units
1573 Selby Ave	The Vintage on Selby	Commercial/ Residential	New	$43,282,533	210
1309 University Ave W	Project for Pride in Living	Commercial/ Residential	New	$15,900,000	108
678 Snelling Ave S	Waters of Highland Park	Residential (Multi-Fam)	New	$13,169,000	84
1619 Maryland Ave E	Maryland Park Aparments	Residential (Multi-Fam)	Remodel	$5,000,000	172
470 Western Ave N	Western U Plaza	Residential (Multi-Fam)	Remodel	$4,800,000	60
1950 Burns Ave	Creek Point Apartments	Residential (Multi-Fam)	Remodel	$4,397,949	234
180 Kellogg Blvd E	Johnson Parkway Apartments	Commercial/ Residential	Remodel	$3,000,000	68
1281 7th St E	180 Degrees	Residential (Multi-Fam)	New	$1,800,000	10
360 Spring St	Building 5 - Riverview at Upper Landing	Residential (Multi-Fam)	Repair	$1,240,590	172

Permit value is the total permit value for permits issued in the year 2014, except for the Episcopal Homes Housing project that was orignally permitted in 2013. Because many large projects take multiple years to complete, the permit value above may be lower than the total project cost. Some projects under construction in 2014 were issued permits in previous years, at an earlier stage in the development process. Permit value stated in the table represents the total value of individual permits issued in 2014 with individual value over $1 million. For example, if a project has one permit for $8 million and one permit for $1 million, the total permit value would be $9 million. Smaller permits for these projects are not included in the totals.

Source: Saint Paul Department of Safety and Inspections, data compiled by PED.

This map shows locations of selected major, multi-family residential, and mixed-use construction projects in 2014. Several of these projects are worth more than $1 million in total value. For instance, The Vintage on Selby (1573 Selby Ave) has a "New" construction permit for more than $40 million. Other projects include The Waters of Highland Park ($13.2M - 678 Snelling Ave S), the Western U Plaza project ($4.8 M - 470 Western Ave N.), and the Maryland Park Apartments ($5 M - 1619 Maryland Ave E). Just these four projects alone will contribute more than 600 new and remodeled housing units.

Figure 6 - Location of selected new, addition, and remodel permits worth at least $50,000 (2014 $)



Source: Saint Paul Department of Safety and Inspections

Building Demolitions

A total of 173 building demolition permits were issued in 2014. More than 80% of permits were issued to demolish residential buildings or residential accessory structures. Most demolitions were in the north-central part of the city. Table 9 lists the number of demolitions across the city dating back to 2007. Although more demolition permits were issued in the first ten months of 2014 than in all of 2013, the number of demolitions this year is still lower than any of the past six years. Demolitions peaked in 2009, due to the rise in vacant and abandoned buildings resulting from the foreclosure crisis, as well as increased local initiatives to eliminate vacant buildings in poor condition. In fact, numerous demolition permits appear to match subsequently issued new construction permits. Figure 7 on the following page shows the locations of residential and commerical demolitions across the city.

The data in Table 9 includes all four types of demolitions reported by the Department of Safety and Inspections: (1) Residential, (2) Residential Accessory Structures, (3) Commerical, and (4) Commerical Accessory Structure. Figure 7 shows only the 104 demolition permits for Residential and Commercial properties, and exlcudes all demolition permits for accessory structures.

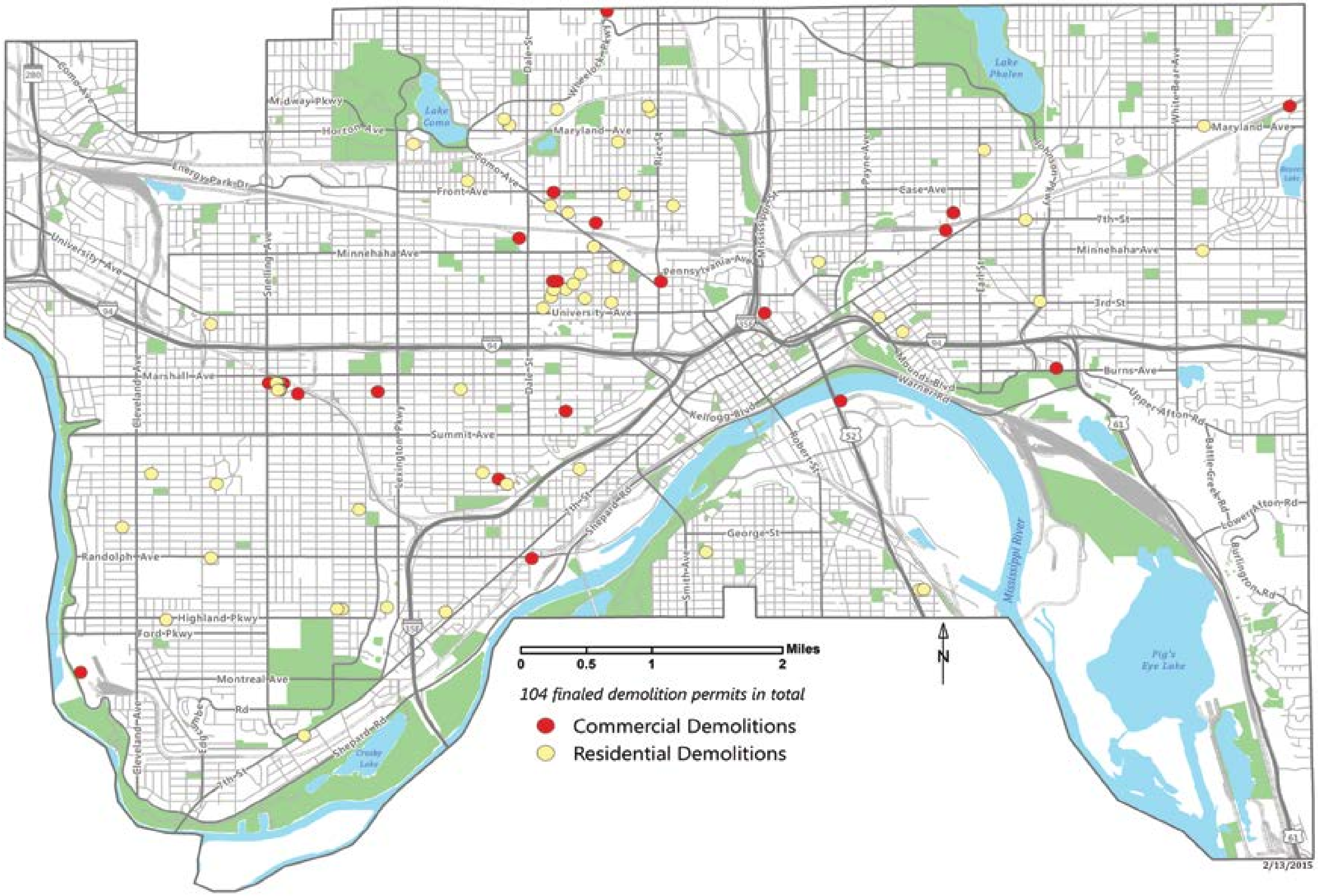
Table 9 - Number of demolitions per year 2007 - 2014

Year	2007	2008	2009	2010	2011	2012	2013	2014
Commercial	31	39	36	37	51	36	32	30
Residential	143	233	176	151	262	199	151	143
Total Demolitions	**174**	**272**	**212**	**188**	**313**	**235**	**183**	**173**

* Previous reports only included demolition data for Residential and Commerical buildings but not permits for Residential and Commercial Accessory buildings. Hence, this report will report different totals than previoius reports.

Source: Saint Paul Department of Safety and Inspections, compiled by Saint Paul PED.

Figure 7 - Locations of building demolitions, 2014



Source: Saint Paul Department of Safety and Inspections,compiled by PED

Foreclosures

Significant decreases in foreclosures continued during 2014. This past year was the second year since 2005 with fewer than 1,000 foreclosures in the city. Figure 8 illustrates the past and current trends in foreclosures in Saint Paul: the foreclosure rate has decreased since mid-2010. These numbers illustrate a 31% reduction in the number of foreclosures from 2012 to 2013. Figure 9 on the next page illustrates the locations of foreclosures in 2014. Similar to 2013, this year's foreclosure locations appear somewhat concentrated in northeastern parts of the city, in the West Side neighborhood (south of the Mississippi River), and north of University Avenue. As in years past, southwestern Saint Paul continues to experience relatively few foreclosures.

Figure 8 - Foreclosure tally, rolling annual average, 2005-2014

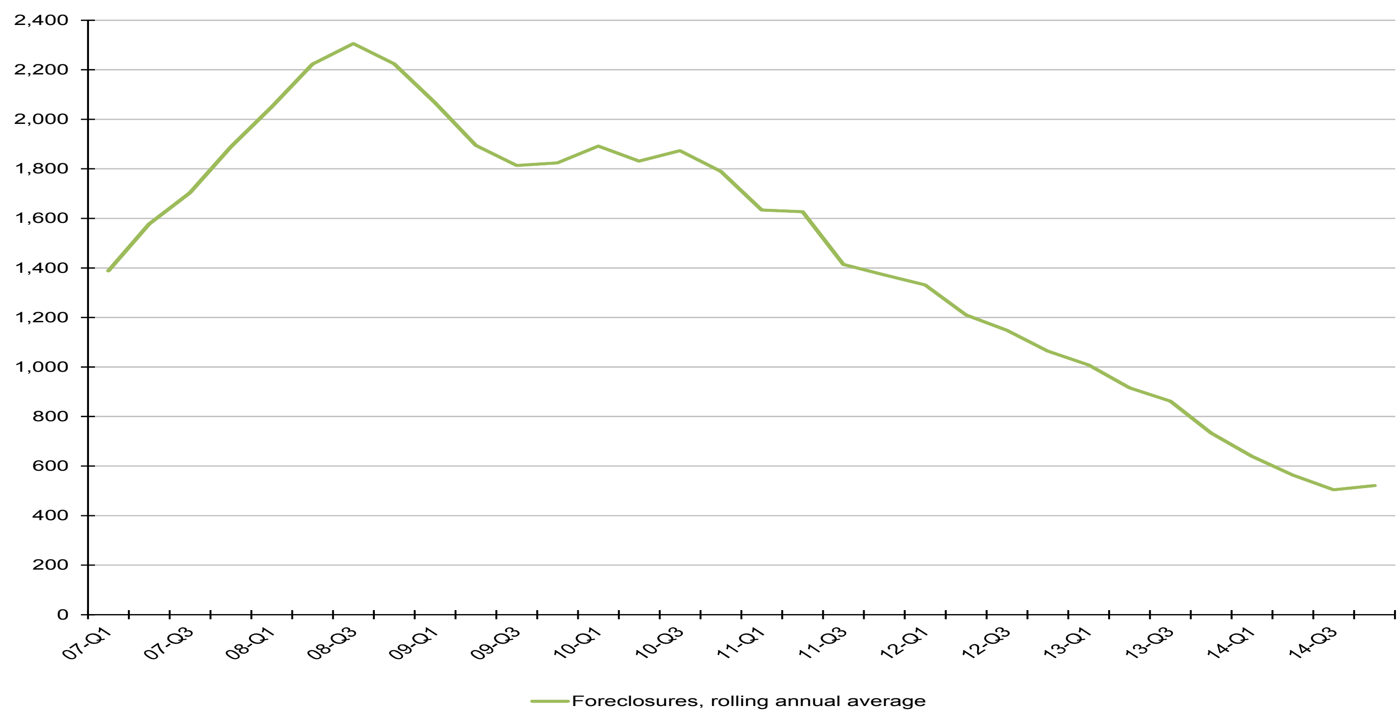
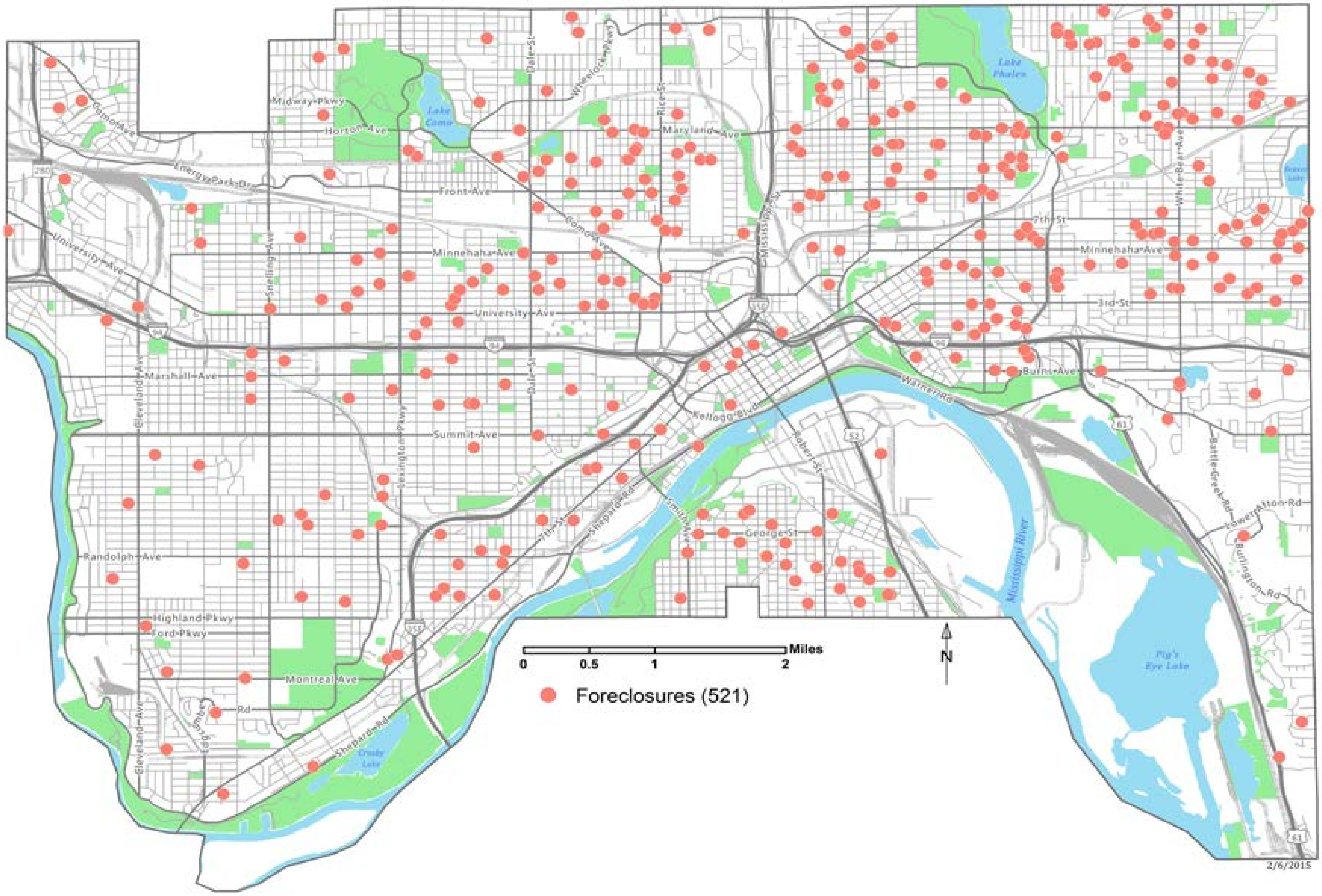


Table 10 - Total number of foreclosures - 2007-2014

Year	2007	2008	2009	2010	2011	2012	2013	2014
Foreclosures	1,889	2,224	1,824	1,790	1,372	1,064	733	521

Sources: Ramsey County Sheriff's Office; Saint Paul Department of Safety and Inspections, data compiled by PED.

Figure 9 - Locations of foreclosed properties, 2014



Source: Ramsey County Sheriff's Office and PED staff.

The number of registered vacant buildings in Saint Paul had fallen by 52% since 2008. Because data limitations prevent City staff from collecting highly accurate point-in-time tallies for vacant buildings, the data presented below may not be completely accurate. Figure 11, on the next page, shows the location of vacant buildings in Saint Paul as of December 31, 2014. The map indicates some concentrations of vacant buildings north and east of downtown, and to a lesser degree in the Frogtown area along University Avenue. These areas were hit particularly hard by the foreclosure crisis and recession. The Inspiring Communities program is one effort by the Saint Paul Housing and Redevelopment Authority designed to reduce the number of vacant and underutilized buildings, and spur additional investment in these neighborhoods.

