

August 11, 2025 — 6:30 PM
Council Conference Room

JOINT WORK SESSION AGENDA

Planning Commission and Diversity, Equity, and Inclusion Commission Joint Meeting

This joint meeting between Planning Commission and Diversity, Equity, and Inclusion (DEI) Commission is being conducted as an in-person meeting. The public may attend and listen to discussion with public participation only allowed by invitation of the respective commissions.

1. Land Acknowledgement

We acknowledge and honor the Dakota nation, on whose ancestral land the City of Golden Valley is built, and whose land resources we use. We commit to counteracting the erasure of the cultural practices and presence of the Dakota people through education and by amplifying a wide range of indigenous voices.

2. Discussion Item(s)

2.A. [Missing Middle Housing Study](#)

3. Adjourn



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EXECUTIVE SUMMARY

Community Development

763-512-2345 / 763-512-2344 (fax)

Golden Valley Planning Commission Work Session

August 11, 2025

Agenda Item

2.A. Missing Middle Housing Study

Prepared By

Jacquelyn Kramer, Senior Planner

Seth Kaempfer, Equity and Inclusion Manager

Summary

Golden Valley, like many first-ring suburbs in the Twin Cities region, is facing growing pressure to expand housing options in response to shifting demographics, rising housing costs, and changing household needs. While the city has long been characterized by its predominantly single-family neighborhoods, there is growing recognition that this limited housing mix no longer meets the diverse needs of current and future residents. Younger households, aging residents looking to downsize, and workers seeking to live closer to employment centers all require more varied, flexible, and affordable housing options than what is currently available.

"Missing middle housing" refers to a range of multi-unit or clustered housing types—such as duplexes, triplexes, townhomes, and courtyard apartments—that are compatible in scale with single-family neighborhoods but offer greater affordability and choice. These housing types have historically existed in Golden Valley and surrounding communities but have become increasingly rare due to zoning restrictions and development trends. This project explores strategies to reintroduce missing middle housing into Golden Valley's fabric in a way that supports the city's goals of strategic redevelopment, local control, and inclusivity.

Recommended Action

No formal action is requested at this time. Staff requests the Commissions engage in discussion to better understand the scope of the issue.

Supporting Documents

- [Housing Market Analysis](#)

Demographic Shifts, Housing Market, and Housing Affordability in the City of Golden Valley

Prepared for Bolton & Menk and the City of Golden Valley
August 11, 2025

Demographic Shifts

- Golden Valley is projected to grow by about 2,000 households between 2020 and 2040, according to the Metropolitan Council (Figure 2, Slide 5)
- Over the next five years, household growth is projected to occur most in the age 35 to 54 and over age 75 age groups (Figure 3, Slide 6)
 - Millennials will continue to seek affordable owner-occupied housing
 - Baby boomers will be looking for new maintenance-free options
- Based on shifts and replacement needs, the 2023 Compressive Housing Needs Analysis found demand for between 1,600 and 1,800 units of new housing (Slide 10)

Housing Market

- Owner-occupied, single-family homes still make up the majority of homes in Golden Valley (Figures 9 and 10, Slide 13)
- Most new development has been larger multifamily projects in the last few years (Figure 13, Slide 15)
- About 370 units opened in 2023 (*Xenia Apartments*) and 300 new rental units will be coming online in 2025 (*The Winn*)
- The median sale price of a single-family home increased about 22% between 2019 and 2025 (Figure 16, Slide 17)
- The market-rate rental market has absorbed about 25 units per quarter since 2019 (Figure 20, Slide 19)

Affordability

- Homebuyers in Golden Valley need incomes 14% higher than the median income in the city and 31% higher than the Metro median income to be able to afford the median priced, for-sale home (Figure 21, Slide 21)
- “Cost-burdened households” are households that pay more than 30% of their income for housing
- Almost one in five homeowners (18%) are cost burdened in Golden Valley (Figure 23, Slide 23)
- Over four of every 10 renters (43%) are cost burdened in Golden Valley (Figure 26, Slide 24)

Demographic Shifts

Short-Term Projected Population and Household Growth from ESRI

- Golden Valley has 22,000 people within 10,000 households
- The population is projected to grow by 0.3% annually between 2025 and 2030
- Household growth is projected to be stronger over the same period at 0.7%
- Reflects a national trend of aging households with fewer members
- Compared to other areas, this trend is more pronounced in Golden Valley

1 Population and Household Growth

	Census 2010	Census 2020	Estimate 2025	Forecast 2030	Annual Growth Rate	
					2010-2025	2025-2030
Population						
City of Golden Valley	20,359	22,552	22,135	22,506	0.6%	0.3%
<i>Comparison Areas</i>						
Hennepin County	1,152,439	1,281,565	1,298,422	1,312,783	0.8%	0.2%
Seven County Metro Area	2,849,565	3,163,104	3,253,299	3,322,753	0.9%	0.4%
Minneapolis-St. Paul MSA	3,333,633	3,690,261	3,809,346	3,903,629	0.9%	0.5%
State of Minnesota	5,303,925	5,706,494	5,852,943	5,959,077	0.7%	0.4%
United States	308,745,538	331,449,281	339,887,819	347,149,422	0.6%	0.4%
Households						
City of Golden Valley	8,810	9,957	10,144	10,492	0.9%	0.7%
<i>Comparison Areas</i>						
Hennepin County	475,913	528,547	544,231	555,884	0.9%	0.4%
Seven County Metro Area	1,117,748	1,239,526	1,288,806	1,325,145	1.0%	0.6%
Minneapolis-St. Paul MSA	1,293,601	1,434,315	1,498,244	1,546,472	1.0%	0.6%
State of Minnesota	2,087,227	2,253,990	2,333,970	2,391,162	0.7%	0.5%
United States	116,716,292	126,817,580	132,422,916	136,716,884	0.8%	0.6%

Source: US Census Bureau; ESRI; LOCi Consulting LLC

- Metropolitan Council has estimates available for projected population, households, and employment, 2020 to 2040
- The Met Council projections are higher than ESRI's projections (Golden Valley: 1,400 new households between 2020 and 2025 versus ESRI's 535 new households)
- Household growth is projected to decrease significantly between 2030 and 2040

2 Long-Term Population, Household, and Employment Projections

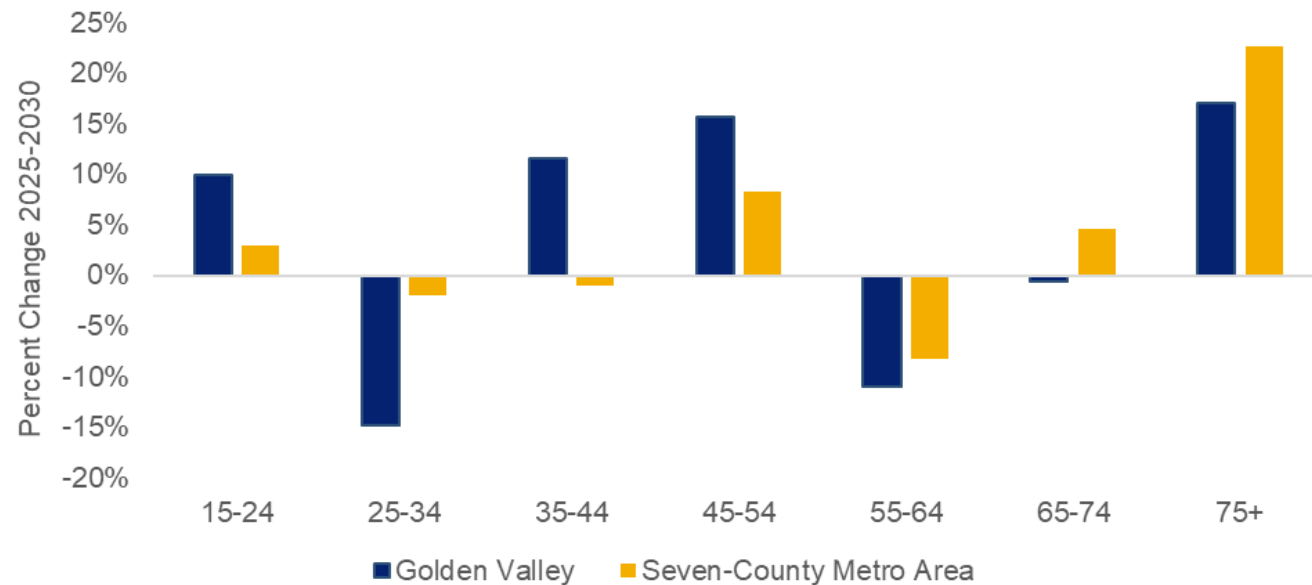
	Census 2020	Forecast 2030	Forecast 2040	Projected Change	
				2020-2030	2030-2040
Population					
Golden Valley	22,552	25,800	26,700	3,248	900
Seven-County Metro Area	3,163,104	3,451,000	3,653,000	287,896	202,000
Households					
Golden Valley	9,957	11,400	11,800	1,443	400
Seven-County Metro Area	3,163,104	3,451,000	3,653,000	287,896	202,000
Employment					
Golden Valley	28,845	36,000	37,000	7,155	1,000
Seven-County Metro Area	3,163,104	3,451,000	3,653,000	287,896	202,000

