



Housing Indicator Report 2023



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Cover Photo: Chris Lee

*Pages or sections highlighted in **RED** indicate data is referencing the 2022 Duluth Rental Survey, as a rental survey for 2023 was not conducted

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Introduction

The City of Duluth's annual Housing Indicator Report provides key insights into the local housing market, population demographics, and workforce statistics. Aligned with the goals outlined in the Imagine Duluth Comprehensive Plan, the City is dedicated to preserving the unique character of its neighborhoods while ensuring safe, clean, and equitable housing for all residents.

Despite maintaining a relatively steady population of about 87,000 residents over the past three decades, Duluth has experienced an increasing need for suitable housing over the past ten years, specifically affordable units. This challenge mirrors a nationwide trend, where cities face a shortage of housing across all income levels amidst escalating development costs. The lingering impacts of the COVID-19 pandemic continue to create financial instability and uncertainty within the housing sector, exacerbated by a tight labor market, elevated interest rates, and high construction material costs.

In response, the City of Duluth remains committed to addressing housing needs through strategic partnerships at the local, state, and federal levels. These collaborations aim to boost the construction and preservation of housing across all income levels. According to a 2019 study by Maxfield Research and Associates, Duluth requires approximately 3,600 affordable housing units by 2024 to meet its residents' needs. A 2023 study by Zimmerman/Volk Associates also found that Duluth's downtown neighborhoods alone have capacity to absorb up to 2,400 new units of market rate and affordable housing. Despite the complexities involved in developing new housing, and especially new affordable housing, the City is optimistic about the strides it can make to enhance housing availability for its community.

2023 Housing Indicator Report Highlights

- Median sale price for a single-family home was \$275,000.
- Duluth added 35 new multi-family rental units and 72 new single-family homes in 2023
- The city added 88 net housing units in 2023 and has added 1,006 net units since 2020

NOTE: The City of Duluth did not conduct a rental survey in 2023. Rental statistics included in this report (vacancy rates, median rents) are based on data collected in 2022.

Duluth Demographics

Population

Minnesota: 5,695,292

St. Louis County: 200,122

Duluth Population: 86,772

Female: 50.8%

Male: 49.2%

*The City of Duluth acknowledges that some individuals may not identify with either of the above genders. The City will update these categories as soon as new data is available from the Census Bureau.

Age Category Duluth	Percentage
Under 18 years	17.2%
18 years and over	82.8%
21 years and over	74.3%
25 to 29 years	6.8%
30 to 34 years	7.0%
35 to 39 years	6.0%
40 to 44 years	5.4%
45 to 49 years	5.0%
50 to 54 years	5.2%
55 to 59 years	5.5%
60 years and over	22.4%
62 years and over	20.3%
65 years and over	16.6%
75 years and over	7.1%



Total Households: 36,679

Avg. Family Size: 2.86

Avg. Household Size: 2.20



Median Age: 34.7

City of Duluth Racial Composition

White:	88.3%
Two or more races:	5.0%
Black/African American:	2.5%
American Indian:	1.8%
Asian:	1.6%
Other race:	0.8%
Native Hawaiian/ Pacific Islander:	< 0.01%

Median Household Income	2018	2023	Change Last 5 years
City of Duluth	\$49,441	\$63,545	28.60%
City of Minneapolis	\$58,993	\$76,332	29.39%
City of St. Paul	\$55,085	\$69,919	26.93%
City of St. Cloud	\$46,854	\$58,910	25.73%
City of Rochester	\$70,749	\$83,973	18.69%
St. Louis County	\$53,344	\$66,491	22.82%
State of Minnesota	\$68,411	\$84,313	23.24%
United States	\$60,293	\$75,149	24.64%

Total Household Income	Percentage
Less than \$10,000	6.1%
\$10,000—\$14,999	5.2%
\$15,000—\$24,999	8.3%
\$25,000—\$34,999	8.5%
\$35,000—\$49,999	12.6%
\$50,000—\$74,999	17.2%
\$75,000—\$99,999	12.8%
\$100,000—\$149,999	16.2%
\$150,000—\$199,999	6.5%
\$200,000 or more	6.6%