Figure 10 - Number of Registered Vacant Buildings

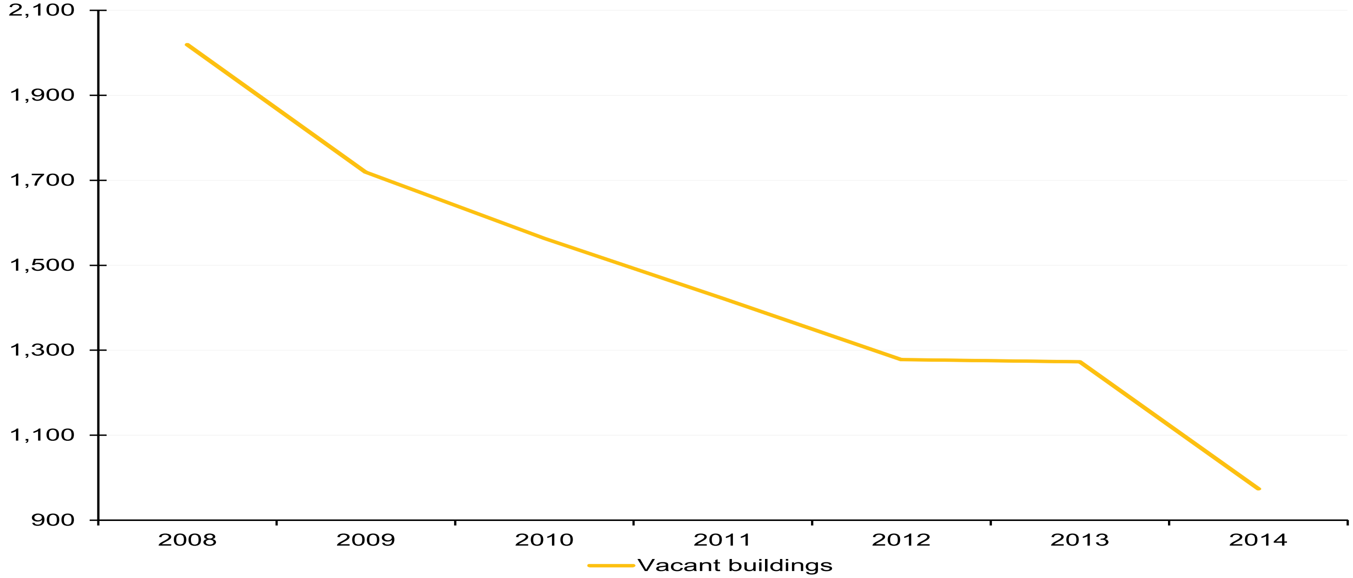


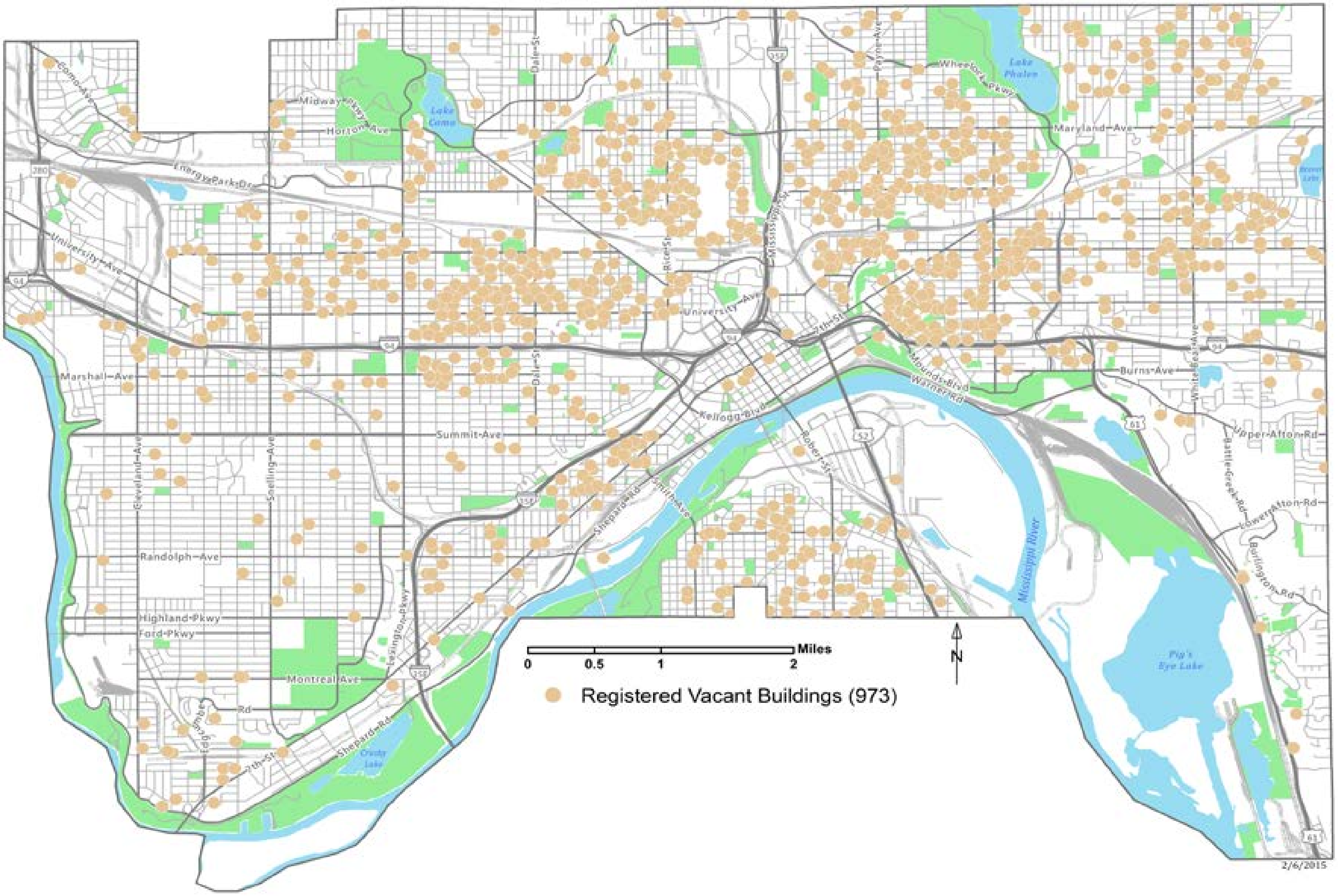
Table 11 - Total number of Vacant Buildings - 2007-2013

Year	2008	2009	2010	2011	2012	2013	2014	Change 2008-2014
Number of Vacant Buildings	2,019	1,719	1,563	1,422	1,278	1,273	973	-1,046 (52%)

Note: The City of Saint Paul has ordinances regulating vacant and unoccupied structures and requires property owners to register these buildings with the Department of Safety and Inspections. A Registered Vacant Building is defined as an unoccupied building that meets one or more of the following criteria: unsecured, secured by other than normal means, a dangerous structure, condemned, has multiple housing or building code violations, condemned and illegally occupied, or has been unoccupied for a period of time longer than one year, during which time an enforcement officer has issued an order to correct nuisance conditions. Because data limitations prevent City staff from collecting highly accurate point-in-time tallies for vacant buildings, the data presented below may not be completely accurate.

Source: Saint Paul Department of Safety and Inspections Registered Vacant Building List, data archived and compiled by PED.

Figure 11 - Locations of vacant buildings, 2014



Source: Saint Paul Department of Safety and Inspections, map and data compiled by PED.

EMPLOYMENT OF SAINT PAUL RESIDENTS

Employment is measured as the number of Saint Paul residents who are currently employed, regardless of whether those residents work in Saint Paul or in another city. This is different from the analysis of jobs on the following pages, which measures the number of people who work in the city, regardless of where they live. Residents in Saint Paul continue to experience employment growth. Through the second quarter of 2014, a total of 141,557 Saint Paul residents were gainfully employed, an increase of almost 1% over the course of the year. Saint Paul's employment growth rate was similar to the seven-county metro, where the number of employed residents grew by 19,099, an increase of 0.6%. Table 12 shows significant growth in employment, with concurrent, but smaller growth in the labor force.

Table 12 - Labor force, employment, and unemployment

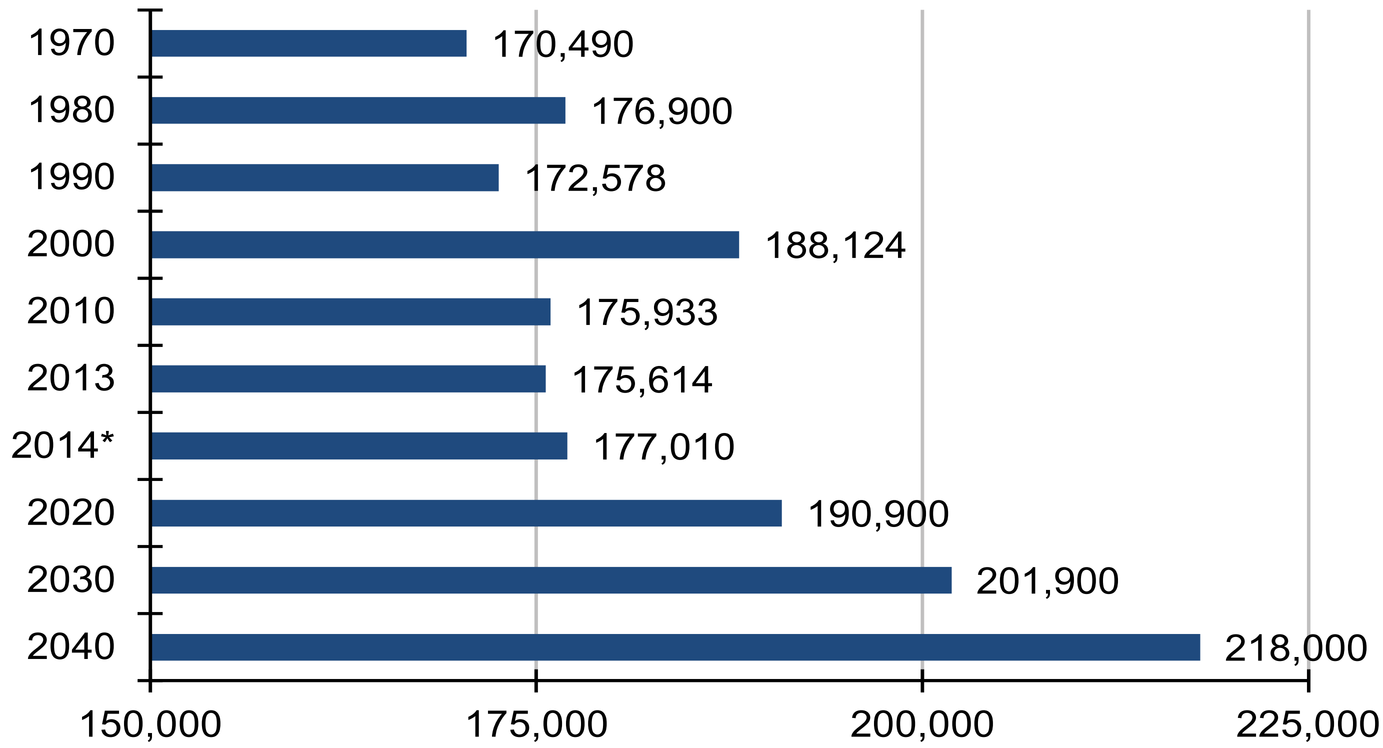
	13-Q2	13-Q3	13-Q4	14-Q1	14-Q2
Saint Paul - Not seasonally adjusted					
Labor Force	147,819	147,803	146,713	146,990	148,401
Employment	139,840	139,689	139,870	139,324	141,557
Unemployment Rate	5.4%	5.5%	4.7%	5.2%	4.6%
Metro - Not seasonally adjusted					
Labor Force	1,633,898	1,632,219	1,624,217	1,628,191	1,643,317
Employment	1,555,697	1,554,015	1,556,023	1,549,957	1,574,796
Unemployment Rate	4.8%	4.8%	4.2%	4.8%	4.2%
Saint Paul - Rolling Annual Average*					
Labor Force	146,704	146,966	147,039	147,331	147,477
Employment	138,232	138,840	139,210	139,681	140,110
Unemployment Rate	5.8%	5.5%	5.3%	5.2%	5.0%
Metro - Rolling Annual Average					
Labor Force	1,620,971	1,624,859	1,626,251	1,629,631	1,631,986
Employment	1,537,810	1,544,572	1,548,685	1,553,923	1,558,698
Unemployment Rate	5.1%	4.9%	4.8%	4.6%	4.5%

*Although seasonally adjusted data is not available for Saint Paul, examining a rolling average of the past 12 months of employment data helps to account for seasonal fluctuation in employment trends. For example, the rolling average unemployment rate for Saint Paul in 14-Q2 is 5.0%, which means that the average unemployment rate for the period of 13-Q3 to 14-Q2 is 5.0%.

Source: Minnesota Department of Employment and Economic Development - Local Area Unemployment Statistics

The Metropolitan Council's preliminary forecasts indicate that Saint Paul will add more than 45,000 jobs by 2030 (26% growth). Total employees in Saint Paul is currently estimated to be 177,010, an increase of almost 2,000 jobs in one year. Continued employment growth is consistent with this recent trend and future growth is expected to surpass the city's historical employment peak of 188,214 in 2000.

Figure 12 - Employees in Saint Paul and forecasted changes

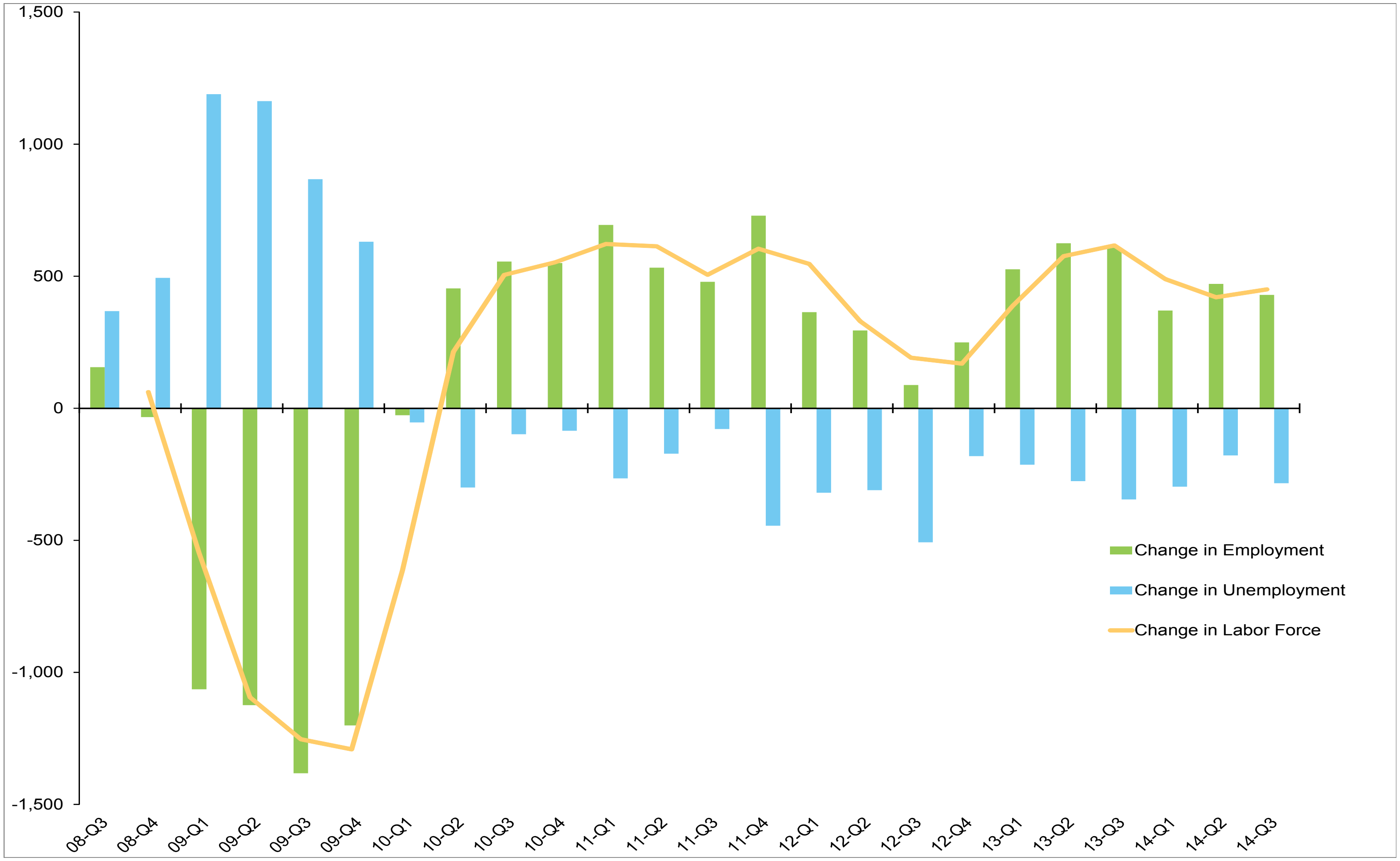


*2014 employment data based on 2nd quarter DEED QCEW estimates.

Source: Historic and forecasted population data from the Metroplitan Council's 2040 adopted forecasts.

The labor force is the total number of residents in Saint Paul classified as either employed or unemployed. Unemployed residents only include persons actively seeking employment. Figure 13 shows steady employment growth since 2010, making up for large losses experienced in 2008 and 2009 during the height of the recession. The graph also shows consistent growth in the labor force since 2010. Employment growth has exceeded labor force growth, resulting in a steady drop in the unemployment rate since 2010.

Figure 13 - Changes in Saint Paul employment, unemployment, and labor force trend line*



*Changes in the labor force are based on a rolling annual average.

*Source: Minnesota Department of Employment and Economic Development - Local Area Unemployment Statistics

Saint Paul's unemployment rate continues to improve steadily. Figure 14 shows an unemployment rate of 4.5% for the second quarter of 2014, compared with 5.4% one year prior. The annual average unemployment rate for 2014 Q2 (5.03%) is lower than both 2013 (5.2%) and 2012 (6.1%). The unemployment rate is higher in Saint Paul than for the seven-county metro, but Saint Paul has seen greater overall improvement over the past year. Metro area unemployment dropped from 4.8% for 13-Q2 to 4.2% in 14-Q2, compared to a drop from 5.4% for 13-Q2 to 4.6% in 14-Q2 for Saint Paul.

Figure 14 - Unemployment rate, not seasonally adjusted

Source: Minnesota Department of Employment and Economic Development - Local Area Unemployment Statistics

Annual Job Trends

Table 13 shows the total number of jobs located within the city of Saint Paul. The table also details job trends as of the second quarter of 2014, for private and government sector jobs. Small seasonal fluctuations are evident in the data presented below. However, these figures do not necessarily reflect actual economic growth or contractions, but rather seasonal patterns in job availability. Figure 15 on the following page presents the same data based on a rolling annual average, which is more representative of the actual number of jobs. Overall, at the end of the second quarter of 2014, there appears to be trend of slight decreases in the total number of jobs in Saint Paul. However, as previously discussed, unemployment in Saint Paul continues to drop, somewhat balancing the reductions in jobs.