* Final Forecasts issued 12/31/2024.

Source: Metropolitan Council; LOCi Consulting LLC

Projected Household Growth by Age of Householder, 2025 to 2030

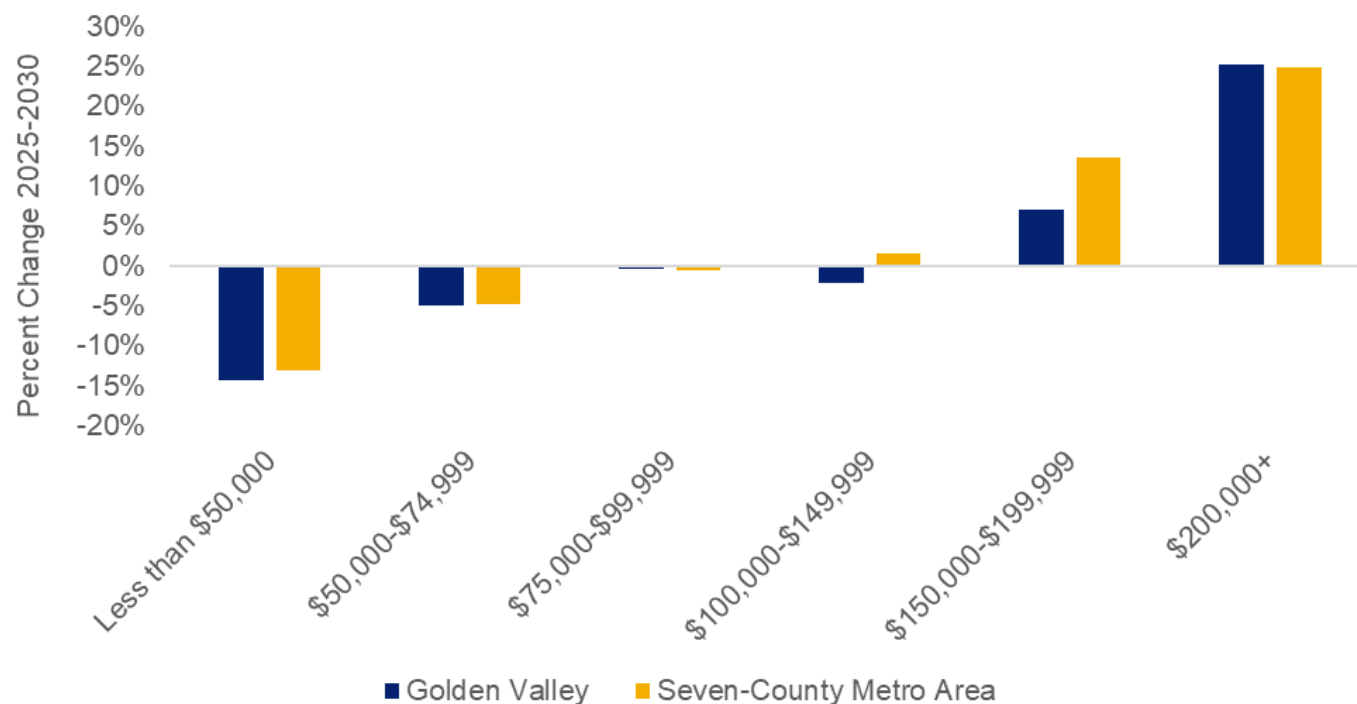
3. Projected Household Growth by Age of Householder, 2025 to 2030



- Baby Boomers (Age 65 plus) and Millennials (Age 35-45) will continue to drive household growth
- Higher growth in Golden Valley for households in their typical homeownership years (Age 35 to 54)
- Median Age in 2025:
 - Golden Valley: 42.5
 - Seven County Metro Area: 38.3
- Median Age in 2030:
 - Golden Valley: 44.0
 - Seven County Metro Area: 39.0

Projected Household Growth by Income of Householder, 2025 to 2030

4. Projected Household Growth by Income of Householder, 2025 to 2030

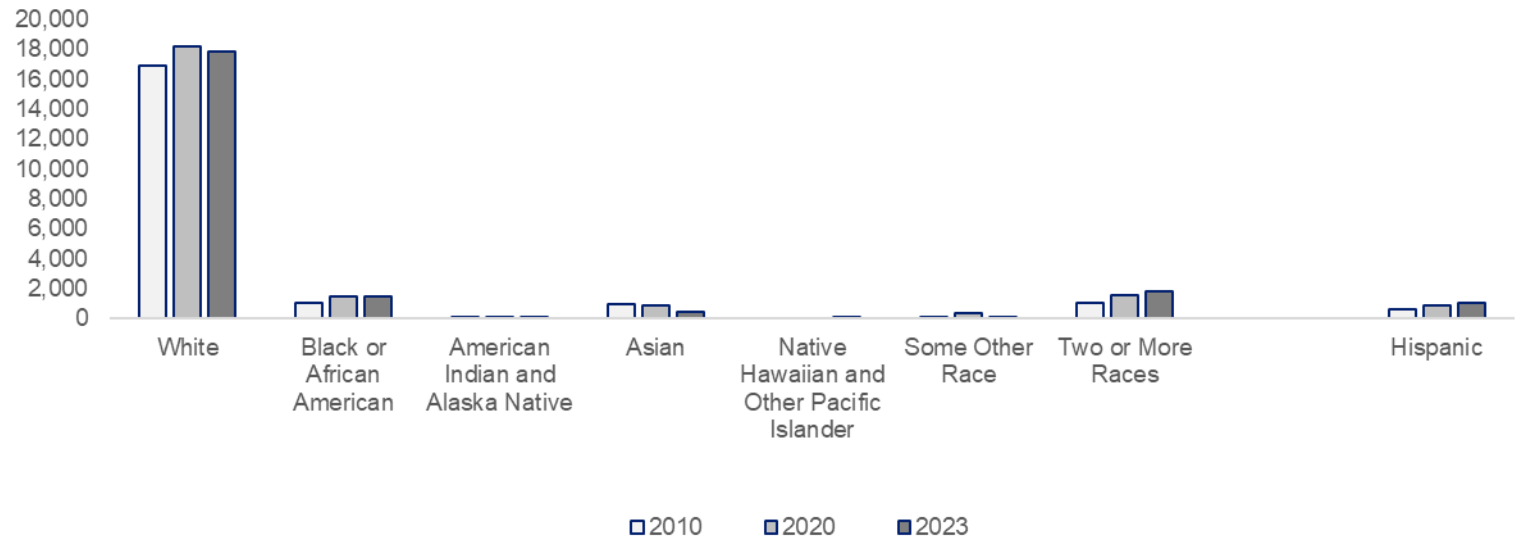


- Overall shift in growth to higher income groups
- Rising incomes overall and age shifts
 - Millennials hitting higher income earning years
 - Baby Boomers with higher investment incomes
- But might also reflect lower household formation rates in lower income groups due to rising housing costs