Student Enrollment	Students 2021	Students 2022	Students 2023
University of MN – Duluth	9,884	9,675	9,350
College of St. Scholastica	1,486	1,938	1,755
Lake Superior College	6,544	5,967	5,361
Totals	17,914	17,580	16,466

Duluth Unemployment Rate Comparison

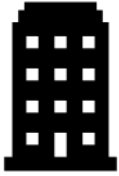
Duluth Rate	4.9%
Twin Cities Metro Rate	4.6%
Minnesota Rate	4.0%
U.S. Rate	5.3%

Education Level (Persons Over 25)

Less Than 9th Grade	1.3%
9th to 12th Grade	3.5%
High School Graduate	21.0%
Some College	23.4%
Associates Degree	9.7%
Bachelors Degree	24.5%
Graduate Degree	16.4%

Data Sources: U.S. Census Bureau, American Community Survey. Note: 2023 data is from the 2022 5-year estimate data profiles.

Housing in Duluth



RENTER HOUSEHOLDS

39.4% of all households

2023 Total Rental Units: 17,169

2022 Total Rental Units: 17,231

2022 Average Rent: \$1,329

2021 Average Rent: \$1,320

2022 Median Rent: \$1,355

2021 Median Rent: \$1,274

*Rental units reflect those with active rental licenses in the City of Duluth.

*No median rent data was collected in 2023.



OWNER HOUSEHOLDS

60.6% of all households

Median Sale Price, 2023: \$275,000

Median Sale Price, 2022: \$260,000

HRA SUBSIDIZED HOUSING

HRA Owned & Managed Units 2023: 1,047

Total Housing Choice Vouchers 2023: 1,765

	2022	2023
HRA Units Vacancy %	5.25%	6.6%
HRA Units Average Wait List	1,313	2,003
Housing Voucher Unused %	20%	22%
Housing Voucher Average Wait List	2,420	3,363

HOUSING PRODUCTION

Building Permits Issued

Units of 1 Family Dwelling 2023: 45

Units of 1 Family Dwelling 2022: 72

Units of Multi-family Dwelling 2023: 350

Units of Multi-family Dwelling 2022: 187

Certificate of Occupancy Issued

Units of 1 Family Dwelling 2023: 72

Units of 1 Family Dwelling 2022: 34

Units of Multi-family Dwelling 2023: 35

Units of Multi-family Dwelling 2022: 96

*See appendix A and B for historical data

Homeownership Duluth

Single Family Home Sales Listed vs. Sold

Year	2019	2020	2021	2022	2023
Listed	1,632	1,604	1,478	1,510	1,202
Sold	1,342	1,444	1,426	1,428	1,028

Single Family Home Median Sale Price & Average Days on Market

Year	2020	2021	2022	2023
Sale Price	\$205,000	\$240,000	\$260,000	\$275,000
Days	24	38	26	37

Foreclosures Duluth & St. Louis County

Year	2019	2020	2021	2022	2023
Duluth	33	16	8	30	34
SLC	140	48	33	61	86

Affordable Homeownership Duluth— Community Land Trust Homes

One Roof Community Housing’s Community Land Trust program allows lower income home buyers to purchase Land Trust homes for a significantly reduced price. In exchange for this assistance, One Roof maintains ownership of the land.

New Construction Sold 2023: 1

Acquisition/Rehab Sold 2023: 11

Avg. Home Value 2023: \$228,000

Avg. Land Trust Sale Price 2023: \$154,000

New Construction Sold 2022: 1

Acquisition/Rehab Sold 2022: 12

Avg. Home Value 2022: \$205,000

Avg. Land Trust Sale Price 2022: \$153,000



Duluth Rental Housing — 2022

The overall vacancy rate in 2022 was 3.5%. While the general perception may be that rental vacancies are negative, some level of vacancy is necessary for a healthy housing market that works for both potential tenants and property owners. A vacancy of 5% is often considered healthy. See appendix C for full survey results and 2021 comparative data.