Table 13 - All jobs in Saint Paul, 2013-2014

	'13-Q1	'13-Q2	'13-Q3	'13-Q4	'14-Q1	'14-Q2
Total Jobs in Saint Paul	172,405	175,245	173,915	176,047	173,257	177,010
Private Jobs	135,727	138,341	138,612	139,055	136,675	140,012
Change from Prev Qtr	-3,573	2,614	271	443	-2,380	3,337
Total Government Jobs	36,678	36,904	35,303	36,991	36,582	36,998
Change from Prev Qtr	16	226	-1,601	1,688	-409	416
Local Government Jobs*	16,636	16,817	15,312	16,660	16,255	17,742
Change from Prev Qtr	50	181	-1,505	1,348	-405	1,487
State Government Jobs	17,171	17,261	17,211	17,561	17,583	16,529
Change from Prev Qtr	42	90	-50	350	22	-1,054
Federal Government Jobs	2,870	2,825	2,779	2,769	2,743	2,726
Change from Prev Qtr	-75	-45	-46	-10	-26	-17

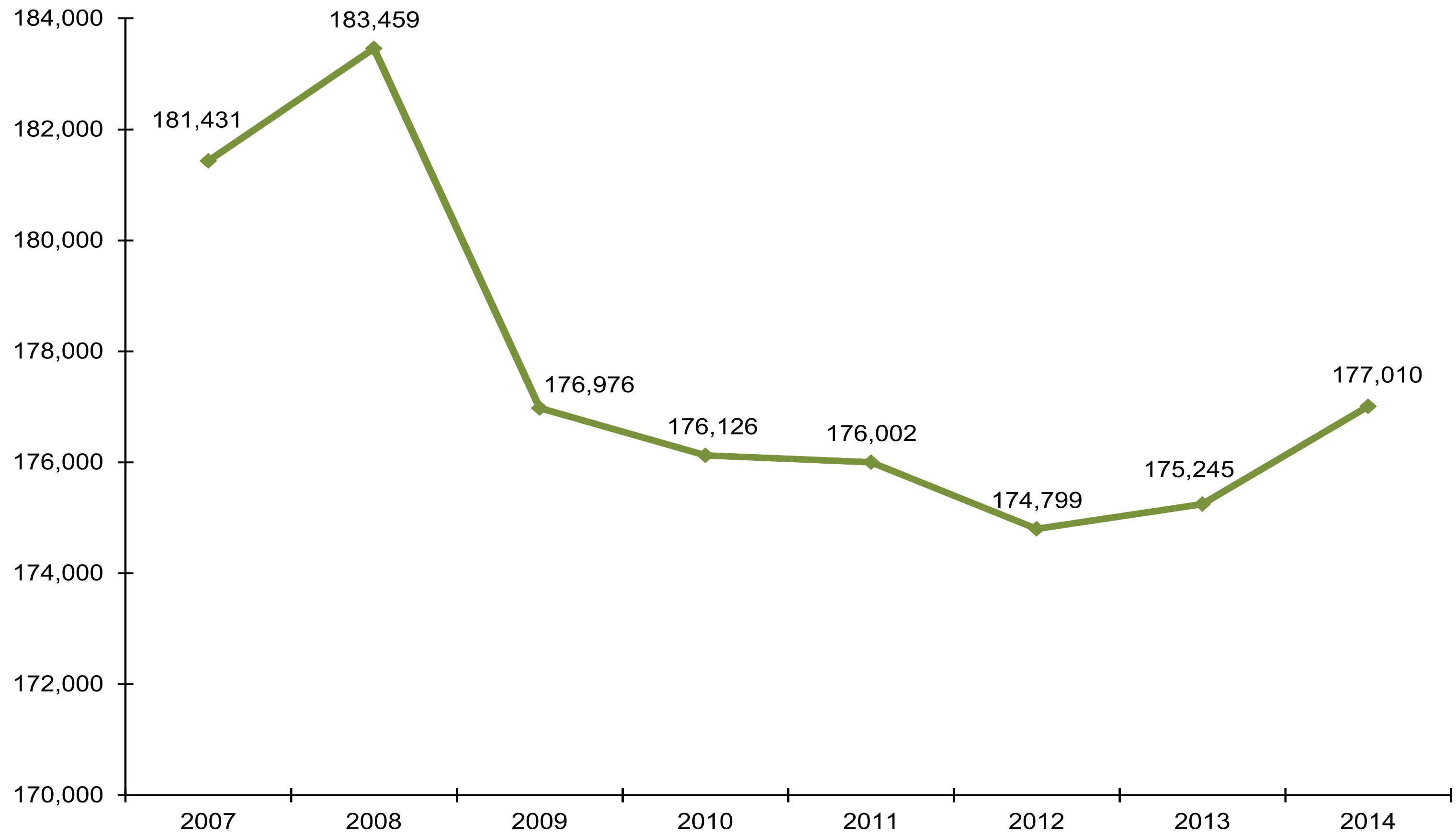
*Local Government includes city, county, and school employees.

Figures are based on second quarter estimates, which tend to be relatively predictive of the annual average.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

Figure 15 shows the total number of jobs located in Saint Paul for the years 2007-2014. The graph shows a large drop in job totals between 2008 and 2009, reflecting the worst downward trend of the recession. Since the depths of the recession, job totals stabilized somewhat, showed small increases through 2013, and have rebounded significantly through the second quarter of 2014. The next volume of Market Watch will describe the job trends for the entire year of 2014.

Figure 15 - All jobs in Saint Paul, 2007-2014



Total employment statistics are based on second quarter estimates, which tend to be relatively predictive of the annual average.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

Changes in Jobs by Sector 2013-2014

The tables below compare the number of jobs in the city and changes in jobs broken down by public and private sector in the second quarters of 2013 and 2014. The most recent data (through 14-Q2) show modest increases in private jobs and a small increase in government sector jobs. Private sector jobs gained over 3,000 jobs over the four quarters from 2013 to 2014. Despite large decreases in employment in state government positions, overall government employment grew modestly, mainly thanks to nearly 1,500 new local government jobs.

Table 14 - Changes in private and government sector jobs, 13-Q2 to 14-Q2

	Numerical Change	Percent Change
Total, All Ownerships	3,753	2.14%
Private Sector	3,337	2.41%
Government Sector	416	1.13%

Table 15 - Change in jobs by type of government, 13-Q2 to 14-Q2

	Numerical Change	Percent Change
Federal Government	-17	-0.60%
State Government	-1,054	-6.11%
Local Government*	1,487	8.84%

*Local Government includes city, county, and school employees.

Figures are based on second quarter estimates, which tend to be relatively predictive of the annual average.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

Sectors that gained the most jobs

Over the four year period from 2010 to 2014, 10 industry sectors experienced significant growth. The Construction and Professional, Scientific, and Technical Services sectors grew at fantastic rates over the four years, suggesting that the recession is easing, in some industries. The growth in construction jobs also matches the continued increases in building permits. Growth in the Health Care and Social Assistance sector continues the trend of strong growth reported in previous issues of Market Watch. Several other sectors experienced multi-percentage point growth rates since 2010, including Utilities (8.0%); Educational Services (6.0%); Wholesale Trade (3.4%) and Public Administration (2.9%).

Table 16 - Employment totals by industry sector, and changes 2010-2014

Industry Sector	2010	2011	2012	2013	2014	% Change '10-'14
Construction	4,295	4,324	4,025	4,656	5,266	22.6%
Professional, Scientific, and Technical Services	6,735	6,832	7,100	7,041	7,870	16.9%
Utilities	874	906	878	955	944	8.0%
Health Care and Social Assistance	38,568	38,822	38,944	40,544	41,318	7.1%
Educational Services	17,003	17,463	17,717	18,389	18,022	6.0%
Wholesale Trade	4,973	4,873	4,831	4,883	5,144	3.4%
Public Administration	22,249	21,875	21,802	22,157	22,888	2.9%
Accommodation and Food Services	11,044	11,291	10,230	10,807	11,237	1.7%
Retail Trade	9,518	9,216	9,303	9,586	9,609	1.0%

Employment statistics for the Construction sector are based on second quarter estimates of a summation of total employment within the Construction-related subsectors reported (Construction of Buildings, Specialty Trade Contractors, and Heavy and Civil Engineering Construction) as sector totals are not available for every year detailed in table 16. All other estimates are based on second quarter estimates for the sector listed. Second quarter estimates tend to be relatively predictive of the annual average.

See Appendix 1 for Industry Sector definitions.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

Sectors that lost the most jobs

The sectors with the greatest losses in employees included Transportation and Warehousing (-12.1%); Finance and Insurance (-10.7%); Real Estate and Rental and Leasing (-8/2%); Information (-5.8%); Manufacturing (5.6%); and Management of Companies and Enterprises (-5.6%). Table 17 reveals that employment numbers appear to fluctuate frequently during the four year period. This suggests that recent negative losses may not necessarily reflect long-term trends.

Table 17 - Employment totals by industry sector, and changes 2010-2014

Industry Sector	2010	2011	2012	2013	2014	% Change '10-'14
Transportation and Warehousing	3,741	3,656	3,859	3,347	3,289	-12.1%
Finance and Insurance	13,828	12,343	12,142	12,356	12,348	-10.7%
Real Estate and Rental and Leasing	2,625	2,669	2,505	2,430	2,410	-8.2%
Information	4,404	4,162	4,039	4,294	4,150	-5.8%
Management of Companies and Enterprises	4,335	4,361	4,665	4,156	4,091	-5.6%
Manufacturing	8,300	8,412	7,869	7,626	7,837	-5.6%
Arts, Entertainment, and Recreation	4,191	4,285	4,192	3,893	4,063	-3.1%
Other Services (except Public Administration)	6,891	6,584	6,676	6,585	6,717	-2.5%

Employment statistics for the Information sector are based on second quarter estimates of a summation of total employment within the Information-related subsectors reported (Publishing Industries (except Internet), Motion Picture and Sound Recording Industries, Telecommunications, Internet Service Providers, Web Search Portals, and Data Processing Services, and Other Information Services) as sector totals are not available for every year detailed in table 17. All other estimates are based on second quarter estimates for the sector listed. Second quarter estimates tend to be relatively predictive of the annual average.

See Appendix 1 for Industry Sector definitions.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

The average weekly wage in Saint Paul during the second quarter of 2014 was $1,051, which is $29 more than weekly wages in 2013. This indicates that wages in the city are relatively stable. Figure 16 shows that this trend is relatively consistent with state and metro level changes over the past year. The graph also shows a general trend of wage increases since early 2012.

Figure 16 - Average weekly wages, 2008-2014 (2014 $)

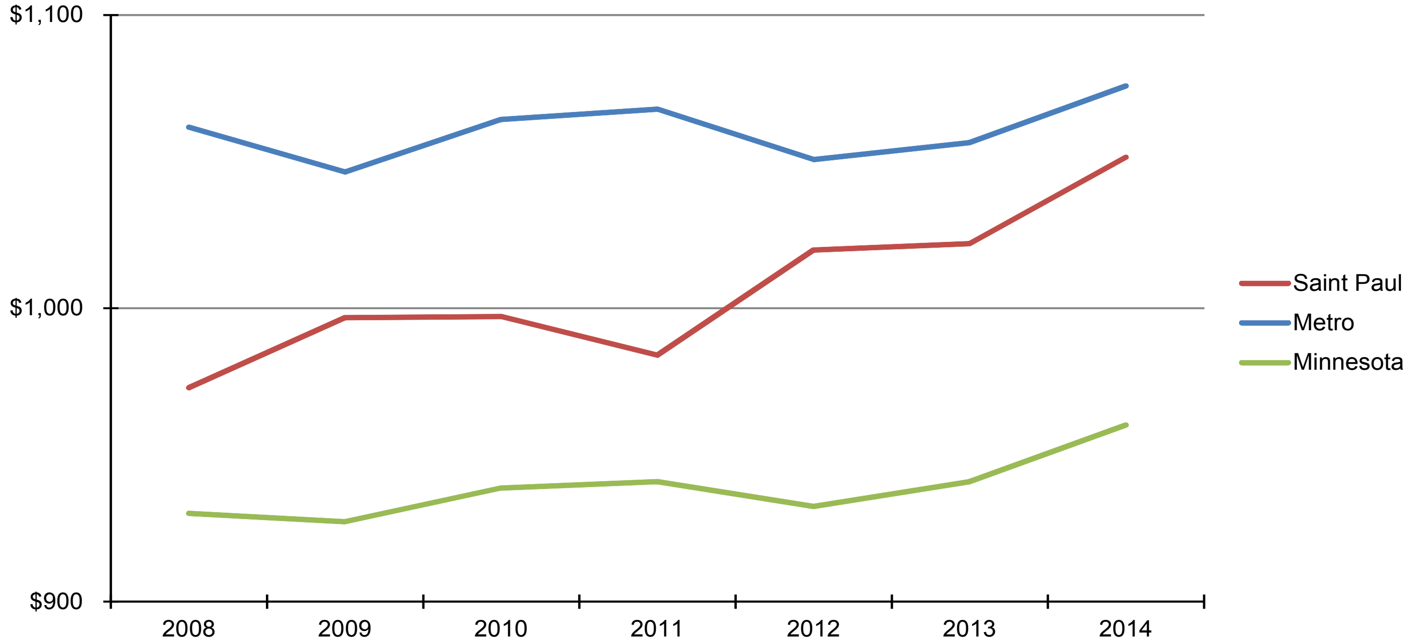


Table 18 - Average weekly wages, 2008-2014 (2014 $)

Average Weekly Wages								Change in Wages	
Year	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**	**2014**	**2008-2014**	**2013-2014**
Saint Paul	$973	$997	$997	$984	$1,020	$1,022	$1,051	+$79	+$29
Metro	$1,062	$1,046	$1,064	$1,068	$1,051	$1,057	$1,076	+$14	+$19
Minnesota	$930	$927	$939	$941	$933	$941	$960	+$30	+$19

Weekly wages are based on the second quarter averages for each year, which tend to be more representaive of actual trends. Inflation is calculated according to 2nd-half 2014 CPI-U, U.S. Bureau of Labor Statistics.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

Average Weekly Wages

Saint Paul employees saw mixed changes in wages in the sectors that reported wage data for 2013 and 2014. Overall, weekly wages increased by an average of $15. Major changes according to industry sector are summarized below. Wages in Saint Paul saw declines in seven sectors: Arts, Entertainment and Recreation, Information, Public Administration, Retail Trade, Transportation and Warehousing, Utilities, and Wholesale Trade. Wage decreases may be correlated with large increases in hiring: these may be entry level positions with relatively low wages*. A few industry sectors saw large weekly wage increases, including Management of Companies/Enterprises ($263); Professional, Scientific, and Technical Services ($92); Manufacturing ($71); and Educational Services ($32). Some industry sectors did not report weekly wages for either 2013 or 2014, and thus are not included in the table below.

Table 19 - Average weekly wages by industry sector, 2013-2014 (2014 $)

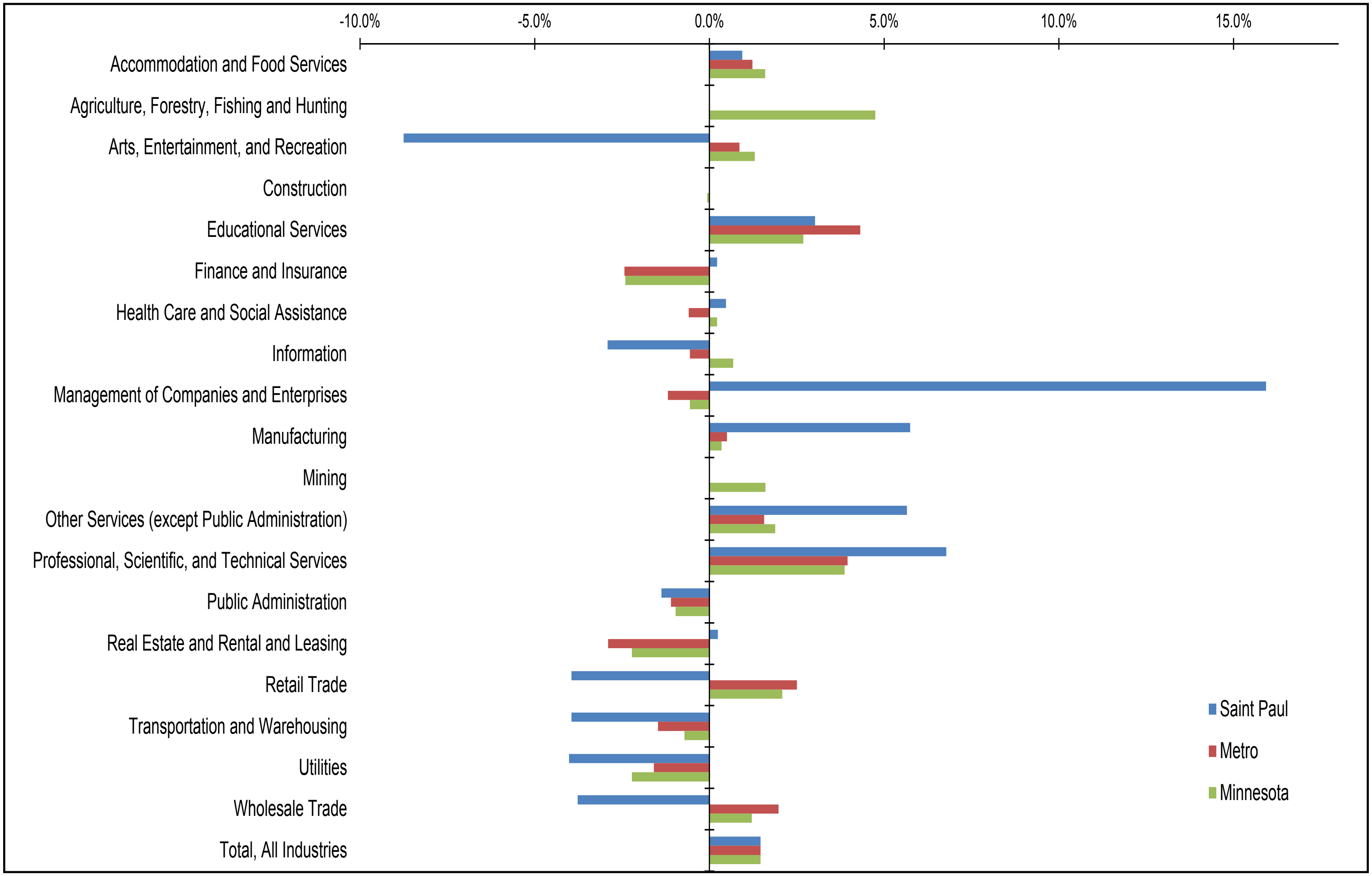
Industry Group	2013	2014	Change 13-Q2 to14-Q2	% Change 13-Q2 to 14Q2
Accommodation and Food Services	$346	$349	$3	+0.9%
Arts, Entertainment, and Recreation	$773	$705	-$68	-8.8%
Educational Services	$1,046	$1,078	$32	+3.0%
Finance and Insurance	$1,568	$1,571	$3	+0.2%
Health Care and Social Assistance	$921	$925	$4	+0.5%
Information	$1,299	$1,261	-$38	-2.9%
Management of Companies and Enterprises	$1,653	$1,916	$263	+15.9%
Manufacturing	$1,236	$1,307	$71	+5.7%
Other Services (except Public Administration)	$712	$752	$40	+5.7%
Professional, Scientific, and Technical Services	$1,362	$1,454	$92	+6.8%
Public Administration	$1,271	$1,254	-$17	-1.4%
Real Estate and Rental and Leasing	$805	$807	$2	+0.2%
Retail Trade	$543	$522	-$21	-4.0%
Transportation and Warehousing	$971	$933	-$38	-3.9%
Utilities	$2,005	$1,924	-$81	-4.0%
Wholesale Trade	$1,210	$1,164	-$46	-3.8%
Total, All Industries	$1,022	$1,037	$15	+1.5%

*These comparatively low-paid entry level positions may be replacing retirees who likely made a higher wage. This in turn may help explain some of the decrease in average weekly wages.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

Figure 17 graphically compares changes in wages by industry sector in Saint Paul, the Twin Cities Metropolitan Area, and Minnesota as a whole. Actual wages are reported in Table 19 on the previous page.