Population by Race and Ethnicity

- The population of Golden Valley has remained slightly less diverse than the Seven-County Metro Area as a whole
- In 2023, Golden Valley's population:
 - 82% White (Metro: 81%)
 - 7% Black (Metro: 8%)
 - 2% Asian (Metro: 6%)
 - 5% Hispanic (Metro: 6%)
- Between 2014 and 2023, the Black population grew from 5% to 7% and the Hispanic population grew from 3% to 5%
- Percent Asian declined from 5% to 2%

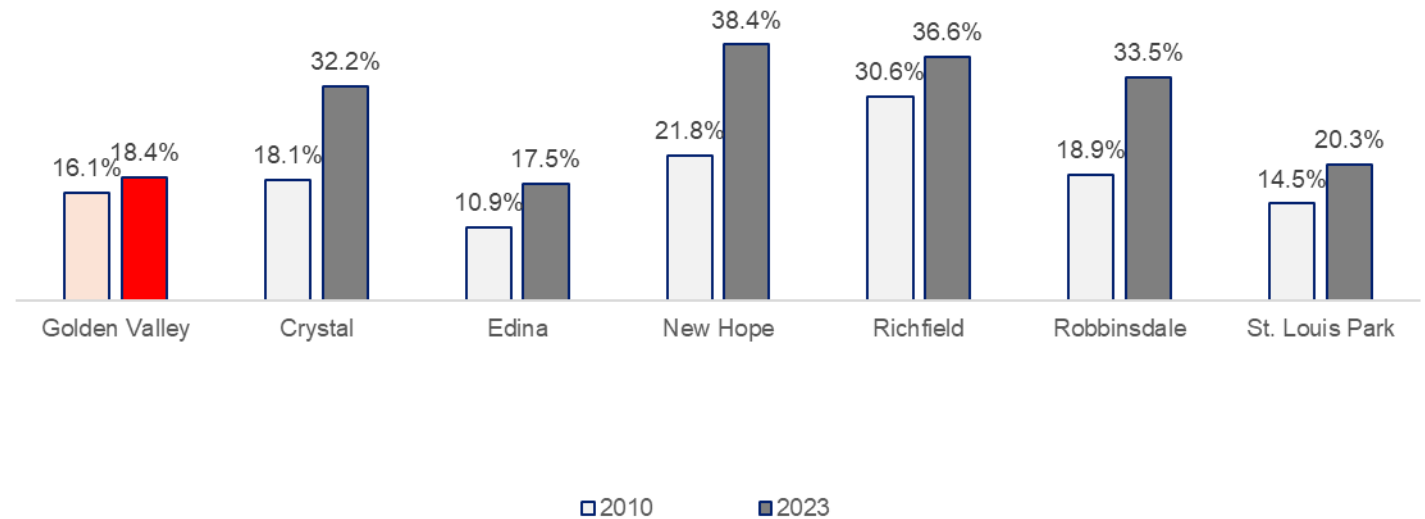
5. Population by Race and Ethnicity, Golden Valley, 2014, 2020, and 2023



Note that Hispanic is an Ethnicity and not a Race. Hispanic population is made up of multiple racial classifications.

- Except for Edina, Golden Valley has a lower percentage of Non-White population than comparison cities
- Comparison cities, including Edina, have seen their Non-White populations grow at a greater rate than Golden Valley

6. Percent Non-White Population, Comparison Cities, 2010 and 2023

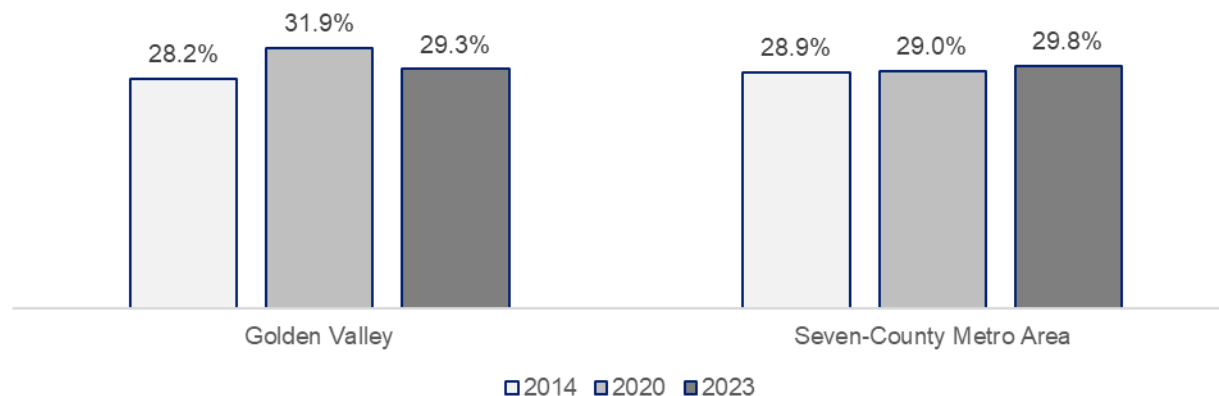


Note that Hispanic is an Ethnicity and not a Race. Hispanic population is made up of multiple racial classifications.

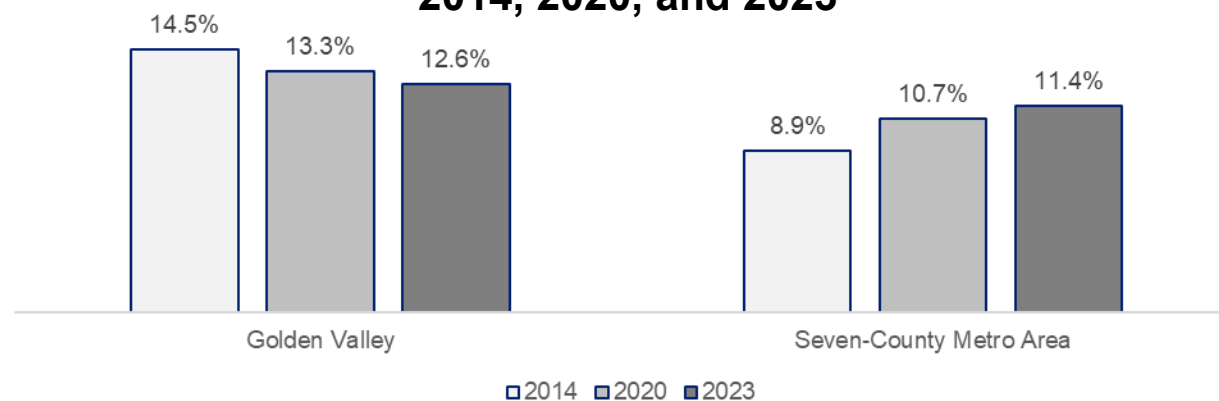
Percent of Households Living Alone

- The city of Golden Valley has comparable rates of single person households as the rest of the Metro Area
- However, a larger percentage of those households are over age 65
- The Metro Area is seeing an increase in single-person, senior households. While Golden Valley's rate is declining

