



City of Duluth Communications Office

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SUBJECT: City of Duluth provides updates on housing market demands in advance of releasing 2025 Maxfield Comprehensive Housing Needs Analysis and 2025 Housing Indicator Report

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City of Duluth provides updates on housing market demands in advance of releasing 2025 Maxfield Comprehensive Housing Needs Analysis and 2025 Housing Indicator Report

[DULUTH, MN] The City of Duluth’s Planning and Economic Development Department engaged Maxfield Research and Consulting to prepare a Housing Needs Analysis for the City with the purpose of providing recommendations on the amount and types of housing that should be developed in order to meet the current and future housing demand in the community. City staff presented the results in a Committee of the Whole presentation to City Council on Monday, July 28, 2025.

Some key findings of the 2025 Maxfield housing study showed strong demand for nearly all housing products and across market segments as being high in Duluth, with emphasis on moderately priced housing (both ownership and rental) and on senior and older adult housing.

Demographic analysis estimated that Duluth’s population increased 2.1 percent since 2010. To meet the projected growth and demand over the next 10 years, an additional 8700 housing units across all income levels, with 2400 of those units being focused on senior housing, are needed in the city.

“Our region is growing while Duluth’s population remains relatively stagnant. Why? Lack of housing options. For us to reach 90,000 residents by 2030 we must get serious about housing at all income levels. Especially mid-market and for-purchase,” said Mayor Roger Reinert. “We need all the options in all of Duluth’s neighborhoods – including downtown. And, including options like condos and townhouses. From young professionals, to households with no kids, to empty nesters – these residents are seeking those housing style options.”

Rental survey analysis shows median rent in 2024 was \$1443 per month, which is a 6.5 percent increase from 2022. The average rent for the five newest properties is \$1792, which is 13 percent higher than the overall average. The rental vacancy rate for market-rate properties is 1.8 percent. A healthy vacancy rate is 5 percent. The study also showed that 53 percent of renters are cost-burdened, which means they are paying more than 30 percent of their income on their housing.

The needs analysis sets the city up with some clear opportunities to focus on. It urges development in senior housing, as it is the fastest-growing demographic. It encourages the building of balanced neighborhoods with a greater variety of housing products within each zip code, including a greater variety of homeownership products to create more opportunities for entry-level and senior ownership. Additionally, the opportunity to rehabilitate existing building stock will create movement in the market.

“The Maxfield study clearly shows a need for additional units to allow for movement in the housing market,” said Tom Church, Senior Housing Developer for the City of Duluth. “The slow housing growth and lower supply is keeping residents who want to move up to housing that better suits their families’ needs from doing so. We now have some hard data that illustrates this necessity to sustain population growth.”

The 2025 Maxfield Comprehensive Housing Needs Analysis and 2025 Housing Indicator Report will both be available soon on the City of Duluth website. The City of Duluth’s Planning and Economic Development Department will also be hosting the 2025 Housing Strategies Conference in November of 2025. Information and registration options for the conference will be released in the coming weeks.

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