Figure 17 - Percent change in wages by industry, 13-Q2 TO 14-Q2 (2014 $)



Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

As the table below shows, several sectors are experiencing some combination of employment growth or decline and wage increases or decreases. This table further illustrates the mixed employment and wage trends described above.

Table 20 - Comparing changes in jobs and weekly wages, 2013-Q2 to 2014-Q2

Industry Group	Job Gains	% Change (Jobs)	% Change (Wages)
Professional, Scientific, and Technical Services	829	+11.8%	+6.8%
Wholesale Trade	261	+5.3%	-3.8%
Arts, Entertainment, and Recreation	170	+4.4%	-8.8%
Accommodation and Food Services	430	+4.0%	+0.9%
Public Administration	731	+3.3%	-1.4%
Manufacturing	211	+2.8%	+5.7%
Other Services (except Public Administration)	132	+2.0%	+5.7%
Industry Group	**Job Losses**	**% Change (Jobs) '13-'14**	**% Change (Wages) '13-'14**
Information	-115	-2.1%	+2.9%
Educational Services	-367	-2.0%	+3.0%
Transportation and Warehousing	-58	-1.7%	-3.9%
Management of Companies and Enterprises	-65	-1.6%	+15.9%
Utilities	-11	-1.2%	+0.5%
Real Estate and Rental and Leasing	-20	-0.8%	-4.0%
Finance and Insurance	-8	-0.1%	+0.2%
Total, All Industries	**1,765**	**+1.0%**	**+1.5%**

Figures are based on second quarter estimates, which tend to be relatively predictive of the annual average.

Source: Minnesota Department of Employment and Economic Development - Quarterly Census of Employment and Wages.

This section provides a more detailed look at youth employment in Saint Paul. Before describing specific trends in employment, the tables below contain basic summary level information about youth in Saint Paul. The largest groups are children under the age of 15. The smallest groups are young adults from 18 to 21 years. This suggests many children leave home to attend college, or leave the city after finishing high school. All groups experienced growth over the period from 2007 to 2013.

Table 21 - Youth in Saint Paul, by age

	2005-2007	2008-2010	2011-2013
Under 5 years	20,547	22,275	22,774
5 to 9 years	18,634	18,919	20,652
10 to 14 years	19,111	18,162	19,175
15 to 17 years	11,639	11,749	10,987
18 and 19 years	9,211	11,051	10,480
20 years	4,883	6,211	5,619
21 years	4,562	6,173	5,362
22 to 24 years	12,333	15,532	16,860
Total	**271,203**	**283,812**	**291,527**

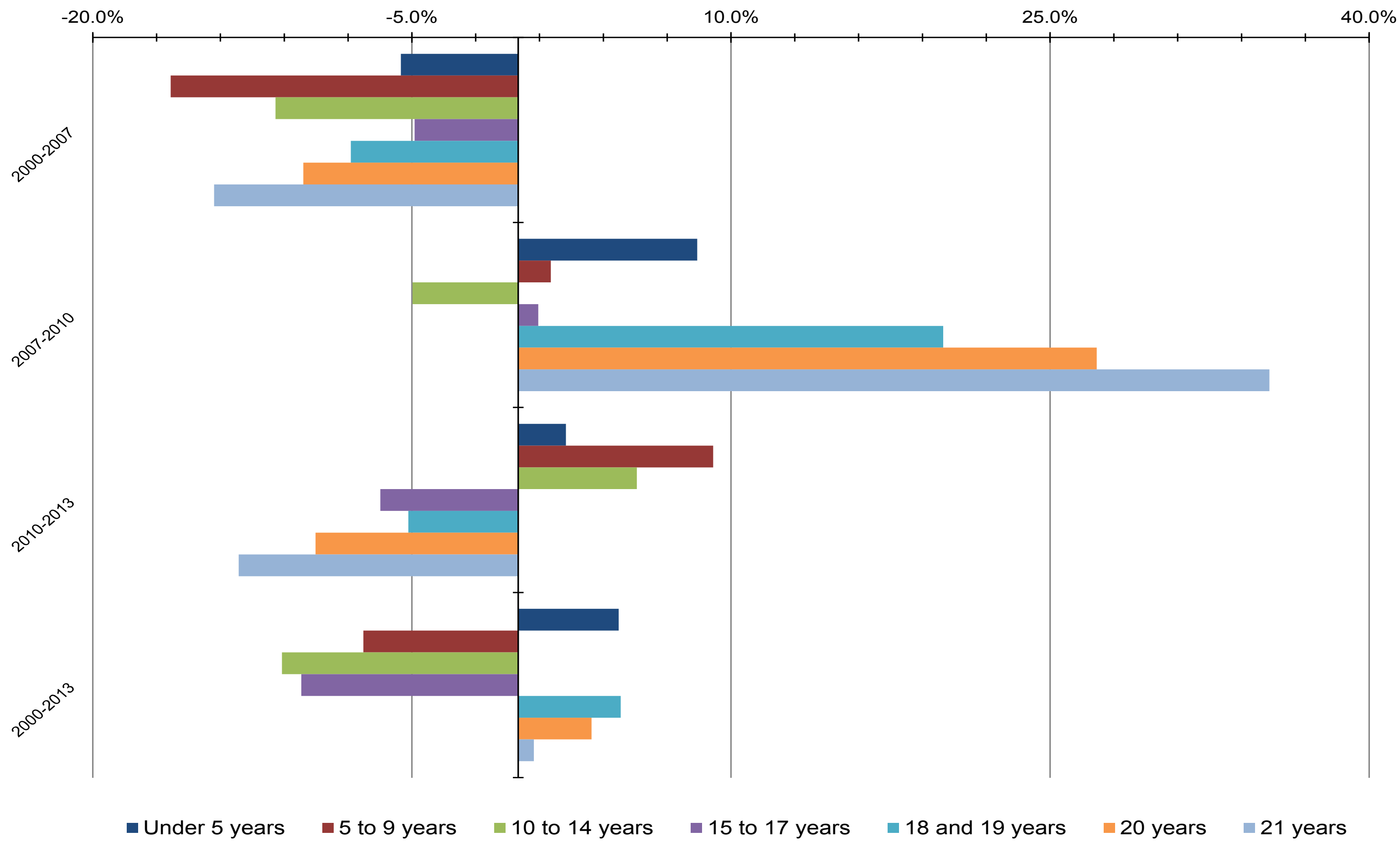
Table 22 - Youth in Saint Paul, by age and sex

	2005-2007		2008-2010		2011-2013	
	Male	Female	Male	Female	Male	Female
Under 5 years	11,123	9,424	11,517	10,758	11,488	11,286
5 to 9 years	9,779	8,855	9,481	9,438	10,778	9,874
10 to 14 years	9,811	9,300	9,080	9,082	9,771	9,404
15 to 17 years	5,848	5,791	5,914	5,835	5,668	5,319
18 and 19 years	4,014	5,197	5,482	5,569	5,344	5,136
20 years	2,363	2,520	2,605	3,606	2,616	3,003
21 years	2,236	2,326	3,015	3,158	2,839	2,523
22 to 24 years	5,408	6,925	7,186	8,346	8,251	8,609
Total	**132,188**	**139,015**	**137,155**	**146,657**	**143,583**	**147,944**

Source: U.S. Census Bureau, 2007, 2010, and 2013 ACS 3-Year Estimates.

The graph below illustrates changes in the youth population during different periods. The graph includes four different comparison periods to demonstrate trends in the youth population. The first period compares the changes from the Decennial census in 2000 and the 2007 ACS 3-Year estimates. The youth population decreased pretty significantly during this period. There were very large increases in young adults from 2007 to 2010. In 2013 these trends reversed, and the population of young children increased. Finally, the final comparison period shows that Saint Paul's youth population generally declined from 2000 to 2013.

Figure 18 - Changes in population, 0 to 21 years old



Source: U.S. Census Bureau, 2005-2007, 2008-2010 and 2011-2013 American Community Survey 3-Year Estimates, Table B23001; the U.S. Decennial Census is a survey of all residents whereas the American Community Survey is a random sample survey of residents used to produce estimates on a more regular basis.

The data in the table below and the figures on the following pages describe the current state of, and recent trends in youth employment in Saint Paul. Table 23 reveals some drops in youth employment that coincide with the years of the recession. Moreover, the labor force participation rate (number of youth in the labor force compared to those not) for youth ages 16 to 19 years old, appears to have steadily decreased over the periods analyzed. The other age groups experienced similar trends. Total numbers of youth ages 20 to 21 increased by roughly 16% overall, but the labor force participation decreased, and the employment rate increased by less than two percent. Those aged 22 to 24 years experienced both the largest increases in participation and employment rates. However, this group also had significant increases in persons reported as not in the labor force.

Table 23 - Changes in youth labor Force, by age cohort, 2007-2013

Age Group	2005-2007	% Change (07-10)	% Change (10-13)	% Change (07-13)
16 to 19 years	16,919	16.1%	-8.3%	6.5%
In labor force	9,556	-8.9%	-5.6%	-14.0%
Employed	7,542	-11.4%	-9.5%	-19.8%
Unemployed	2,014	0.6%	7.0%	7.6%
Not in labor force	7,363	48.6%	-10.4%	33.1%
20 and 21 years	9,445	31.1%	-11.3%	16.3%
In labor force	7,571	13.8%	-4.4%	8.7%
Employed	6,455	10.2%	-7.6%	1.9%
Unemployed	1,101	32.1%	14.0%	50.5%
Not in labor force	1,874	101.2%	-27.1%	46.6%
22 to 24 years	12,333	25.9%	8.6%	36.7%
In labor force	10,651	19.2%	9.7%	30.8%
Employed	9,295	20.1%	7.6%	29.3%
Unemployed	1,356	9.3%	29.3%	41.3%
Not in labor force	1,682	68.7%	3.2%	74.2%
Total	**208,980**	**5.9%**	**1.9%**	**7.9%**

Source: U.S. Census Bureau 2005-2007, 2008-2010 and 2010-2013 American Community Survey 3-Year Estimates, Table B23001; the U.S. Decennial Census is a survey of all residents whereas the American Community Survey is a random sample survey of residents used to produce estimates on a more regular basis.

The figures below illustrate changes in the youth employment during different periods. The graphs use data from the ACS 1-Year Estimates, Table B23001 to illustrate changes from year to year. In general, the youth labor force is experiencing some fluctuation over the seven years. However, labor force size has generally declined since its height in 2011. The major dip in labor force size for 20 to 21 year olds, is a result of differences in data reported for 2008 and 2009.

Figure 19 - Changes in youth labor force, by sex 2007-2013

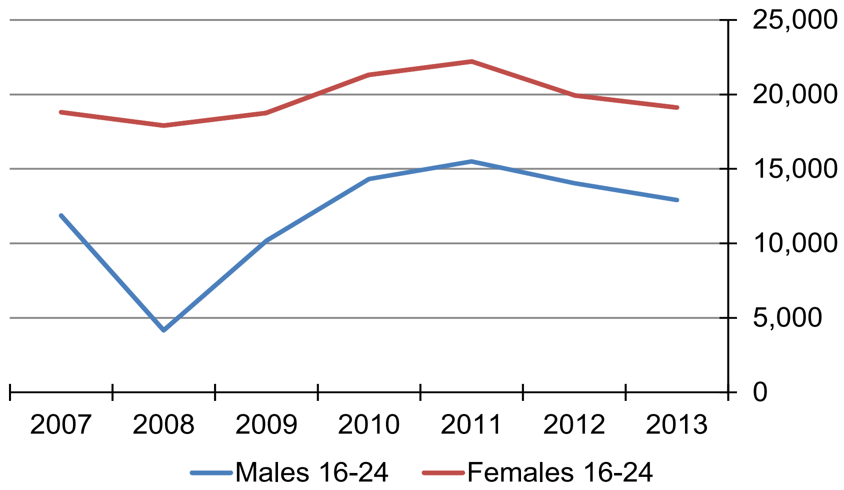
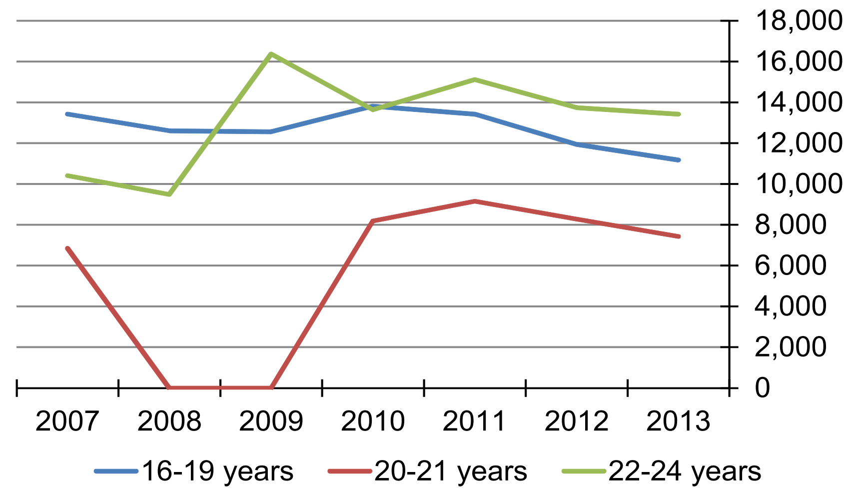


Figure 20 - Changes in youth labor force, by age 2007-2013



Source: U.S. Census Bureau, American Community Survey 1-Year Estimates - 2007, 2008, 2009, 2010, 2011, 2012 and 2013, Table B23001. In 2008 and 2009, the Table only reports data for two age groups (16 to 19 years and 20-24 years), while all other years report three age groups (16-19 years, 20-21 years, and 22-24 years).

The figures below illustrate changes in the youth employment in non-military positions by both sex and by age cohort. Like the labor force size, youth employment peaked in 2011, and has declined since then. However, 2013 saw an increase in employment for females, and youths aged 16 to 19 years.

Figure 21 - Changes in youth employment, by sex 2007-2013

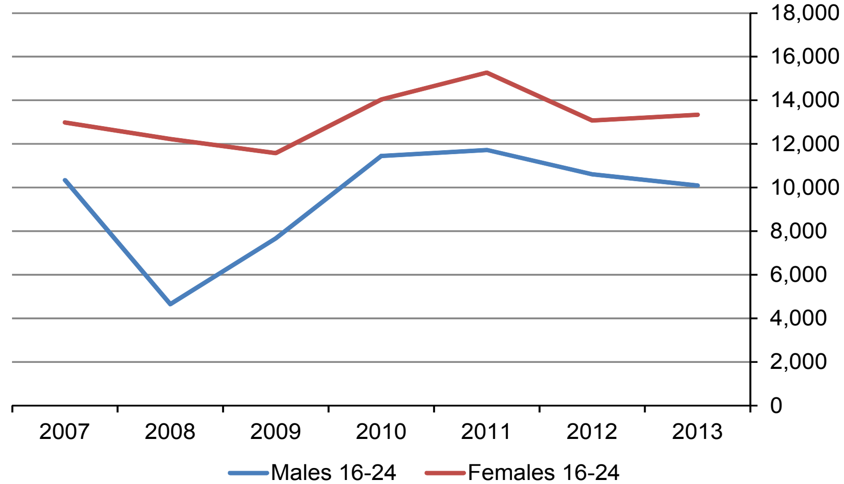
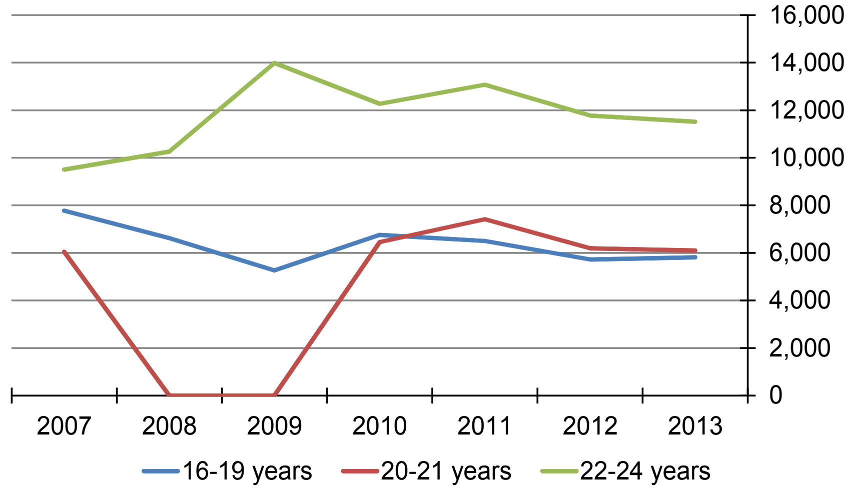


Figure 22 - Changes in youth employment, by age 2007-2013



Source: U.S. Census Bureau, American Community Survey 1-Year Estimates - 2007, 2008, 2009, 2010, 2011, 2012 and 2013, Table B23001. In 2008 and 2009, the Table only reports data for two age groups (16 to 19 years and 20-24 years), while all other years report three age groups (16-19 years, 20-21 years, and 22-24 years).

The figures below illustrate changes in the youth unemployment from 2007 to 2013. As a result of the recession, youth unemployment peaked in 2008 and then again in 2011. The unemployment rate, across age group and sex, has steadily declined since, and has almost reached pre-recession levels.