7. Households Living Alone, 2014, 2020, and 2023



8. Households Living Alone Over Age 65 as a Percent of All Households, 2014, 2020, and 2023



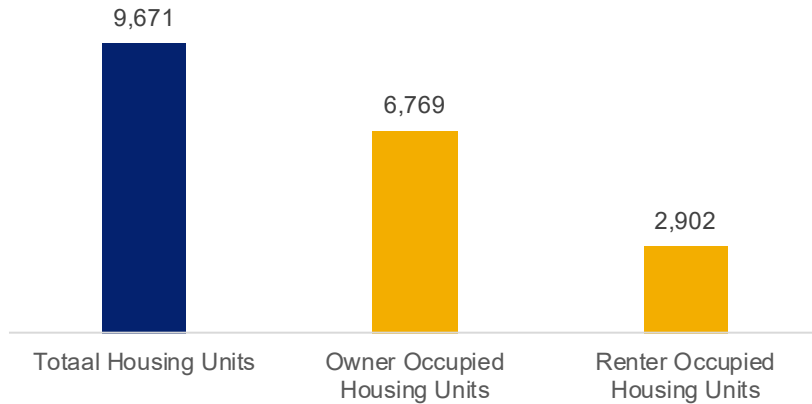
- Based on the shift in housing need and natural replacement, the 2023 Comprehensive Housing Need Analysis found demand for about 1,600 to 1,800 new units between 2023 and 2025
- Some of this demand could be developed as Missing Middle Housing

RECOMMENDED HOUSING DEVELOPMENT				
Golden Valley 2023 to 2035				
		Purchase Price/ Monthly Rent Range ¹	No. of Units	Development Timing
Owner-Occupied Homes				
Single Family ²				
	Move-up	\$450,000 - \$699,999	40 - 50	Ongoing
	Executive	\$700,000+	60 - 70	Ongoing
	Total		100 - 120	
Townhomes/Twinhomes/Villas ²				
	Attached Townhomes	\$400,000 - \$600,000	190 - 210	Ongoing
	Twinhomes / Detached Townhomes/Villas	\$600,000+	40 - 50	Ongoing
	Total		230 - 260	
Condominiums				
	Entry-level	<\$350,000	30 - 35	2025+
	Move-up	\$350,000 - \$500,000	50 - 60	2025+
	Executive	\$500,000+	50 - 55	2025+
	Total		130 - 150	
Total Owner-Occupied			460 - 530	
General Occupancy Rental Housing				
Market Rate Rental Housing				
	Apartment-style (moderate)	\$975/Eff - \$2,200/3BR	100 - 120	2026+
	Apartment-style (luxury)	\$1,100/Eff - \$3,200/3BR	100 - 120	2026+
	Rental Townhomes	\$2,000/2BR - \$3,000/3BR	50 - 60	2024+
	Total		250 - 300	
Affordable Rental Housing				
	Apartment-style	Moderate Income ³	260 - 300	2024+
	Townhomes	Moderate Income ³	40 - 50	2024+
	Subsidized	30% of Income ⁴	100 - 150	2024+
	Total		400 - 500	
Total Renter-Occupied			650 - 800	
Senior Housing (i.e. Age Restricted) 2023 to 2028				
	Active Adult Ownership / Co-op	\$200,000+	125 +	2024+
	Active Adult Market Rate Rental ⁵	\$1,800/1BR - \$2,500/2BR	150 - 180	2024+
	Active Adult Affordable Rental ⁵	Moderate Income ³	100 - 120	2024+
	Independent Living	\$2,400+ per month	60 - 80	2026+
	Assisted Living	\$3,000/EFF - \$5,000/2BR	60 - 80	2026+
	Memory Care	\$5,000/EFF - \$6,000/2BR	40 - 50	2026+
	Total		535 - 510	
Total - All Units			1,645 - 1,840	
¹ Pricing in 2023 dollars. Pricing can be adjusted to account for inflation.				
² Replacement need, infill, and redevelopment. Development of single-family homes and townhomes/twinhomes will hinge on land availability. Due to Golden Valley's location, there is pent-up demand that exceeds replacement need.				
³ Affordability subject to income guidelines per Minnesota Housing Finance Agency (MHFA). See Table HA-1 for Hennepin County Income limits.				
⁴ Subsidized housing will be difficult to develop financially				
⁵ Alternative development concept is to combine active adult affordable and market rate active adult into mixed-income senior community				
Note - Recommended development does not coincide with total demand. Golden Valley may not be able to accommodate all recommended housing types based on land availability and development constraints.				
Source: Maxfield Research and Consulting, LLC.				

Housing Market

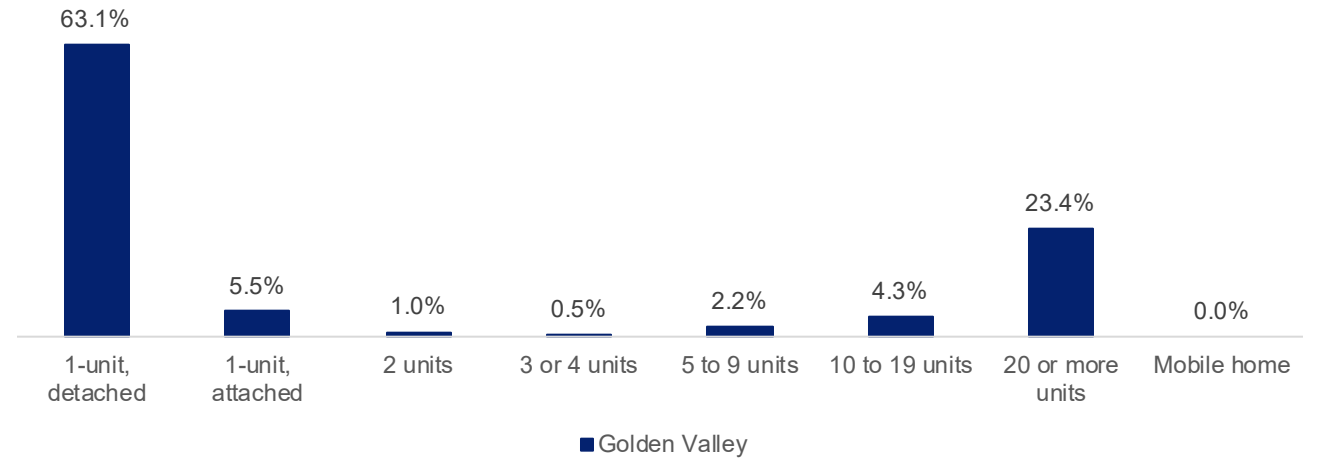
Existing Housing Stock in Golden Valley

9 Housing Unit Inventory in Golden Valley, 2023



Source: American Community Survey, US Census Bureau; LOCi Consulting LLC

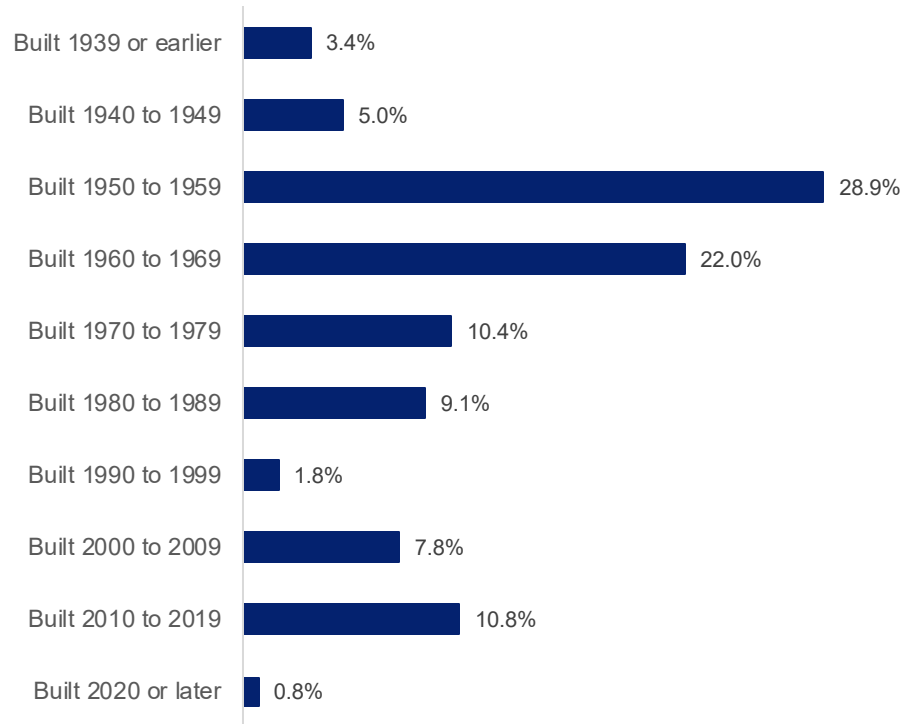
10 Units in the Structure, Golden Valley, 2023