Year	Vacancy Rate
2022	3.5%
2021	2.0%
2020	5.2%
2019	2.6%
2018	3.0%

Unit Type	Units Surveyed	Vacancy Rate	Average Rent	Median Rent
Studio	231	3.0%	\$734	\$724
1 Bedroom	1004	1.9%	\$861	\$834
2 Bedroom	1,488	4.6%	\$1,099	\$1,025
3 Bedroom	652	3.4%	\$1,412	\$1,413
4 Bedroom	357	4.5%	\$1,663	\$1,794
5+ Bedroom	149	3.4%	\$2,099	\$2,328
Total	3,878	3.5%	\$1,311	\$1,353

HRA Subsidized Housing in Duluth

	2020	2021	2022	2023
HRA Units Vacancy %	6.3%	4.25%	5.25%	6.6%
HRA Units Average Wait List	1,087	1,031	1,313	2,003
Housing Voucher Unused	11.22%	14.8%	20%	22%
Housing Voucher Average Wait List	2,792	2,622	2,420	3,363

The Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs. HUD also establishes “Fair Market Rents” for the Duluth area. From these Fair Market Rents, the HRA establishes “Payment Standards” that may be used for the Housing Choice Voucher program. Payment Standards include both the rent and utilities based on the bedroom size of the unit. Participants must find units that meet these guidelines. The participant then pays 30% of their income towards rent and utilities and the voucher pays the landlord any balance up to the payment standard. The Housing Choice Voucher Payment Standards for Duluth are shown below.

Studio: \$878/month

1 Bedroom: \$990/month

2 Bedroom: \$1,300/month

3 Bedroom: \$1,710/month

4 Bedroom: \$2,135/month

5 Bedroom: \$2,450/month

Housing and Redevelopment Authority of Duluth, MN

In 2023, the Housing and Redevelopment Authority of Duluth (HRA) owned and managed 1,047 subsidized housing units. Of these, 411 were public housing. Other types of subsidized units included 250 project-based voucher units and 386 project-based Section 8 multi-family units. HRA owned housing units included 296 scattered site family units and six high-rise apartment buildings. In 2023, the HRA also added 18 units of non-subsidized housing units—Fairmount Cottages, pictured on the cover of this report.



Grandview Manor

The HRA also administers over 1,700 Housing Choice Vouchers (Section 8) to provide rent subsidy to qualified participants. Waitlists for both subsidized housing and the Section 8 program are often a year or longer. These programs limit tenants’ rent and utility payments to no more than 30% of their monthly income.

Poverty and Homelessness Duluth

The Coordinated Entry System (CES) is a statewide system used to assess individuals experiencing a housing crisis and connect them to local resources. Communities, including Duluth, who receive Continuum of Care (CoC) grants through the U.S. Department of Housing and Urban Development are required to use CES. St. Louis County receives over \$3 million annually from this federal grant to assist individuals, families, and youth. Of the calls for assistance received by St. Louis County in 2023, 833 were scheduled for homeless assessments, 377 were issued prevention assistance referrals, 190 were issued shelter referrals, and 33 were issued domestic violence referrals.

Continuum of Care Housing Inventory Duluth/St. Louis County 2023

	Total Year-Round Beds
Emergency & Transitional Housing	409
Emergency Shelter	239
Transitional Housing	170
Permanent Housing	1,325
Permanent Supportive Housing	657
Rapid Re-Housing	69
Other Permanent Housing	599
Grand Total	1,734

*See appendix D for housing type definitions

Point in Time Count Duluth 2023

The Point-in-Time (PIT) count is a count of sheltered and unsheltered people experiencing homelessness on a single night in January. HUD requires that Continuums of Care conduct an annual count of people experiencing homelessness who are sheltered in emergency shelter, transitional housing, and Safe Havens on a single night. See following page for data collected for 2023.