Figure 23 - Changes in youth unemployment, by sex 2007-2013

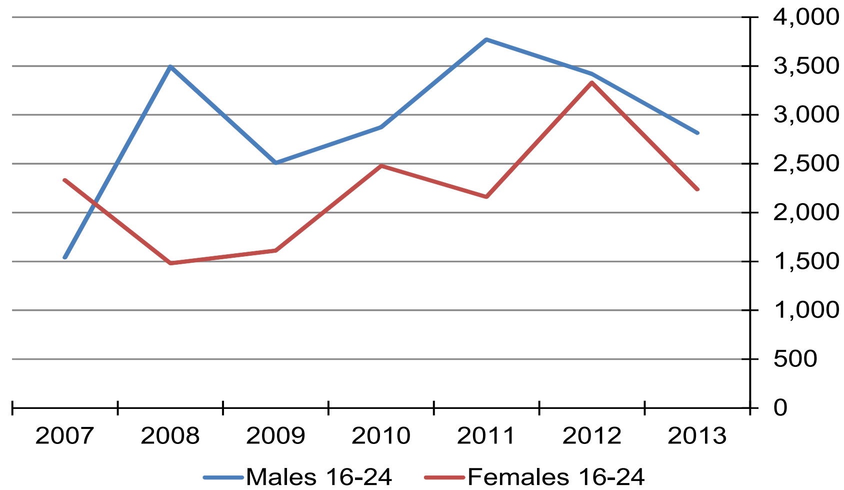
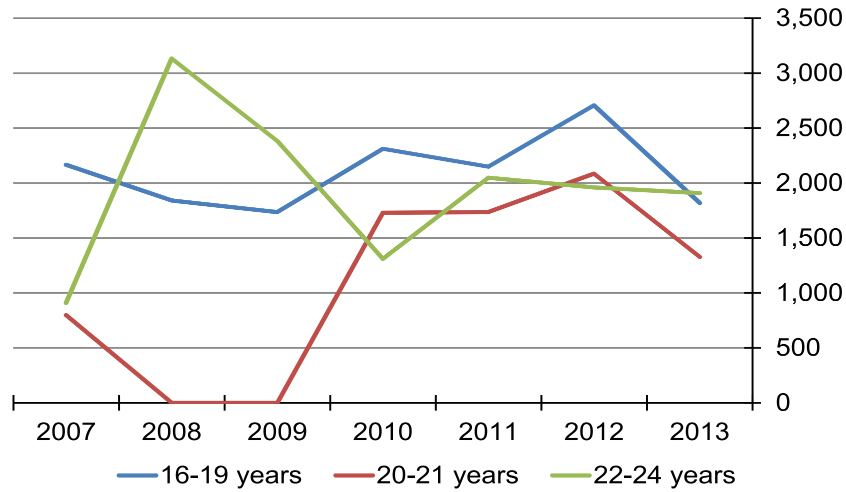


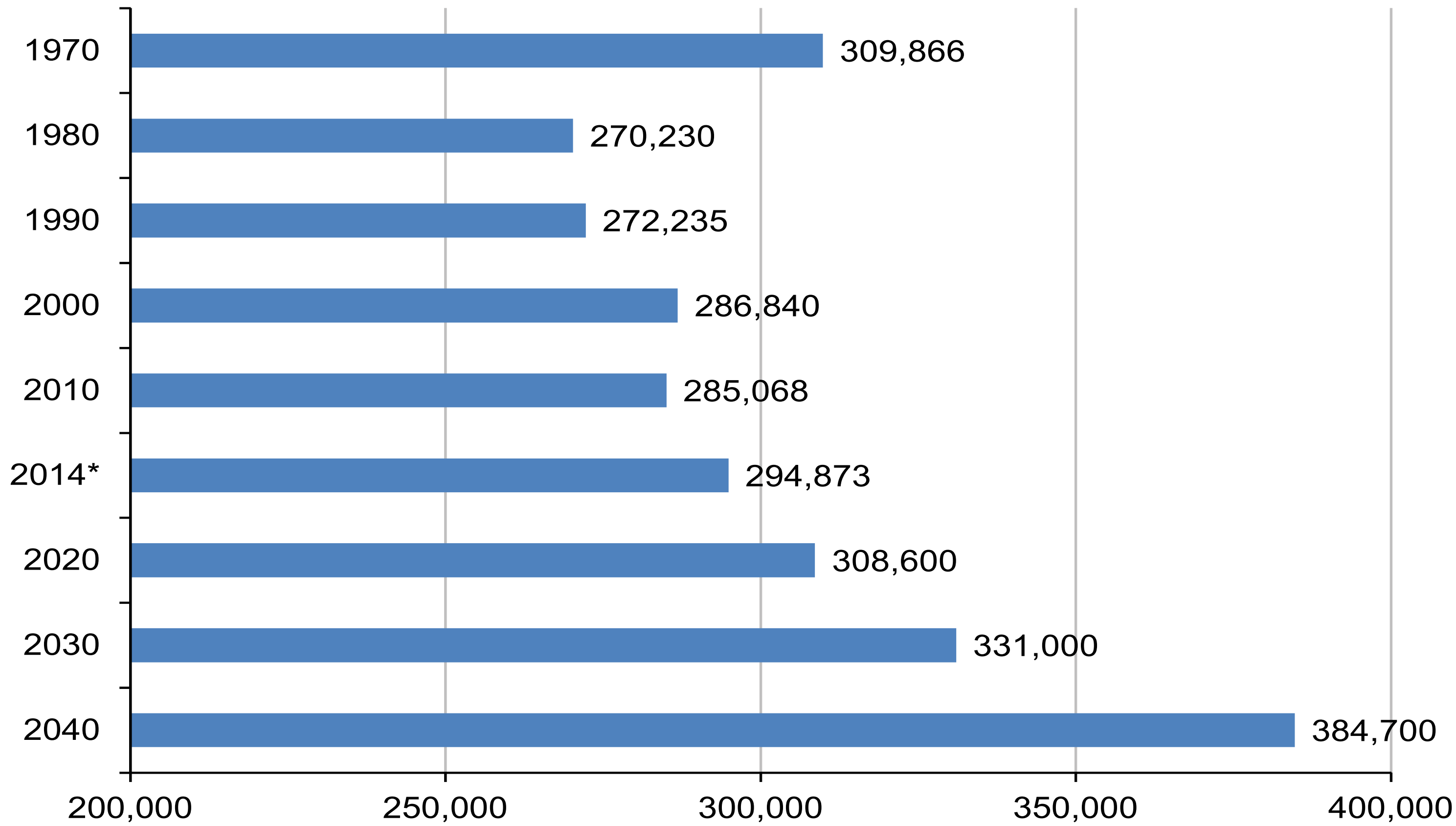
Figure 24 - Changes in youth unemployment, by age 2007-2013



Source: U.S. Census Bureau, American Community Survey 1-Year Estimates - 2007, 2008, 2009, 2010, 2011, 2012 and 2013, Table B23001. In 2008 and 2009, the Table only reports data for two age groups (16 to 19 years and 20-24 years), while all other years report three age groups (16-19 years, 20-21 years, and 22-24 years).

The Metropolitan Council's forecasts indicate that Saint Paul will add approximately 90,000 residents (30% increase) by 2040. The current population estimate for the city is 290,700, representing an estimated increase of more than 2,000 residents since 2011. Continued population growth is consistent with this recent trend and future growth is expected to surpass the city's historical population peak of 313,000 residents in 1960.

Figure 25 - Saint Paul population and forecasted changes



Source: Historic population counts from U.S. Census Bureau Decennial Census; *2014 population estimate is taken from the U.S. Census Bureau, 2013 1-year ACS; forecasted population data from the Metroplitan Council's 2040 adopted forecasts.

Table 24 summarizes population estimates by age during three non-overlapping ACS 3- year estimates. Changes for key population groups are summarized on the next page, which graphically represents these changes. The nearly 65 percent increase in the age group 60 to 64 years is the rationale for a special section on Saint Paul's senior citizens.

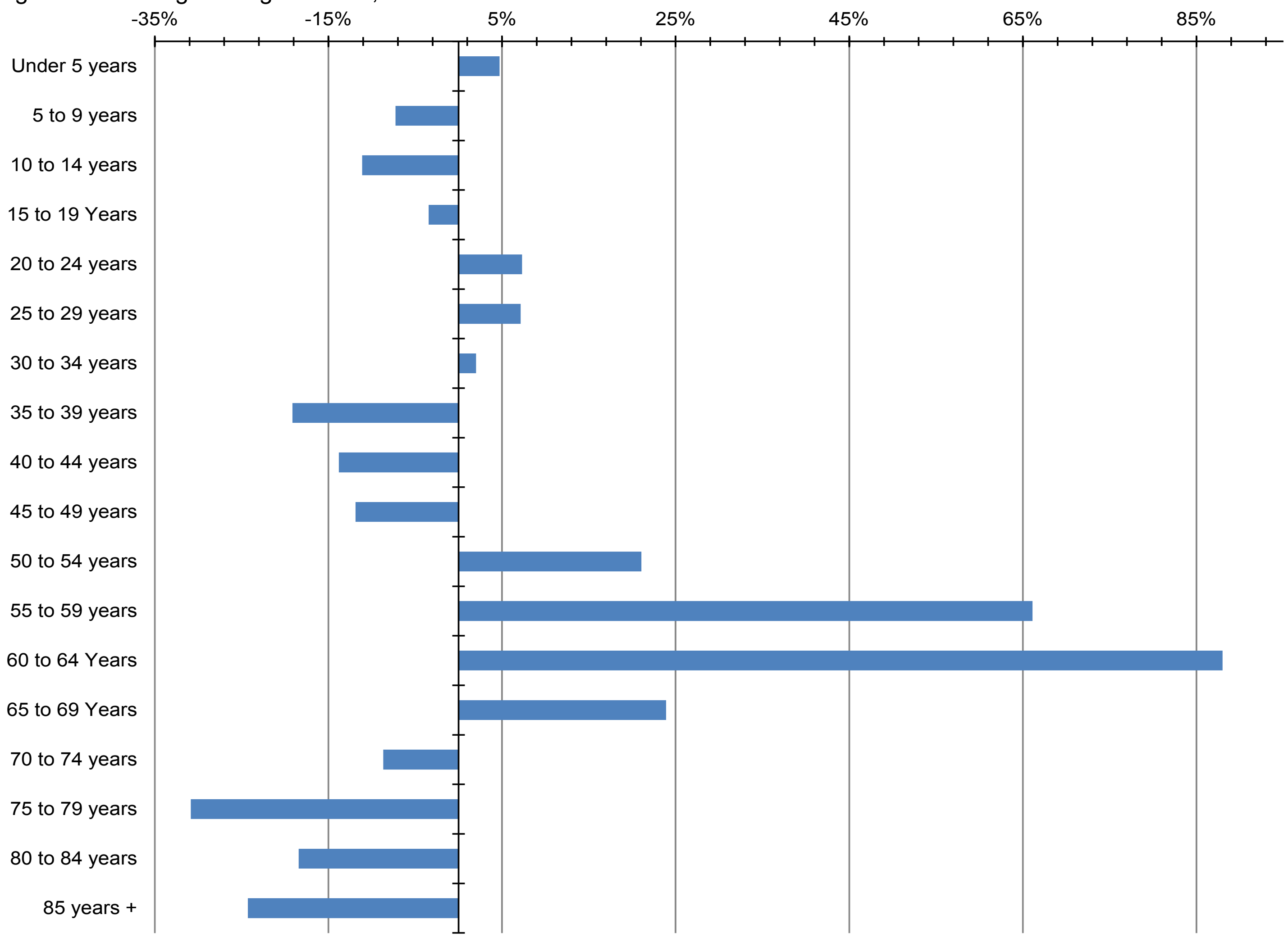
Table 24 - Population by age, Saint Paul, 2000-2013

Age Group	'05 - '07	2008-2010	2010-2012	% Change '07 to '13
Under 5 years	20,547	22,275	22,774	10.8%
5 to 9 years	18,634	18,919	20,652	10.8%
10 to 14 years	19,111	18,162	19,175	0.3%
15 to 19 years	20,850	22,800	21,467	3.0%
20 to 24 years	21,778	27,916	27,841	27.8%
25 to 29 years	20,014	27,739	26,674	33.3%
30 to 34 years	20,302	21,343	23,786	17.2%
35 to 39 years	20,921	18,457	18,167	-13.2%
40 to 44 years	19,573	16,961	18,379	-6.1%
45 to 49 years	20,048	18,846	16,701	-16.7%
50 to 54 years	18,500	17,668	18,260	-1.3%
55 to 59 years	14,981	16,323	16,568	10.6%
60 to 64 years	8,846	11,087	14,516	64.1%
65 and 66 years	2,676	3,661	3,620	35.3%
67 to 69 years	3,835	3,904	4,662	21.6%
70 to 74 years	5,966	5,109	6,034	1.1%
75 to 79 years	5,313	4,458	4,384	-17.5%
80 to 84 years	4,172	4,013	3,949	-5.3%
85 years and over	5,136	4,171	3,918	-23.7%
Total Population	**271,203**	**283,812**	**294,873**	**7.5%**

Source: U.S. Census Bureau, 2000 Census Summary File 2; 2008-2010 and 2010-2012 American Community Survey 3-Year Estimates, Table DP-05; the U.S. Census is a survey of all residents whereas the American Community Survey is a random sample survey of residents used to produce estimates on a more regular basis.

Some key trends of note are the increasing population of residents between 45 and 65 (increase of 11,616 residents), as well as increases in the population of residents aged 20 to 34 (increase of 4,365 residents). During the same time period, Saint Paul lost population of residents between 5 and 14 years old, as well as residents aged 35-44. In addition, Saint Paul lost population for all age cohorts over 75 years of age.

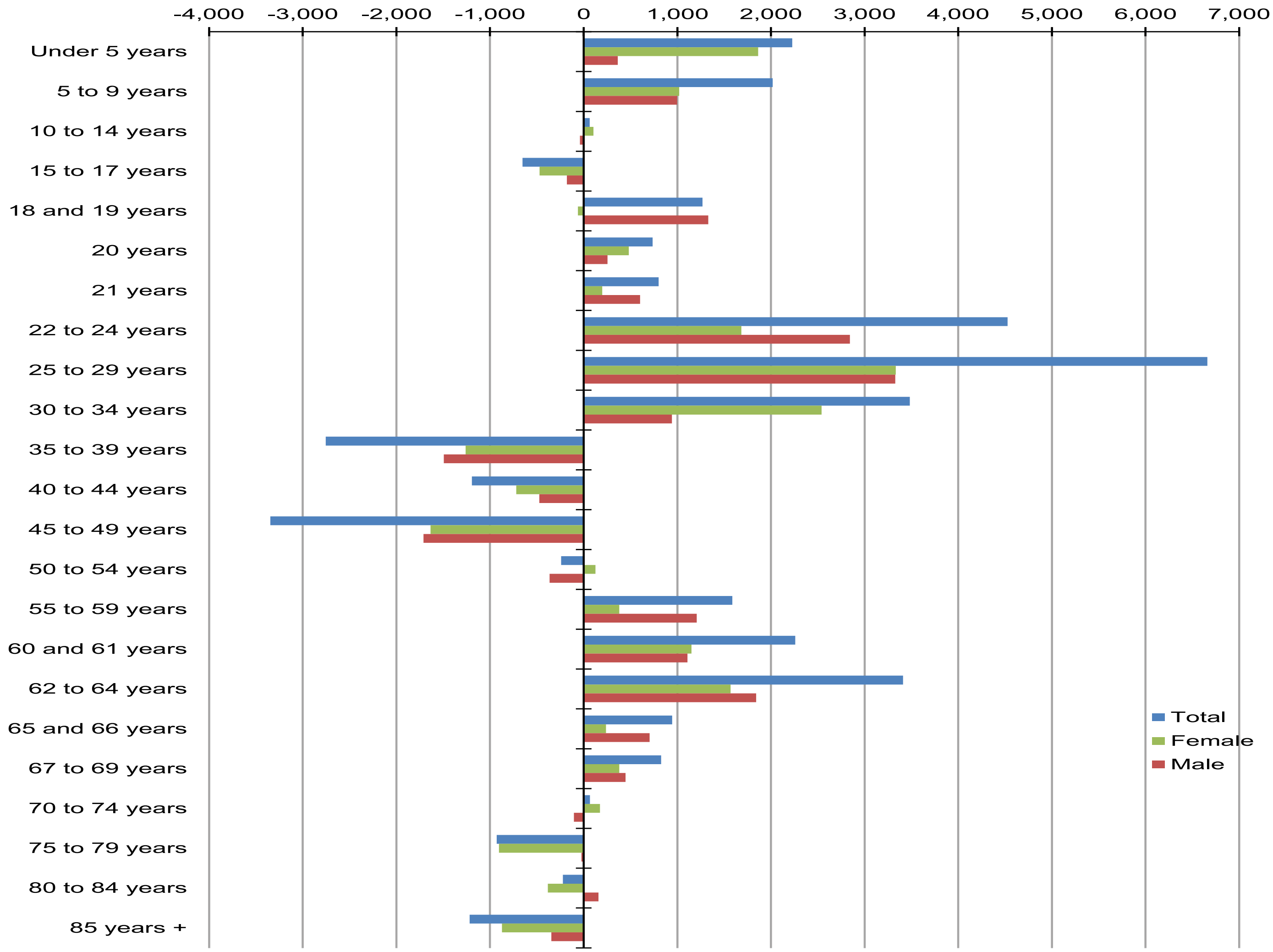
Figure 26 - Changes in age cohorts, 2005-2013



Source: U.S. Census Bureau, 2005-2007, 2008-2010 & 2011-2013 ACS 3-Year Estimates

This table illustrates the changes in age cohorts by sex. Most of the decrease in the age cohorts 70 years old and older were female. In contrast, males accounted for a majority of change of several age groups. Females also accounted for significant proportions of population increases in children under 5 years, and adults 30 to 34 years. Growth in the senior citizen* age groups appears to be relatively balanced between males and females.