Source: American Community Survey, US Census Bureau; LOCi Consulting LLC

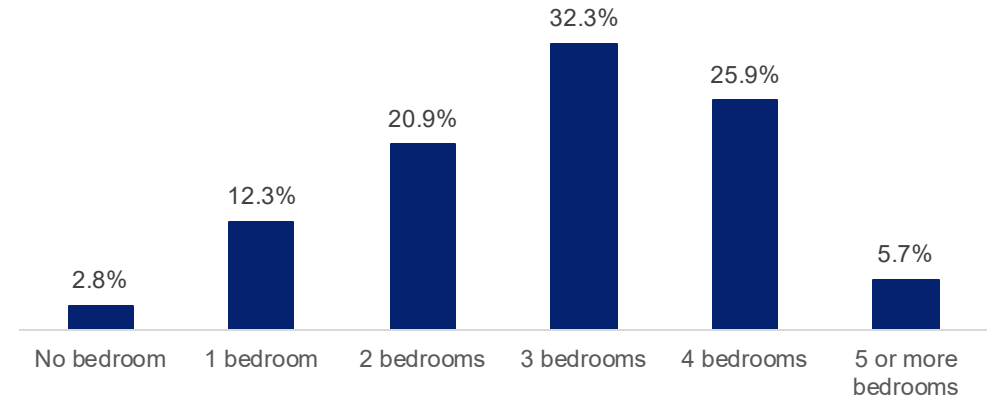
Existing Housing Stock in Golden Valley

11 Year the Structure Was Built, Golden Valley, 2023



Source: American Community Survey, US Census Bureau; LOCi Consulting LLC

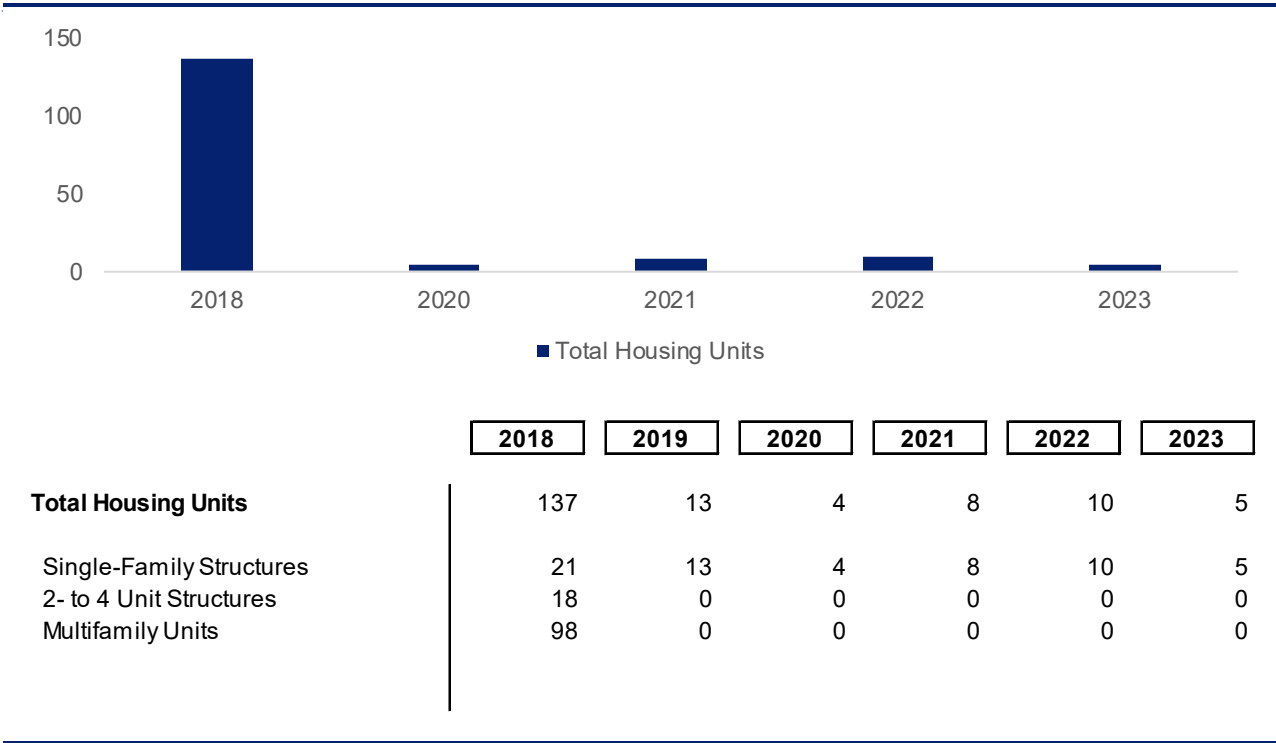
12 Number of Bedrooms in the Unit, Golden Valley, 2023



Source: American Community Survey, US Census Bureau; LOCi Consulting LLC

Recent Residential Building Permits in Golden Valley

13 Building Permit Units in the City of Golden Valley, 2018-2023



Source: SOCDS HUD Building Permits; Minnesota Department of Labor and Industry; LOCi Consulting LLC

Note: Xenia Apartment development—369 units—was approved in 2013 and permits were issued in 2017.

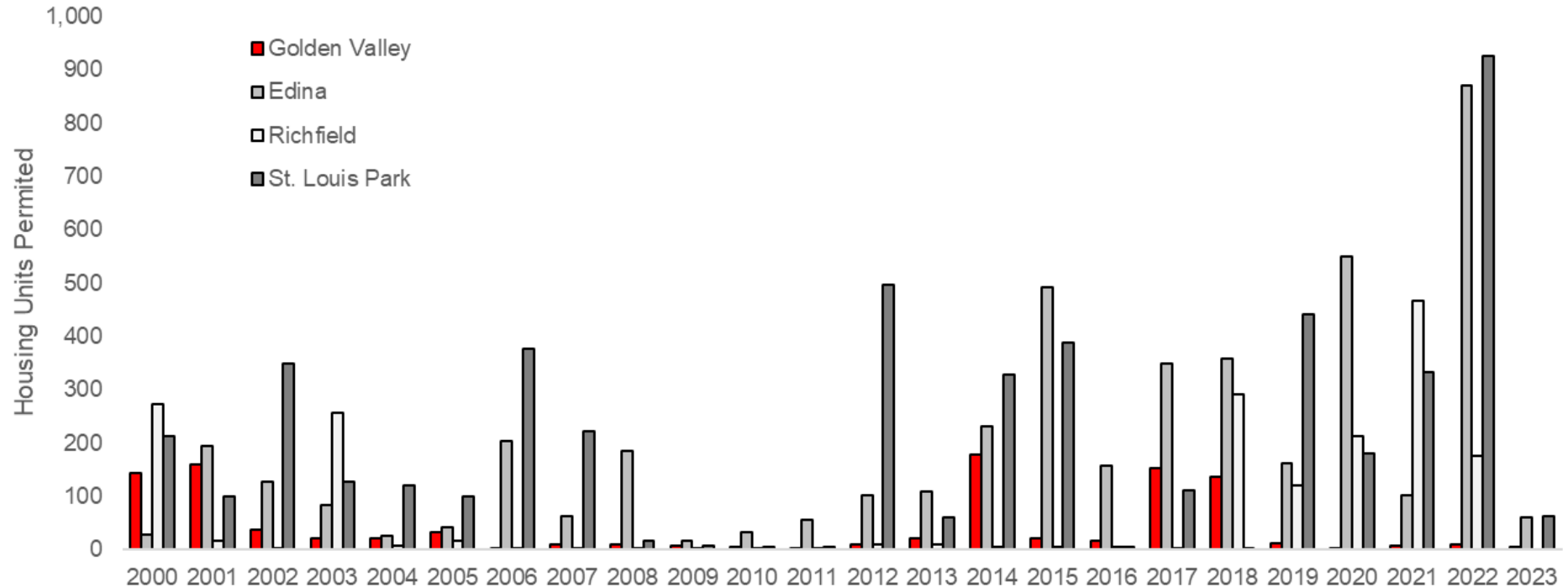


- Golden Valley has had fewer building permit housing units per year, compared to peer cities