2023 Point in Time Count Data — Duluth/St. Louis County Continuum of Care

Total Households and Persons					
	Sheltered			Unsheltered	Total
	ES	TH	SH		
Total number of households	155	85	0	208	448
Total number of persons	209	149	0	221	579
Number of children (under age 18)	41	63	0	1	105
Number of young adults (age 18 to 24)	19	26	0	14	59
Number of adults (25-34)	30	23	0	46	99
Number of adults (35-44)	44	14	0	63	121
Number of adults (45-54)	35	6	0	54	95
Number of adults (55-64)	23	9	0	37	69
Number of adults (Over 65)	17	8	0	6	31
Gender					
Female	92	79	0	75	246
Male	114	66	0	146	326
Transgender	2	2	0	0	4
A gender other than singularly female or male (e.g., non-binary)	1	2	0	0	3
Questioning	0	0	0	0	0
Ethnicity					
Non-Hispanic/Non-Latin(a)(o)(x)	200	142	0	214	556
Hispanic/Latin(a)(o)(x)	9	7	0	7	23
Race					
American Indian, Alaska Native, or Indigenous	36	26	0	77	139
Asian or Asian American	0	2	0	1	3
Black, African American, or African	17	27	0	20	64
Native Hawaiian or Pacific Islander	3	0	0	0	3
White	112	57	0	120	289
Multiple Races	41	37	0	3	81
Chronically Homeless					
Total number of persons	104	13	0	148	265

Key

ES — Emergency Shelter

TH — Transitional Housing

SH — Supportive Housing

2023 Point in Time Count Data Continued

Households with at Least One Adult and One Child					
	Sheltered			Unsheltered	Total
	ES	TH	SH		
Total number of households	19	34		1	54
Total number of persons	64	96	0	2	162
Number of children (under age 18)	41	57		1	99
Number of young adults (age 18 to 24)	4	10		0	14
Number of adults (25-34)	13	19		1	33
Number of adults (35-44)	4	6		0	10
Number of adults (45-54)	1	3		0	4
Number of adults (55-64)	1	0		0	1
Number of adults (Over 65)	0	1		0	1
Gender					
Female	41	57	0	0	98
Male	23	39	0	2	64
Transgender	0	0	0	0	0
A gender other than singularly female or male (e.g., non-binary)	0	0	0	0	0
Questioning	0	0	0	0	0
Ethnicity					
Non-Hispanic/Non-Latin(a)(o)(x)	57	91	0	2	150
Hispanic/Latin(a)(o)(x)	7	5	0	0	12
Race					
American Indian, Alaska Native, or Indigenous	15	19	0	0	34
Asian or Asian American	0	1	0	0	1
Black, African American, or African	2	19	0	0	21
Native Hawaiian or Pacific Islander	2	0	0	0	2
White	20	28	0	1	49
Multiple Races	25	29	0	1	55
Chronically Homeless					
Total number of households	10	3		0	13
Total number of persons	37	8		0	45

Key

ES — Emergency Shelter

TH — Transitional Housing

SH — Supportive Housing

2023 Point in Time Count Data Continued

Households with Only Children (under age 18)					
	Sheltered			Unsheltered	Total
	ES	TH	SH		
Total number of households	0	6		0	6
Total number of children (under age 18)	0	6		0	6
Gender					
Female	0	4	0	0	4
Male	0	1	0	0	1
Transgender	0	1	0	0	1
A gender other than singularly female or male (e.g., non	0	0	0	0	0
Questioning	0	0	0	0	0
Ethnicity					
Non-Hispanic/Non-Latin(a)(o)(x)	0	6	0	0	6
Hispanic/Latin(a)(o)(x)	0	0	0	0	0
Race					
American Indian, Alaska Native, or Indigenous	0	2	0	0	2
Asian or Asian American	0	0	0	0	0
Black, African American, or African	0	1	0	0	1
Native Hawaiian or Pacific Islander	0	0	0	0	0
White	0	2	0	0	2
Multiple Races	0	1	0	0	1
Chronically Homeless					
Total number of persons	0	0		0	0