Figure 27 - Changes in age cohorts by sex, 2005-2013

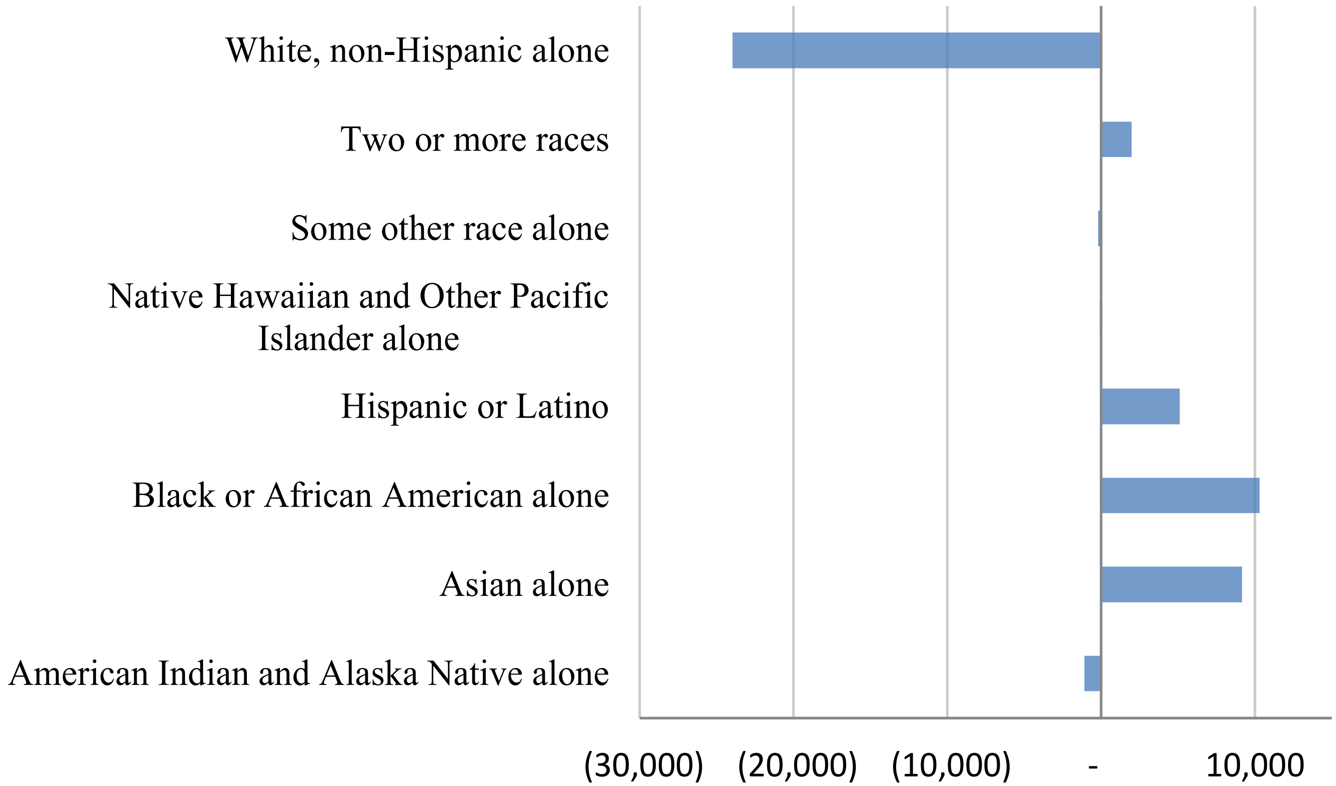


*This reports uses "senior citizen" as defined by the AARP (formerly, Associaton of American Retired Persons) as persons over the age of 55 years.

Source: U.S. Census Bureau, 2005-2007, 2008-2010 & 2011-2013 American Community Survey 3-Year Estimates, Table S0101

The figure below illustrates the large increases in non-white populations in Saint Paul. The city is becoming increasingly diverse, including large populations of Black/African Americans, and Asians. The population of Black/African American residents, Hispanic residents, Asian residents, and residents of two or more races increased, while the population of White residents decreased during the six years from 2007-2013. These changes suggest increasing racial and ethnic diversity in the city of Saint Paul.

Figure 28 - Changes in race and ethnicity of Saint Paul residents, 2007-2013



Source: U.S. Census Bureau, 2005-2007, 2008-2010 & 2011-2013 ACS 3-Year Estimates

As of the 2013 3-Year ACS roughly 34% of the population of Saint Paul lives at or below 150% of the poverty level. The federal poverty level for a family of four in 2013 was $23,834. The lowest indicator of poverty, residents with incomes below 50% of the federal poverty level for a family of four appears relatively stable over the years analyzed. However, the other two indicators, incomes below both 125% and 150% of the federal povery level appears to be increasing consistently over the years.

Figure 29 - Changes in poverty rates over time

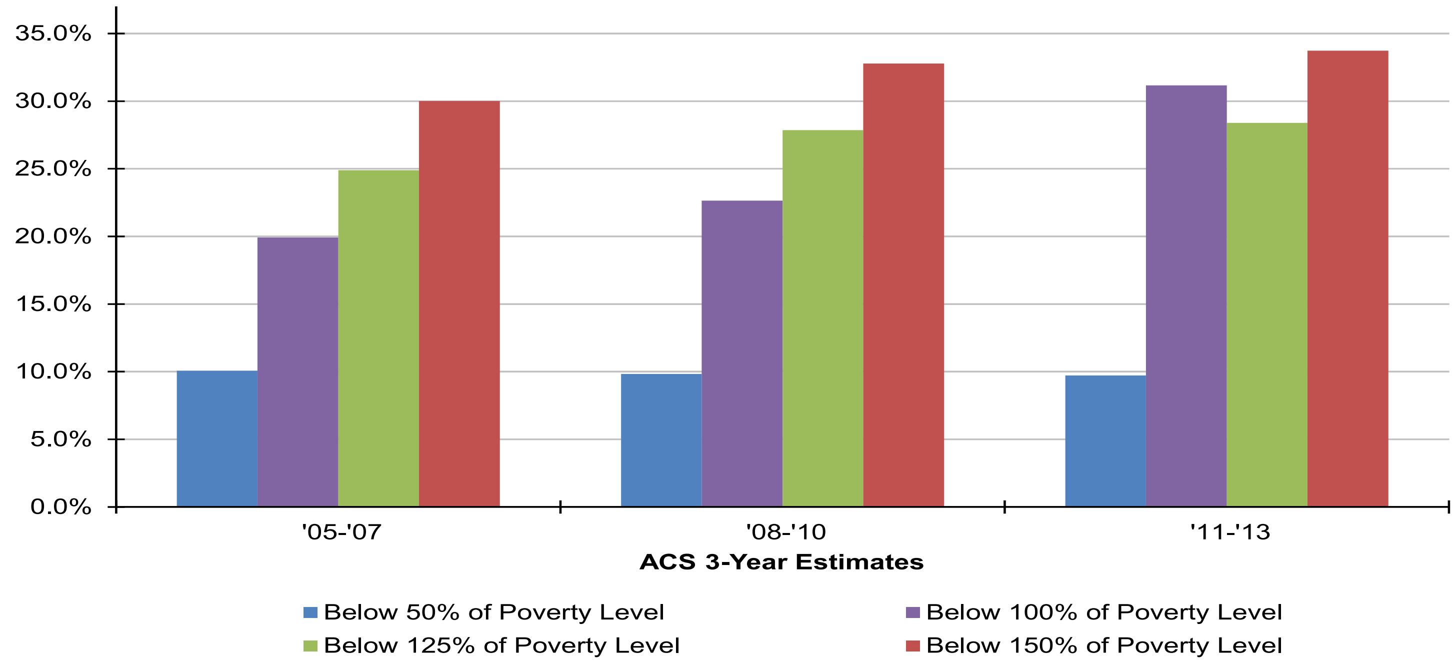


Table 25 - Saint Paul poverty rates, by indicator, for a family of four, over time*

Indicator	2005-2007	2008-2010	2011-2013
Below 50% of Poverty Level (income < $11,917)	10.1%	9.8%	9.7%
Below 100% of Poverty Level (income < $23,834)	19.9%	22.6%	31.2%
Below 125% of Poverty Level (income < $29,793)	24.9%	27.9%	28.4%
Below 150% of Poverty Level (income < $35,751)	30.0%	32.8%	33.7%

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates; U.S. Census Bureau, Poverty Thresholds

Table 26 describes the poverty rate in different communities in Saint Paul at different points in time. Particularly noteworthy are the poverty rates in communities of color. Targeted policies and interventions may be necessary to address this issue, and to ensure economic development and housing programs provide significant benefits to disproportionately underserved communities.

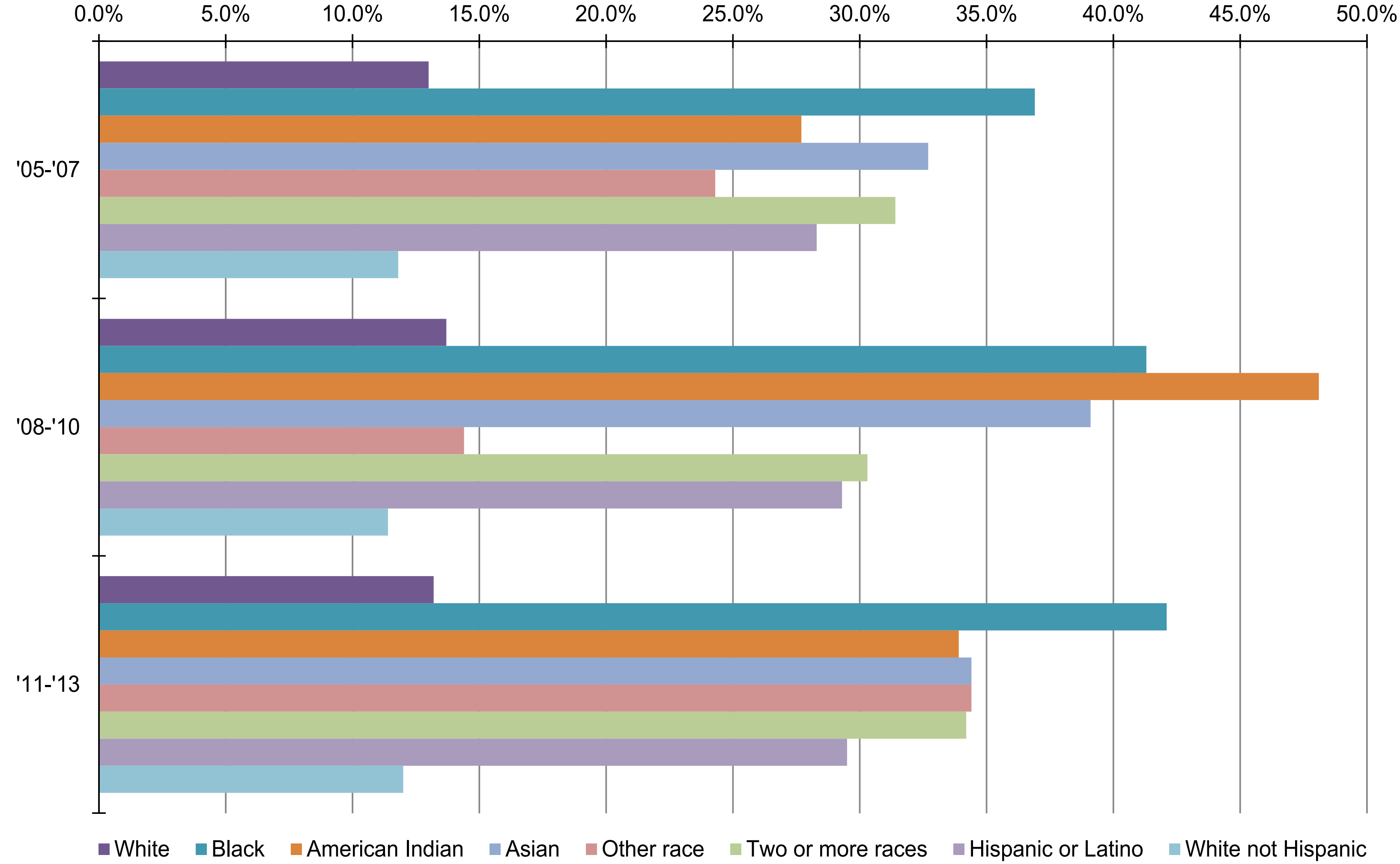
Table 26 - Saint Paul poverty rates by race over time

Race	2005-2007	2008-2010	2011-2013
White	13.0%	13.7%	13.2%
Black	36.9%	41.3%	42.1%
American Indian	27.7%	48.1%	33.9%
Asian	32.7%	39.1%	34.4%
Other race	24.3%	14.4%	34.4%
Two or more races	31.4%	30.3%	34.2%
Hispanic or Latino	28.3%	29.3%	29.5%
White not Hispanic	11.8%	11.4%	12.0%

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

Figure 29 graphically depicts the concentration of poverty in communities of color presented on the previous page. Non-white residents are significantly more likely to be impoverished than white residents.

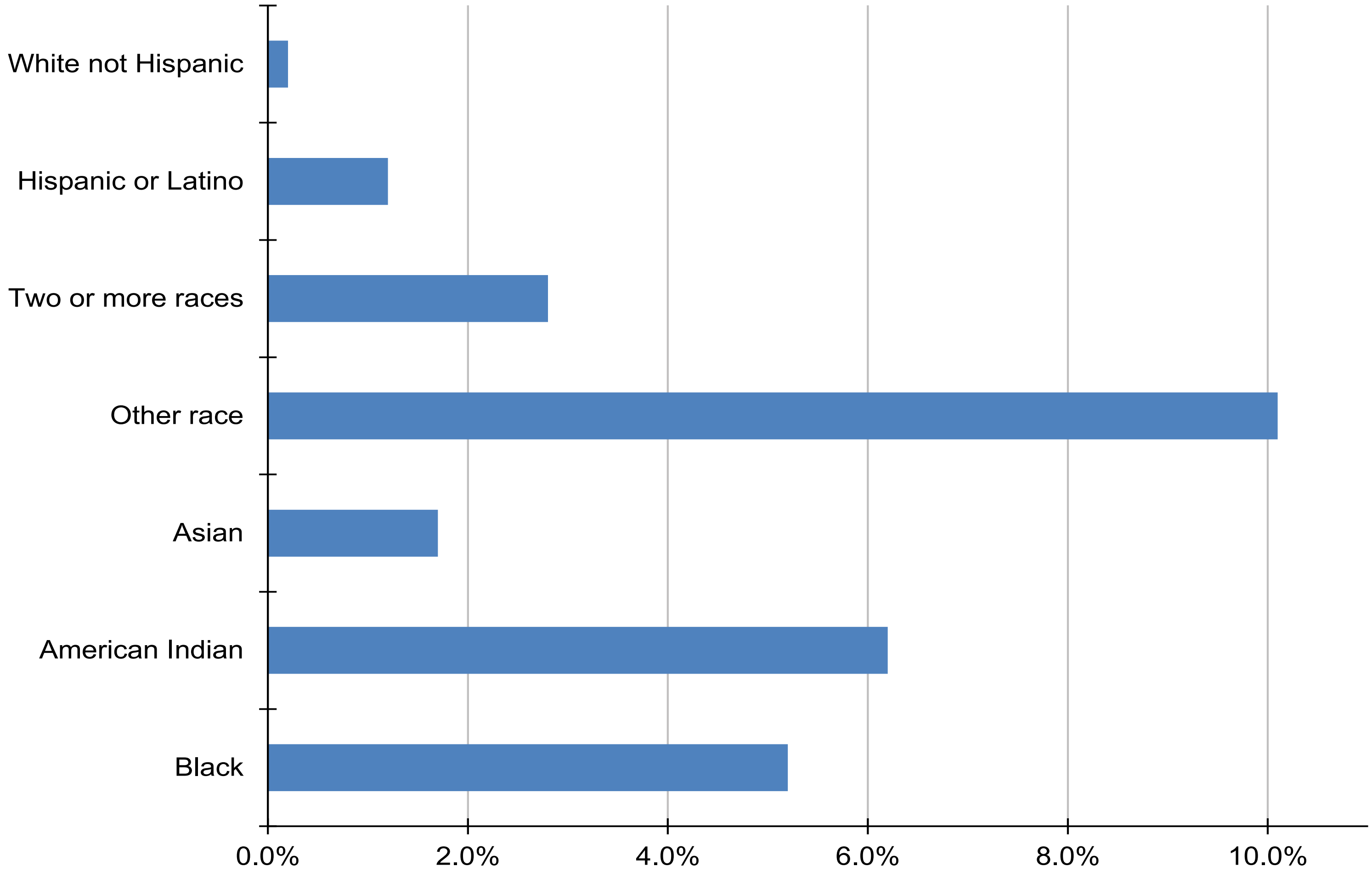
Figure 30 - Changes in poverty rates by ethnicity over time



Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

The figure below describes the changes in poverty levels by race. Like poverty rates generally, increases in poverty levels are concentrated in non-white ethnic groups. Of particular importance is the fact that no ethnic group experienced a decrease in poverty rates.

Figure 31 - Changes in poverty rates by ethnicity, 2007 - 2013



Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

Unfortunately, poverty also is more likely to affect young residents than adults and senior citizens. This outcome is also likely associated with several other factors, including educational attainment, family size, and race/ethnicity. Regardless, future policies should attempt to prevent, and remedy the imbalance of poverty in Saint Paul.

Figure 32 - Poverty rates by age

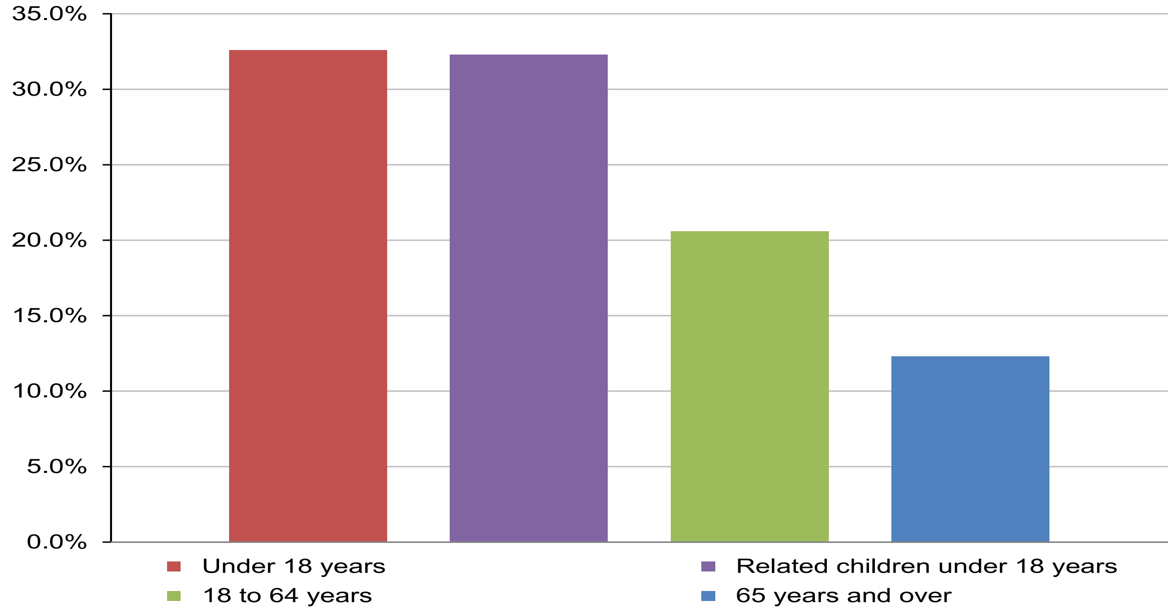


Table 27 - Poverty rates by age

AGE	Total Population	Number in Poverty	Percentage of total
Under 18 years	72,733	23,701	32.6%
Related children under 18 years	72,372	23,340	32.3%
18 to 64 years	185,957	38,317	20.6%
65 years and over	25,255	3,117	12.3%

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

The number of residents with high levels of education (Graduate/Professional and Bachelor's degrees) that live in Saint Paul has increased since 2000. In contrast, the number of residents with less education has decreased. Taken together, these trends may reflect highly educated residents moving into Saint Paul and residents with less education passing away or leaving Saint Paul.