Average Annual Housing Units Permitted, 2000-2023

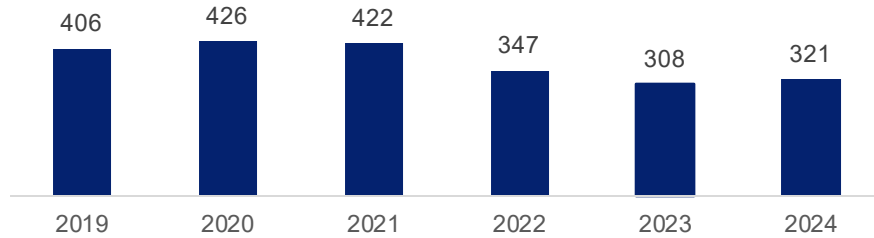
- Golden Valley: 43
- Edina: 192
- Richfield: 79
- St. Louis Park: 208

14. Total Building Permit Housing Units by Year, 2000 to 2023



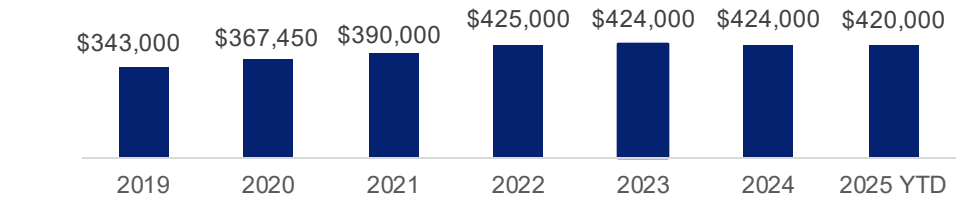
For-Sale Housing Market in Golden Valley

15 Residential Real Estate Transactions in Golden Valley



Source: Multiple Listing Service; LOCi Consulting LLC

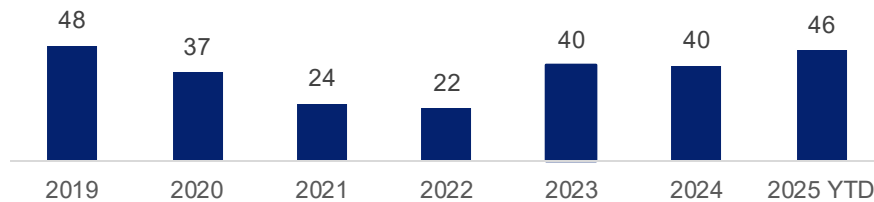
16 Median Sales Price of Home Sales in Golden Valley



*2024 YTD is rolling 12-months from October 2024.

Source: Multiple Listing Service; LOCi Consulting LLC

17 Average Days on the Market for Home Sales in Golden Valley



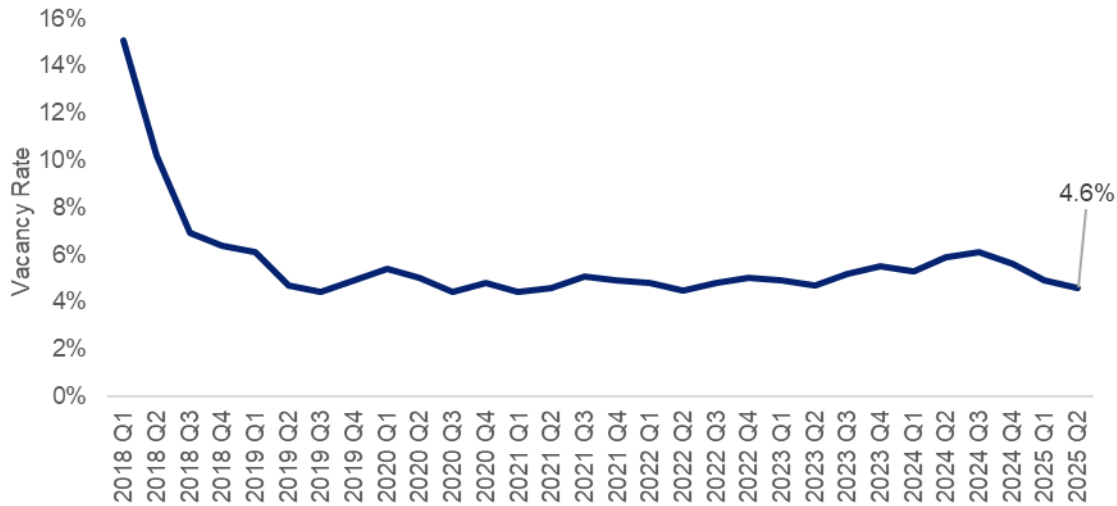
*2024 YTD is rolling 12-months from October 2024.

Source: Multiple Listing Service; LOCi Consulting LLC



Market Rate Rental in Golden Valley—Vacancy Rate and Average Rents

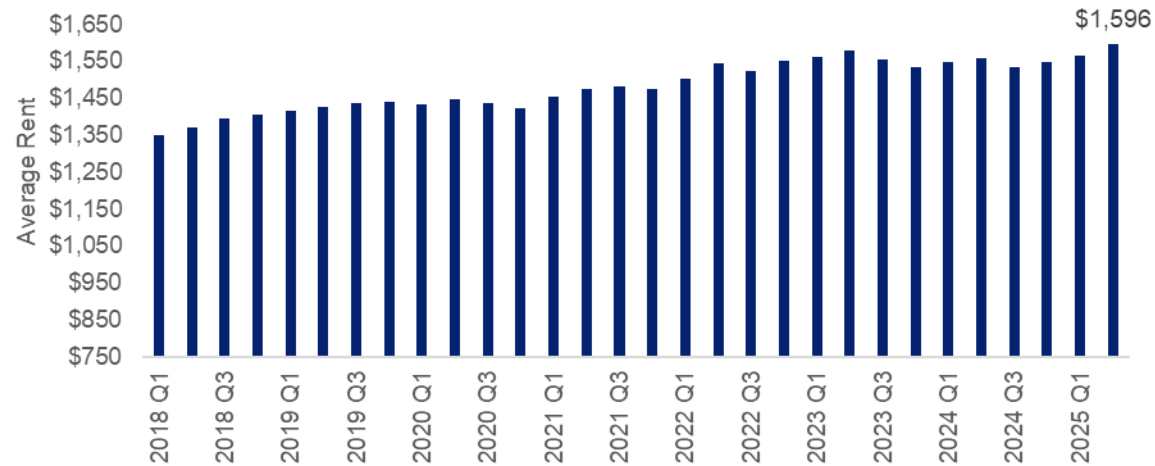
18 Vacancy Rates for Market-Rate Rental Housing in Golden Valley