Key

ES — Emergency Shelter

TH — Transitional Housing

SH — Supportive Housing

2023 Point in Time Count Data Continued

Households without Children					
	Sheltered			Unsheltered	Total
	ES	TH	SH		
Total number of households	136	45	0	207	388
Total number of persons	145	47	0	219	411
Number of young adults (age 18 to 24)	15	16	0	14	45
Number of adults (25-34)	17	4	0	45	66
Number of adults (35-44)	40	8	0	63	111
Number of adults (45-54)	34	3	0	54	91
Number of adults (55-64)	22	9	0	37	68
Number of adults (Over 65)	17	7	0	6	30
Gender					
Female	51	18	0	75	144
Male	91	26	0	144	261
Transgender	2	1	0	0	3
A gender other than singularly female or male (e.g., non-binary)	1	2	0	0	3
Questioning	0	0	0	0	0
Ethnicity					
Non-Hispanic/Non-Latin(a)(o)(x)	143	45	0	212	400
Hispanic/Latin(a)(o)(x)	2	2	0	7	11
Race					
American Indian, Alaska Native, or Indigenous	21	5	0	77	103
Asian or Asian American	0	1	0	1	2
Black, African American, or African	15	7	0	20	42
Native Hawaiian or Pacific Islander	1	0	0	0	1
White	92	27	0	119	238
Multiple Races	16	7	0	2	25
Chronically Homeless					
Total number of persons	67	5	0	148	220

Key

ES — Emergency Shelter

TH — Transitional Housing

SH — Supportive Housing

Housing Affordability Analysis

Affordable housing is generally defined as housing for which the occupant is paying no more than 30 percent of gross income for housing costs, including utilities. The City of Duluth Rental Survey from 2022, which provides average rent data, only considers market rate apartment units. Public housing units that are subsidized are not counted towards this average.

Rental Housing

*Data derived from the 2022 Duluth Rental Survey

	Studio	1 Bed	2 Bed	3 Bed	4 Bed	5+ Bed
Average Monthly Rent	\$734	\$861	\$1,099	\$1,412	\$1,663	\$2,099
Yearly Income to Afford	\$29,360	\$34,440	\$43,960	\$56,480	\$66,520	\$83,960
Hourly Wage to Afford (40 hr./ week)	\$14.11	\$16.55	\$21.13	\$27.15	\$31.98	\$40.37
Hours/Week at Minimum Wage \$10.59	54	63	80	103	121	153

Homeownership

Median Home Sale Price Duluth: \$275,000

Estimated Monthly Payment: \$1,798

Yearly Income to Afford: \$71,920

*Assumes 30-year fixed loan term at 7.0% with a down payment of 20%

Appendix A

Housing Construction Permits Issued—City of Duluth

CITY OF DULUTH (AS OF 12/31/2023)