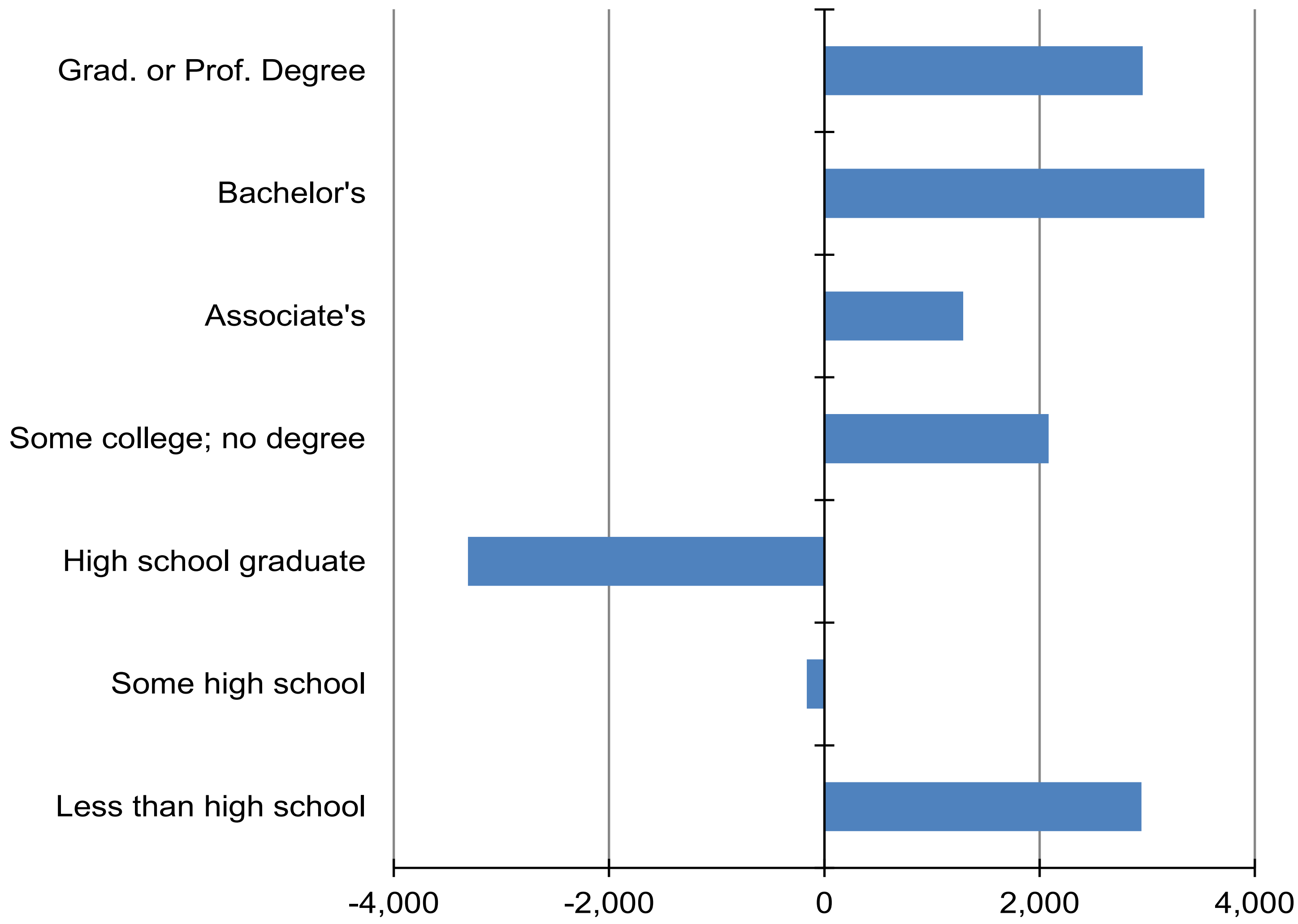
Table 28 - Educational attainment, residents older than 25 years, 2000 to 2010-12

Education Level	2005-2007 (%)	2008-2010 (%)	2011-2013 (%)
Total population over 25 years	174,204	173,740	175,919
Grad/Professional degree	25,403 (14.9%)	26,066 (15.0%)	28,361 (15.8%)
Bachelor's degree	37,900 (22.3%)	38,012 (21.9%)	41,432 (23.1%)
Associate's degree	10,254 (6.0%)	10,925 (6.3%)	11,544 (6.4%)
Some college; no degree	33,344 (19.6%)	33,073 (19.0%)	35,428 (19.7%)
High school graduate	41,931 (24.6%)	41,233 (23.7%)	38,619 (21.5%)
Did not graduate high school	10,241 (6.0%)	11,347 (6.5%)	10,077 (5.6%)
No high school	11,210 (6.6%)	13,084 (7.5%)	14,157 (7.9%)

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

The figure below illustrates the increases in the number of residents with specified levels of education from 2007 to 2013. Saint Paul continues to build on its reputation as a city with a highly educated populace.

Figure 33 - Change in educational attainment, residents older than 25 years, 2007-2013



Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

This section reviews key trends in senior citizen population, employment, and housing characteristics in Saint Paul. The table below presents basic information about the senior citizen population in Saint Paul, and changes from 2000 to 2013.

Table 29 - Senior citizen population, 2000 - 2013

	2000	2005-2007	208-2010	2011-2013	Change 2000-2013
50 to 54 years	15,083	18,500	17,668	18,260	3,177
55 to 59 years	9,974	14,981	16,323	16,568	6,594
60 and 61 years	3,296	3,636	4,769	5,896	2,600
62 to 64 years	4,425	5,210	6,318	8,620	4,195
65 and 66 years	2,658	2,676	3,661	3,620	962
67 to 69 years	4,026	3,835	3,904	4,662	636
70 to 74 years	6,608	5,966	5,109	6,034	-574
75 to 79 years	6,339	5,313	4,458	4,384	-1,955
80 to 84 years	4,841	4,172	4,013	3,949	-892
85 years and over	5,175	5,136	4,171	3,918	-1,257
Total	**287,151**	**271,203**	**283,812**	**291,527**	**4,376**

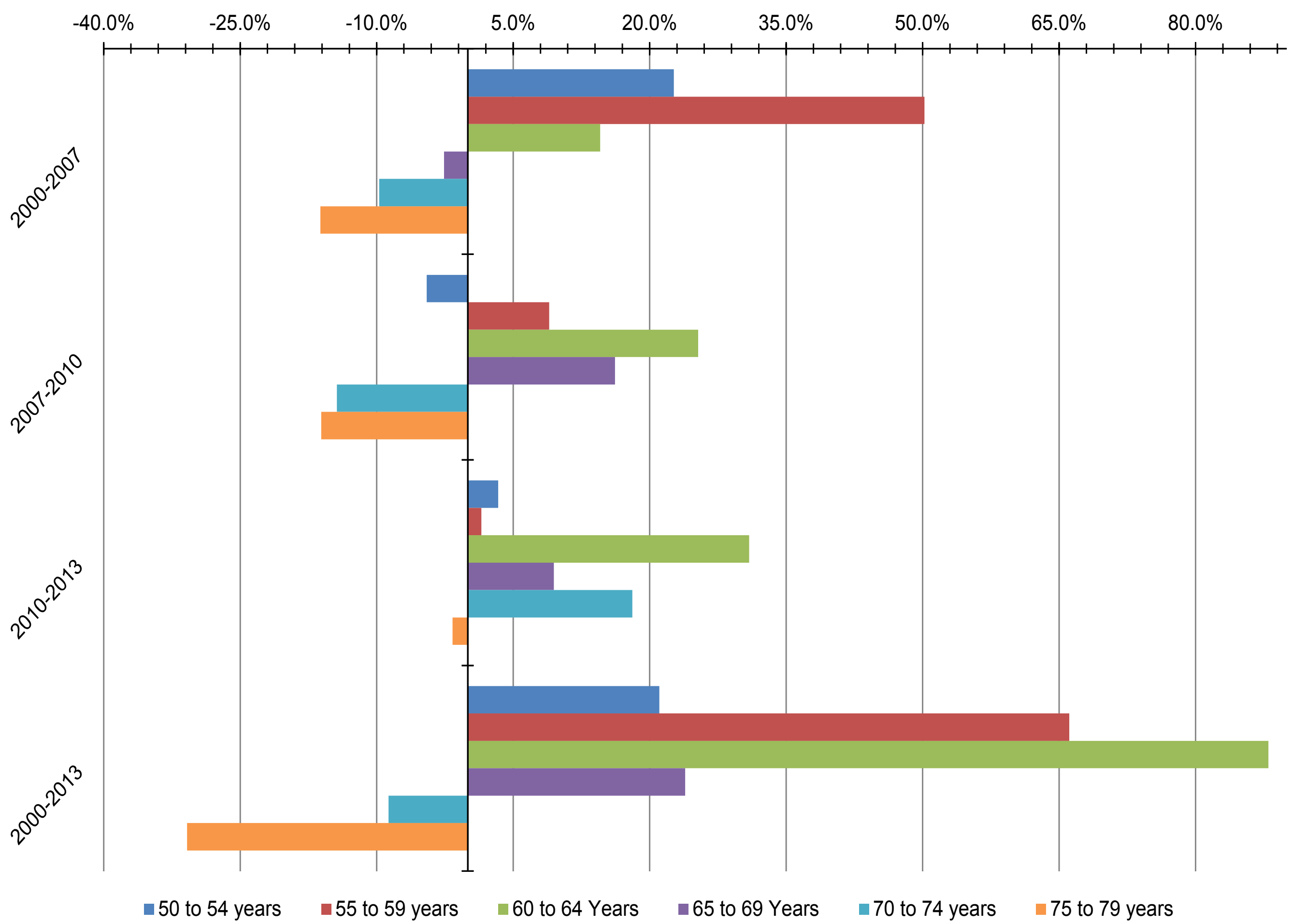
Table 30 - Change in senior citizen population, 2000 - 2013

	Change '00 -'07	Change '07-'10	Change '10-'13	Change '00-'13
50 to 54 years	22.7%	-4.5%	3.4%	21.1%
55 to 59 years	50.2%	9.0%	1.5%	66.1%
60 and 61 years	10.3%	31.2%	23.6%	78.9%
62 to 64 years	17.7%	21.3%	36.4%	94.8%
60 to 64 Years	14.6%	25.3%	30.9%	88.0%
65 and 66 years	0.7%	36.8%	-1.1%	36.2%
67 to 69 years	-4.7%	1.8%	19.4%	15.8%
65 to 69 Years	-2.6%	16.2%	9.5%	23.9%
70 to 74 years	-9.7%	-14.4%	18.1%	-8.7%
75 to 79 years	-16.2%	-16.1%	-1.7%	-30.8%
80 to 84 years	-13.8%	-3.8%	-1.6%	-18.4%
85 years and over	-0.8%	-18.8%	-6.1%	-24.3%
Total	-5.6%	4.6%	2.7%	1.5%

Source: U.S. Census Bureau, 2000 Decencial Census, 2007 2010, and 2013 ACS.3-Year Estimates

The senior citizen population of Saint Paul is set to grow drastically, as the baby-boomer generation approaches retirement. The largest growth in these age groups has been for those aged 55 to 59 and 60 to 64. As figure 34 below shows, these age groups have increased by more than of 80% from 2000 to 2013. These changes will likely have huge impacts on Saint Paul's jobs and housing markets.

Figure 34 - Change in senior citizen population, by age cohort, 2000-2013



Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

As the senior citizen population ages, these groups move into retirement and leave the workforce. The table and figure below describe this trend. The graph visually shows the large decreases in employment by retiring seniors aged 60 to 61. Interestingly, a large number of 62 to 64 year olds remain employed, while a nearly equal amount are choosing to retire.

Figure 35 - Changes in senior citizen employment by age cohort, 2011-2013

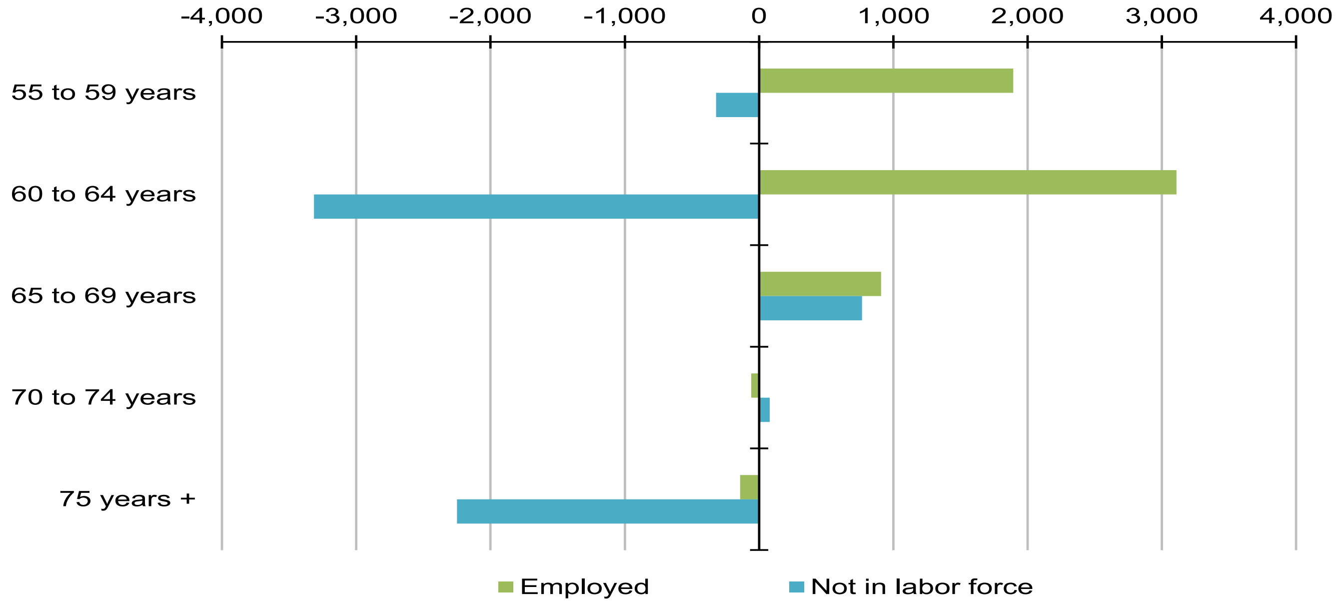


Table 31 - Changes in senior citizen employment by age cohort, 2011-2013

Age Group	Total	In labor force	Employed	Unemployed	Not in labor force
55 to 59 years	1,587	1,907	1,892	37	-320
60 and 61 years	2,260	1,561	1,338	223	-4,920
62 to 64 years	3,410	1,804	1,770	34	1,606
65 to 69 years	1,771	1,005	908	97	766
70 to 74 years	68	-12	-59	47	80
75 years and over	6,630	-120	-142	22	-2,250

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

The next three pages look at senior citizen employment during each of the three periods (2005-2007; 2008-2010; and 2011-2013) in more detail. First, the most recent data show a number of senior citizens remaining employed while a roughly equal number have retired.

Figure 36 - Total senior citizen employment, 2011-2013

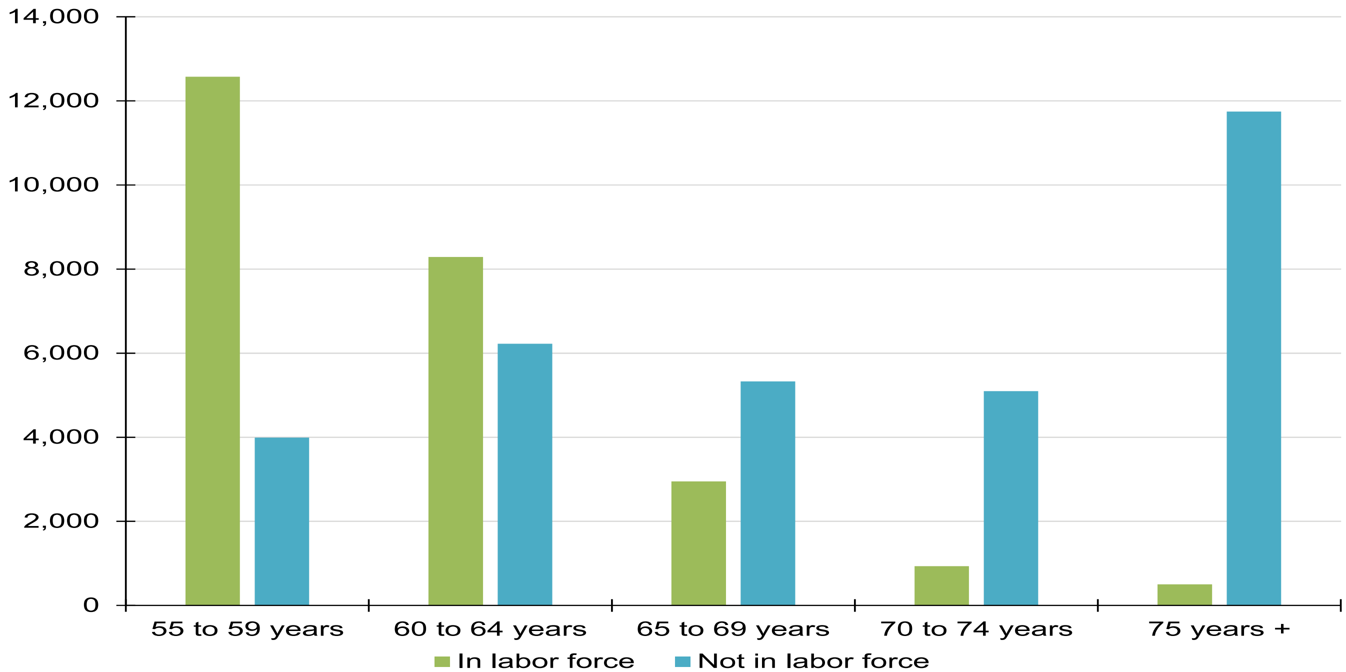


Table 32 - Total senior citizen employment, 2011-2013

Age Group	Total	In labor force	Employed	Unemployed	Not in labor force
55 to 59 years	16,568	12,575	11,716	859	3,993
60 and 61 years	5,896	3,854	3,573	281	2,042
62 to 64 years	8,620	4,436	4,324	112	4,184
65 to 69 years	8,282	2,952	2,805	147	5,330
70 to 74 years	6,034	935	837	98	5,099
75 years and over	12,251	504	482	22	11,747

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

In 2010, fewer senior citizens had retired, and there were significantly fewer senior citizens generally.