* Data is Q1 2018 to Q2 2025

Source: CoStar; LOCi Consulting LLC

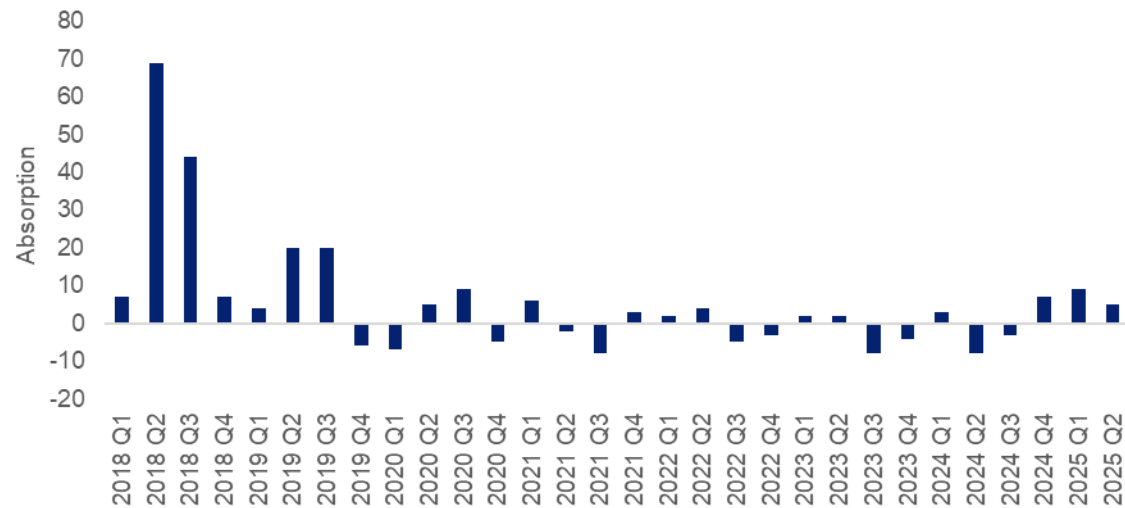
19 Average Rent for Market-Rate Rental in Golden Valley



* Data is Q1 2018 to Q2 2025

Source: CoStar; LOCi Consulting LLC

20 Quarterly Absorption of Units for Market-Rate Rental in Golden Valley



* Data is Q1 2018 to Q2 2025

Source: CoStar; LOCi Consulting LLC



Housing Affordability

Housing Affordability Relative to Incomes—For Sale Housing

- Homebuyers in Golden Valley need incomes 14% higher than the median income to afford the median for-sale home. For the Metro Area, incomes need to be 26% percent higher than the median
- Higher incomes in Golden Valley make the affordability index seem more affordable than the Metro Area.
- This might be explained by the fact that there are fewer housing options for lower- and moderate-income households, thus fewer lower- and moderate-income households
- Available housing may be driving incomes, not vice versa

21 Income Needed for Median Sale Price For-Sale Housing

	Golden Valley	Twin Cities Metro Area
Home Price	\$420,000	\$401,000
Down Payment (10%)	\$42,000	\$40,100
Estimated Closing Costs (3%)	\$12,600	\$12,030
Total Loan Amount	\$390,600	\$372,930
Interest Rate for 30-Year Mortgage	6.75%	6.75%
Monthly Payment (Principal and Interest)	\$2,533	\$2,419
Property Tax	\$350	\$334
Homeowners Insurance	\$140	\$134
Mortgage Insurance	\$163	\$155
Home Maintenance and Repair	\$100	\$100
Total Monthly Housing Cost	\$3,286	\$3,142
Total Annual Housing Cost	\$39,434	\$37,704
Household Income Required Assuming 30% Affordability	\$131,000	\$126,000
2025 Median Household Income	\$114,732	\$99,859
Affordability Index	1.14	1.26

Source: Northstar MLS; ESRI; LOCi Consulting LLC

- On average, rental affordability looks similar to homeowner affordability
- Higher incomes in Golden Valley mean overall rents are more affordable
- However, higher incomes in Golden Valley might be explained by the fact that there are fewer overall housing options for lower- and moderate-income households
- So fewer lower- and moderate-income households live in Golden Valley

22 Income Needed for Average Market Rate Rental Housing

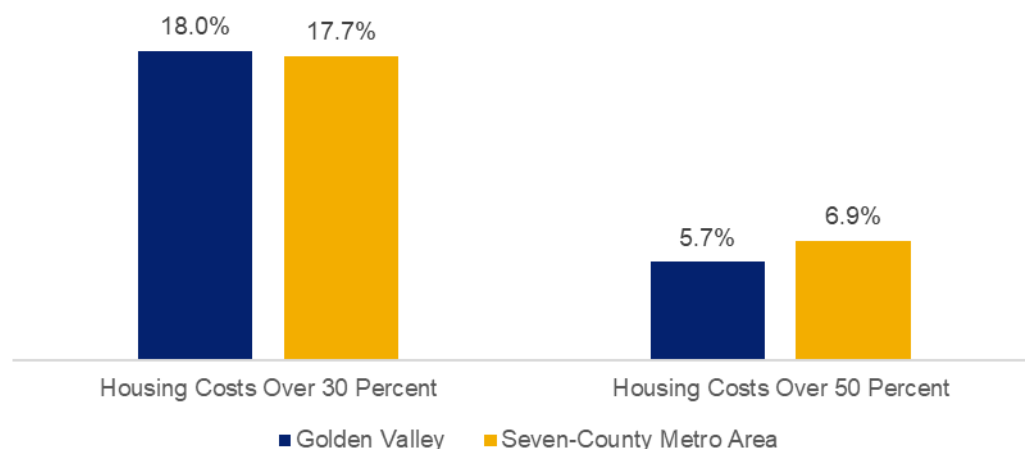
	Golden Valley	Twin Cities Metro Area
Monthly Rent	\$1,596	\$1,589
Total Monthly Housing Cost	\$1,596	\$1,589
Total Annual Housing Cost	\$19,152	\$19,068
Household Income Required Assuming 30% Affordability	\$63,840	\$63,560
2025 Median Household Income	\$114,732	\$99,859
Affordability Index	0.56	0.64

Source: Costar; ESRI; LOCi Consulting LLC

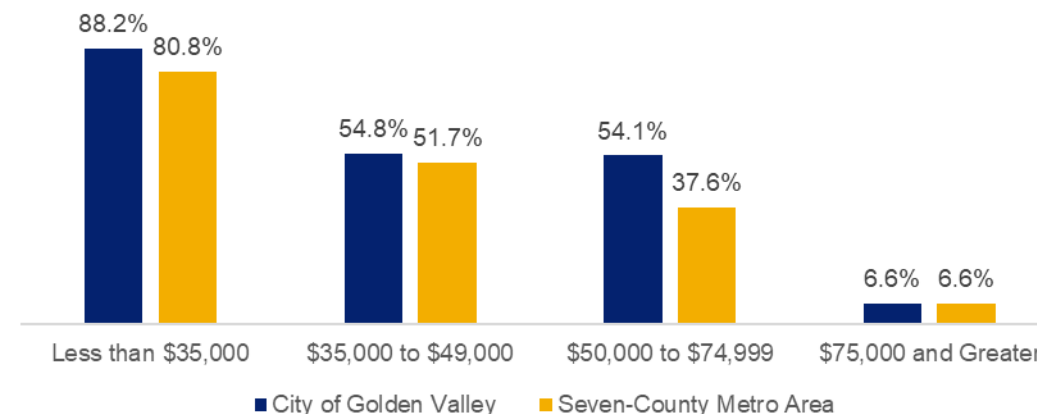
Cost-Burdened Owner-Occupied Housing

- Almost one in five homeowners (18%) in the city of Golden Valley—including both those with and without mortgages—pay more than 30% of their income in housing costs
- About 7% of homeowners pay over 50% of their income in housing costs