	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
New permits (residential)	139	146	151	132	105	87	45	31	55	25	35	41	58	32	43	49	59	72	44	67	72	52
Units of 1 family dwellings	131	138	121	113	87	70	36	31	36	21	33	39	44	29	42	46	40	57	42	67	72	45
Units of 2 family dwellings	10	10	30	17	2	26	8	0	34	4	4	4	4	0	0	0	16	15	4	0	0	4
Units of 3 or 4 family dwellings	4	8	28	16	19	0	0	0	6	0	0	0	16	0	0	0	4	1		0	0	0
Units of 5 or more family dwellings	88	6	206	103	494	18	104	0	0	16	106	60	126	381	54	153	154	454	116	74	187	346
Number of Units Created	233	162	385	249	602	114	148	31	76	41	143	103	190	410	96	199	214	527	162	141	259	395
Alteration permits (residential)	1037	883	904	865	810	819	808	821	855	471	1794	1514	1436	1037	244	268	353	280	355	370	276	153
Addition permits (residential)	140	134	120	109	113	89	82	59	65	55	54	38	40	48	30	51	35	30	47	32	24	27
Single family demolitions	29	20	22	47	19	32	38	44	45	32	31	52	44	45	39	18	31	28	36	30	30	28
Multi-family units demolished	31	16	166	93	18	4	10	0	8	71	0	16	4	29	10	8	2	6	9	3	74	6
Number of Units Demolished	60	36	188	140	37	36	48	44	53	103	31	68	48	74	49	26	33	34	45	33	104	34
Net Gain Single Family	102	118	99	66	68	38	-2	-13	-9	-11	2	-13	0	-16	3	28	9	44	6	37	42	17
Net Production Multi-family Units	71	8	98	43	497	40	102	0	32	-51	108	48	142	352	44	145	172	449	111	71	113	344
Net Gain Units (Total)	173	126	197	109	565	78	100	-13	23	-62	112	35	142	336	47	173	181	459	117	108	155	361

*Note: These numbers only reflect construction and demolition permits issued. They do not show the number of units granted a Certificate of Occupancy.

Appendix B

Housing Unit Production—Certificate of Occupancy Received

Category Type	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
New Single Family Homes	29	31	28	35	52	40	43	47	50	34	72
New Multi-family Units	127	34	18	298	40	104	203	153	358	96	35
Building Alteration New Units	28	27	57	55	5	7	47	137	48	71	15
Units Demolished/Alteration Loss	110	50	59	37	44	38	28	23	28	25	34
New Units Total	184	92	103	388	97	151	293	337	456	201	122
Net Gain Units (Total)	74	53	44	351	53	113	265	314	428	176	88

Appendix C

Rental Survey Results 2022

Unit Type	Units Surveyed	Vacancy Rate	Average Rent	Median Rent
Studio	231	3.0%	\$734	\$724
1 Bedroom	1004	1.9%	\$861	\$834
2 Bedroom	1,488	4.6%	\$1,099	\$1,025
3 Bedroom	652	3.4%	\$1,412	\$1,413
4 Bedroom	357	4.5%	\$1,663	\$1,794
Other	149	3.4%	\$2,099	\$2,328
Summary	3,878	3.5%	\$1,311	\$1,353

Rental Survey Results 2021

Unit Type	Units Surveyed	Vacancy Rate	Average Rent	Median Rent
Studio	213	3.3%	\$748	\$698
1 Bedroom	818	3.2%	\$836	\$725
2 Bedroom	1,461	2.4%	\$1,065	\$950
3 Bedroom	832	1.2%	\$1,358	\$1,258
4 Bedroom	538	1.3%	\$1,683	\$1,698
Other	302	0.3%	\$2,227	\$2,313
Summary	4,164	2.0%	\$1,320	\$1,274

Appendix D

Summary of Housing Inventory Terms

Emergency Shelter: Facility that provides a temporary shelter for the homeless or for specific populations of the homeless and which does not require occupants to sign leases or occupancy agreements.

Transitional Housing: Designed to provide homeless individuals and families with the interim stability and support to obtain and maintain permanent housing. Program participants will have a lease or occupancy agreement when residing in transitional housing.

Permanent Housing: Community-based housing without a designated length of stay for formerly homeless individuals and families. Program participants will have a lease for an initial term that is renewable.

Permanent Supportive Housing: Housing with indefinite leasing or rental assistance paired with supportive services to assist homeless persons with a disability or families with an adult or child member with a disability facing housing instability.

Rapid Re-Housing: Permanent housing that is short-term and/or medium-term tenant-based rental assistance for homeless individuals or families, with or without disabilities.

Other Permanent Housing: Permanent housing with services (no disability required for entry) and housing only.