Figure 37 - Total senior citizen employment, 2008-2010

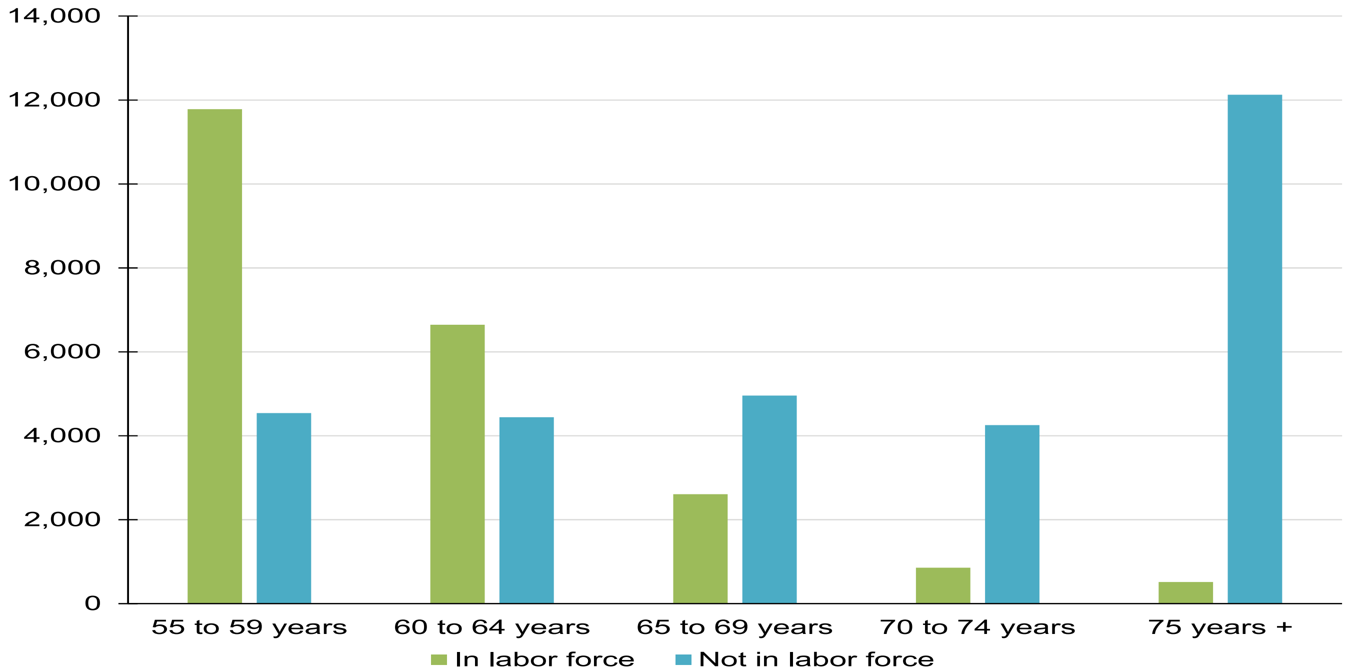


Table 33 - Total senior citizen employment, 2008-2010

Age Group	Total	In labor force	Employed	Unemployed	Not in labor force
55 to 59 years	16,323	11,781	10,839	942	4,542
60 and 61 years	4,769	3,250	2,980	270	1,519
62 to 64 years	6,318	3,396	3,251	145	2,922
65 to 69 years	7,565	2,607	2,464	143	4,958
70 to 74 years	5,109	855	788	67	4,254
75 years and over	12,642	516	501	15	12,126

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

The trend of fewer senior citizens and fewer retirees continues as the period of analysis goes further into the past.

Figure 38 - Senior Citizen Employment, 2005-2007

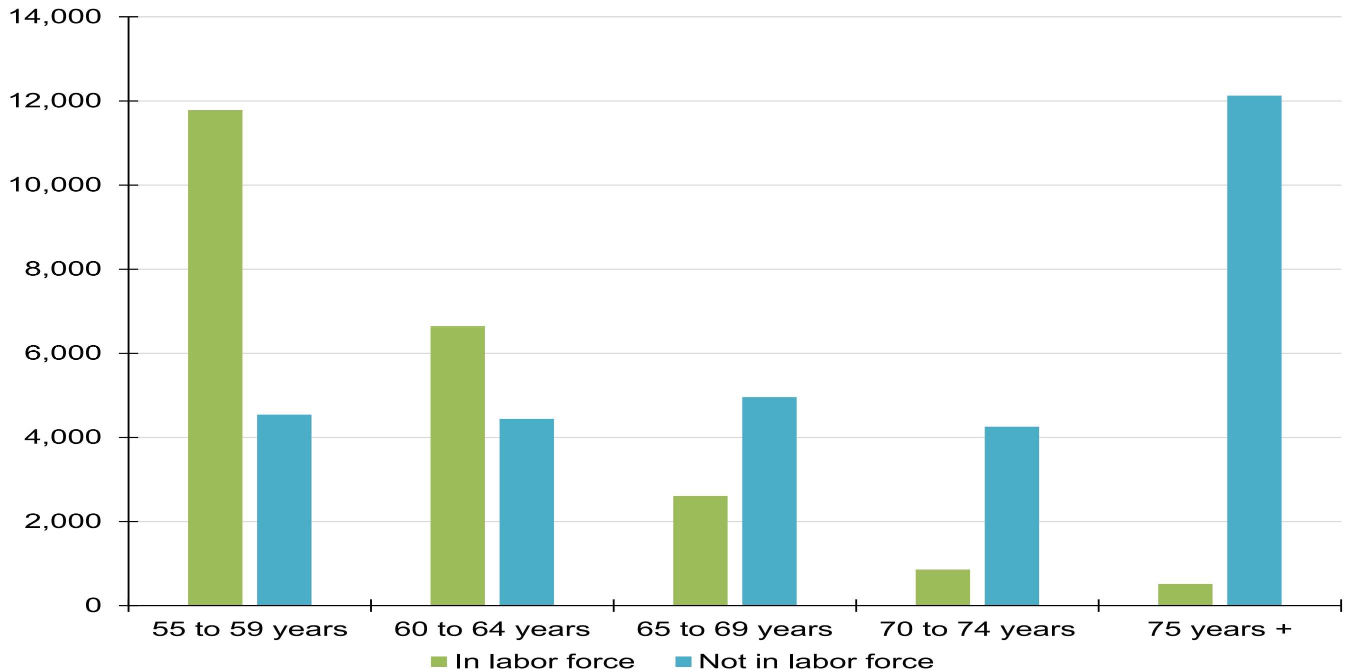


Table 34 - Total senior citizen employment, 2005-2007

Age Group	Total	In labor force	Employed	Unemployed	Not in labor force
55 to 59 years	14,981	10,668	9,824	822	4,313
60 and 61 years	3,636	2,293	2,235	58	6,962
62 to 64 years	5,210	2,632	2,554	78	2,578
65 to 69 years	6,511	1,947	1,897	50	4,564
70 to 74 years	5,966	947	896	51	5,019
75 years and over	5,621	624	624	0	13,997

Source: U.S. Census Bureau, 2007 2010, and 2013 American Community Survey.3-Year Estimates

The housing tenure of the city's senior citizens are described in a similar fashion. As the most recent data show (figure 39), significant numbers of senior citizens own their homes. As seniors age, decide to move, or require health care assistance, many of these houses may come onto the housing market. There may also be a substantial increase in demand for rental properties.

Figure 39 - Senior Citizen Housing Tenure, 2005-2007

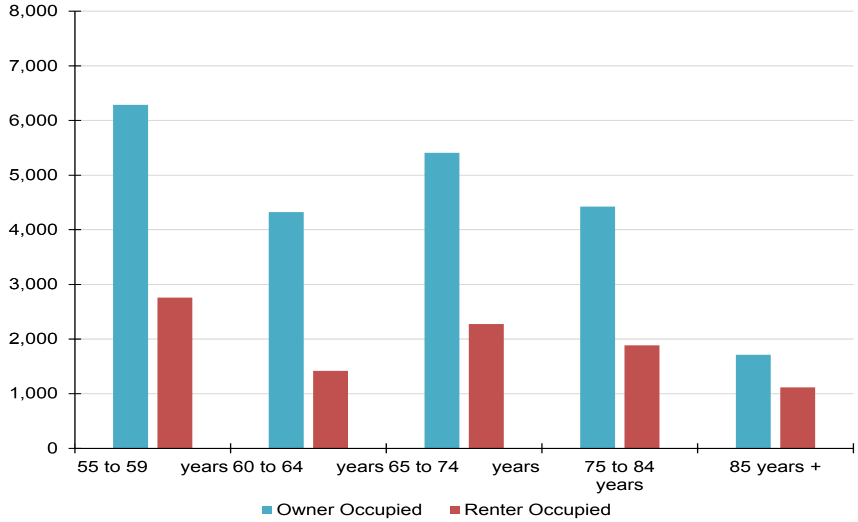


Figure 40 - Senior Citizen Housing Tenure, 2008-2010

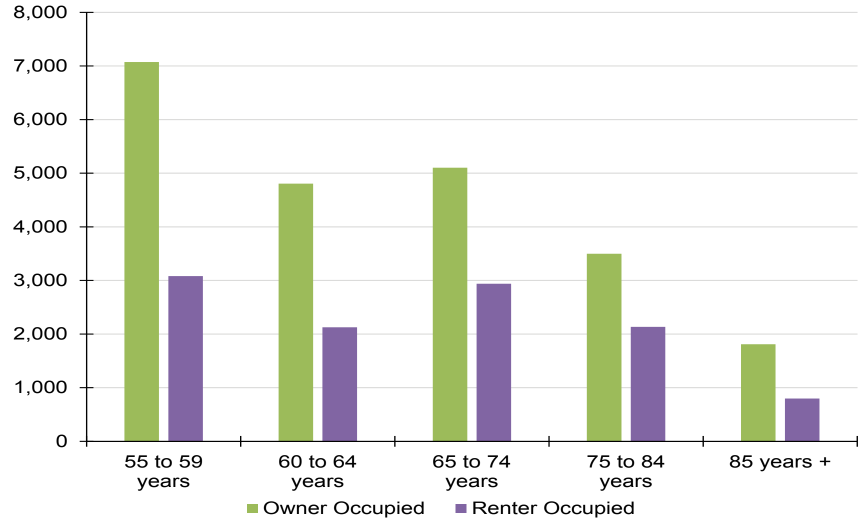
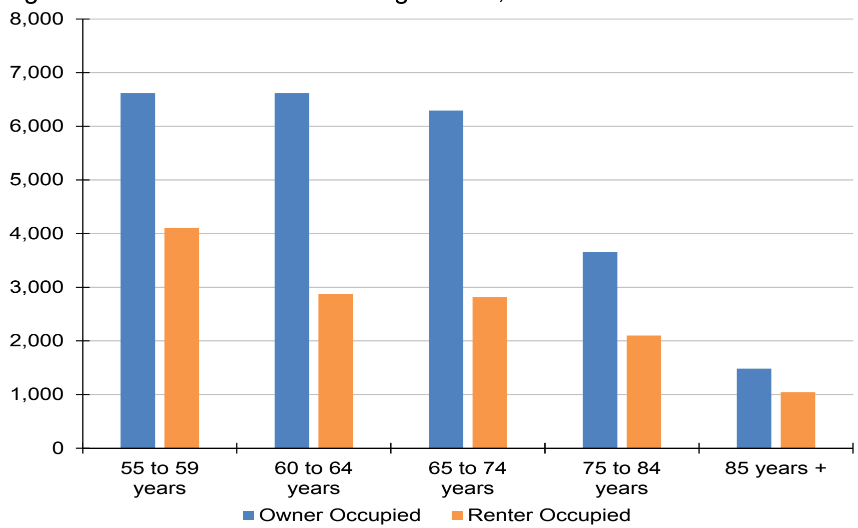


Figure 41 - Senior Citizen Housing Tenure, 2011-2013



Source: U.S. Census Bureau, 2005-2007 ACS, 2008-2010 ACS, and 2011-2013 ACS.

Industry Sector Definitions

Employment information used in this report, obtained from the Minnesota Department of Employment and Economic Development, employs the federal North American Industry Classification System (NAICS). This standard is used by Federal statistical agencies in classifying business establishments for the purpose of collecting, analyzing, and publishing statistical data related to the U.S. business economy. Definitions for each of these major sectors are described below. More detailed information about the classification of jobs by industry can be found at: http://www.census.gov/eos/www/naics/2007NAICS/2007_Definition_File. pdf

Accommodation and Food Services (Sector 72) comprises establishments providing customers with lodging and/or preparing meals, snacks, and beverages for immediate consumption. The sector includes both accommodation and food services establishments because the two activities are often combined at the same establishment.

Administrative and Support and Waste Management and Remediation Services (Sector 56) comprises establishments performing routine support activities for the day-to-day operations of other organizations. These essential activities are often undertaken in-house by establishments in many sectors of the economy. Activities performed include: office administration, hiring and placing of personnel, document preparation and similar clerical services, solicitation, collection, security and surveillance services, cleaning, and waste disposal services

Arts, Entertainment, and Recreation (Sector 71) includes a wide range of establishments that operate facilities or provide services to meet varied cultural, entertainment, and recreational interests of their patrons. This sector comprises (1) establishments that are involved in producing, promoting, or participating in live performances, events, or exhibits intended for public viewing; (2) establishments that preserve and exhibit objects and sites of historical, cultural, or educational interest; and (3) establishments that operate facilities or provide services that enable patrons to participate in recreational activities or pursue amusement, hobby, and leisure-time interests.

Construction (Sector 23) comprises establishments primarily engaged in the construction of buildings or engineering projects (e.g., highways and utility systems).

Educational Services (Sector 61) comprises establishments that provide instruction and training in a wide variety of subjects. This instruction and training is provided by specialized establishments, such as schools, colleges, universities, and training centers. These establishments may be privately owned and operated for profit or not for profit, or they may be publicly owned and operated. They may also offer food and/or accommodation services to their students.

Finance and Insurance (Sector 52) comprises establishments primarily engaged in financial transactions (those involving the creation, liquidation, or change in ownership of financial assets) and/or in facilitating financial transactions.

Health Care and Social Assistance (Sector 62) comprises establishments providing health care and social assistance for individuals. The sector includes both health care and social assistance because it is sometimes difficult to distinguish between the boundaries of these two activities. The services provided by establishments in this sector are delivered by trained professionals.

Information (Sector 51) comprises establishments engaged producing and distributing information and cultural products, providing the means to transmit or distribute these products as well as data or communications, and (c) processing data.

Management of Companies and Enterprises (Sector 55) comprises (1) establishments that hold the securities of (or other equity interests in) companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or (2) establishments (except government establishments) that administer, oversee, and manage establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision making role of the company or enterprise.

Manufacturing (Sectors 31-33) comprises establishments engaged in the mechanical, physical, or chemical transformation of materials, substances, or components into new products

Other Services (except Public Administration) (Sector 81) comprises establishments engaged in providing services not specifically provided for elsewhere in the classification system. Establishments in this sector are primarily engaged in activities, such as equipment and machinery repairing, promoting or administering religious activities, grant-making, advocacy, and providing dry-cleaning and laundry services, personal care services, death care services, pet care services, photo-finishing services, temporary parking services, and dating services. Private households that engage in employing workers on or about the premises in activities primarily concerned with the operation of the household are included in this sector. Excluded from this sector are establishments primarily engaged in retailing new equipment and also performing repairs and general maintenance on equipment.

Professional, Scientific, and Technical Services (Sector 54) comprises establishments that specialize in performing professional, scientific, and technical activities for others. These activities require a high degree of expertise and training.

Public Administration (Sector 92) consists of establishments of federal, state, and local government agencies that administer, oversee, and manage public programs and have executive, legislative, or judicial authority over other institutions within a given area. These agencies also set policy, create laws, adjudicate civil and criminal legal cases, provide for public safety and for national defense.

Real Estate and Rental and Leasing (Sector 53) comprises establishments primarily engaged in renting, leasing, or otherwise allowing the use of tangible or intangible assets, and establishments providing related services.

Retail Trade (Sectors 44 & 45) comprises establishments engaged in retailing merchandise, generally without transformation, and rendering services incidental to the sale of merchandise.

Transportation and Warehousing (Sectors 48 & 49) includes industries providing transportation of passengers and cargo, warehousing and storage for goods, scenic and sightseeing transportation, and support activities related to modes of transportation.

Utilities (Sector 22) comprises establishments engaged in the provision of the following utility services: electric power, natural gas, steam supply, water supply, and sewage removal.

Wholesale Trade (Sector 42) comprises establishments engaged in wholesaling merchandise, generally without transformation, and rendering services incidental to the sale of merchandise. The merchandise described in this sector includes the outputs of agriculture, mining, manufacturing, and certain information industries, such as publishing.