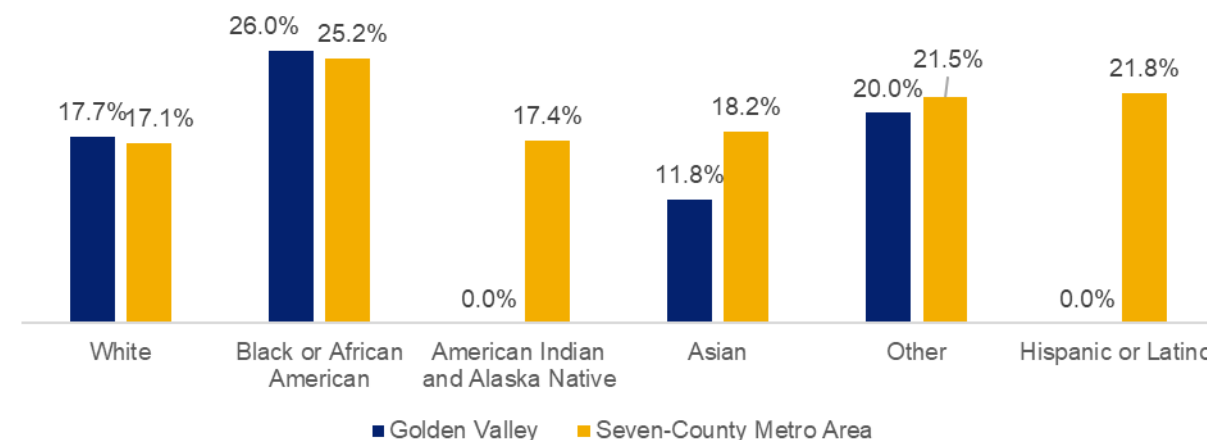
23. All Housing Cost Burdened Owner Households, 2023



24. Housing Cost Burdened Owner Households by Income, 2023



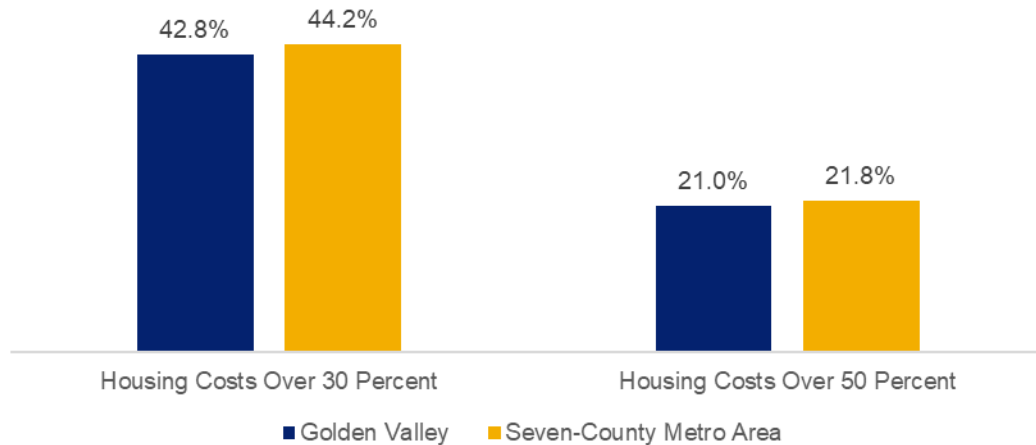
25. Housing Cost Burdened Owner Households by Race and Ethnicity, 2023



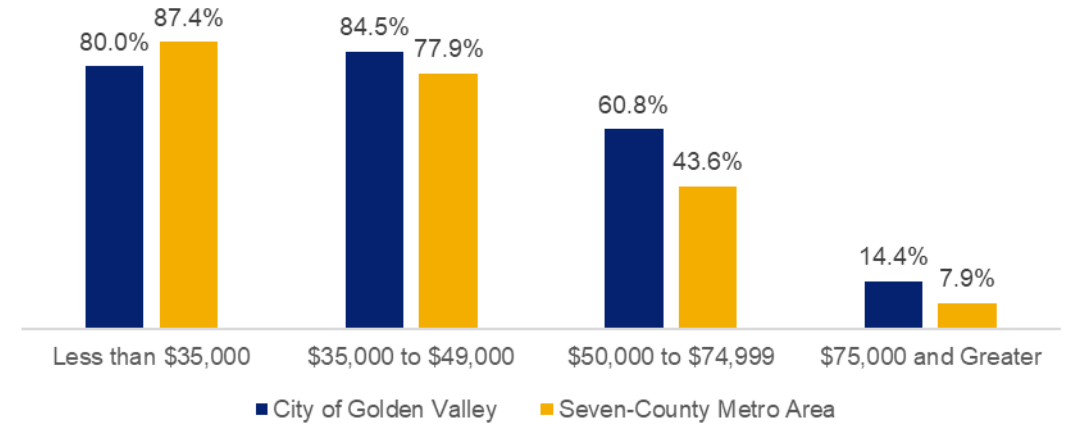
Cost-Burdened Renter-Occupied Housing

- Four in 10 renters pay more than 30% of their incomes in rent in the city of Golden Valley
- Over one in five pay more than 50% of their income in rent in the city

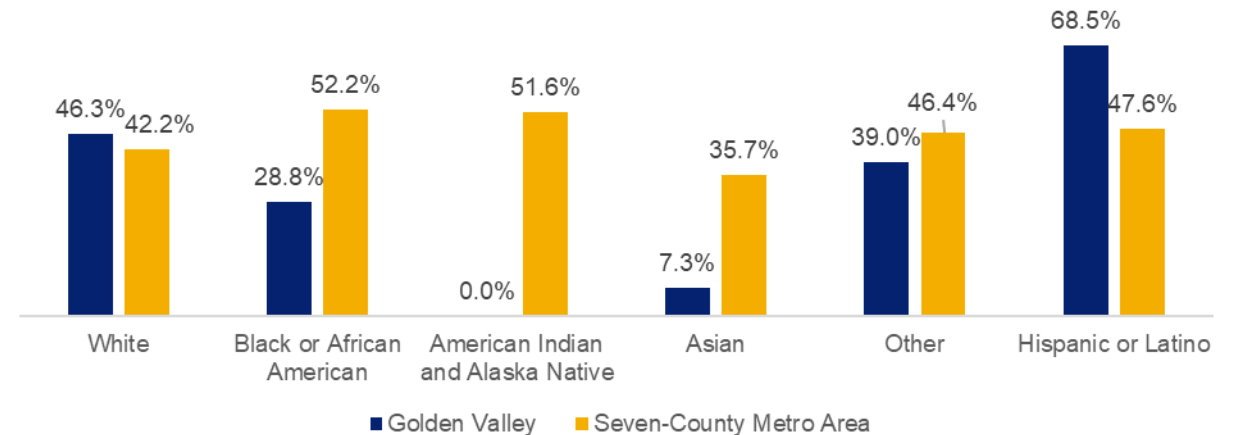
26. All Housing Cost Burdened Renter Households, 2023



27. Housing Cost Burdened Renter Households by Income, 2023



28. Housing Cost Burdened Renter Households by Race and Ethnicity, 2023



The data in this preliminary analysis are compiled from a variety of sources. Sources are identified in the tables and figures.

LOCi Consulting believes that these sources are reliable. However, there is no way to authenticate this data and information. LOCi Consulting does not guarantee the data and assumes no liability for any errors in fact, analysis, or judgement. The data in this analysis includes the most recent information available at the time of this analysis.

The findings, conclusions, and recommendations in this demand analysis are based on the best judgements and analysis at the time of the study. LOCi Consulting makes no guarantees or assurances that the projections or conclusions will be realized as stated.

Services:

- Market studies
- Demographic analysis
- Customer segmentation
- Market identification
- Market sizing
- Competitive analysis
- Geographic Information Systems (GIS) and site selection
- Data analytics

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