



Office of Performance and Analysis

Dakota County Administration Center ♦ 1590 Hwy. 55, Hastings, MN 55033-2372

Phone: (651) 438-4579 ♦ ♦ www.co.dakota.mn.us

Memorandum

Date: February 1, 2024

To: Dakota County Board of Commissioners

cc: Dave Paulsen, OPA Manager

From: Penny Anderson and Jessica Rundell, OPA Management Analysts

Population and Demographic Trends for Dakota County

Executive Summary

The Office of Performance and Analysis continually collects and analyzes social, economic, demographic, and housing characteristics of the Dakota County population to provide leaders with timely, accurate and objective information to help inform policy decisions. Much of this information is housed in an interactive format and can be explored in more depth on the [Community Indicators](#) page on the Dakota County website.

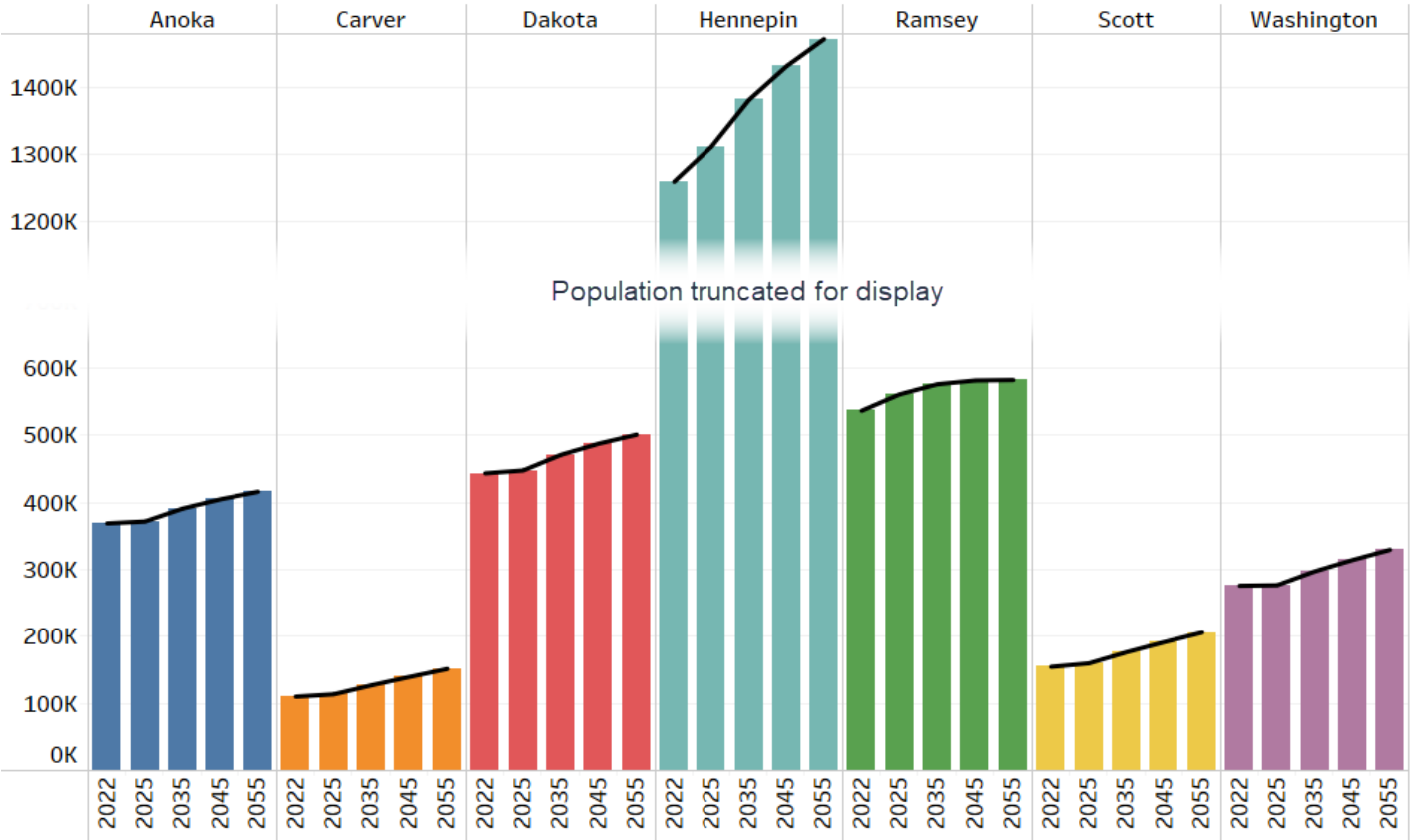
This memo includes information on:

- Population Characteristics
 - Population projections, including by race/ethnicity, age, and veteran status
 - Components of population change
 - Languages spoken, detailed demographic charts, and population disability characteristics
- Housing
 - Median home sale price
 - Foreclosures, median household income and cost of living
 - Households burdened by housing costs and homeownership
- Socio-Economic Indicators
 - Jobs, wages, and unemployment
 - Labor force participation rates
 - Poverty
 - Education
 - Health Uninsurance
- Residential Survey: Quality of Life Responses

Population Characteristics

Dakota County is the third largest county in Minnesota, which is 13.82% of the Twin Cities metro population and 7.66% of the State of Minnesota population. These percents are expected to hold over the next thirty years. The current population of Dakota County is 443,341 and projected to reach 500,836 by 2055¹.

Figure 1: Twin Cities Metro Population Projections by County



Source: Census Bureau Population Estimates Program and Minnesota State Demographer

¹ Met Council 2050 Preliminary Long Range Forecasts were released on January 31, 2024. Met Council preliminary estimates Dakota County population at 529,027 in 2050, 6% higher than the current 2055 State Demographer projection.

Components of Change

From 2020-2022, Dakota County experienced a natural increase with more births than deaths, but also experienced a net out-migration. More people moved out of the County than moved in. International migration is up while domestic migration is down. Historically, Dakota County and Minnesota have experienced a positive net migration.

Table 1: Components of Resident Population Change (April 2020 – July 2022)

Cumulative Estimates of the Components of Resident Population Change							
	Total Population Change ²	Natural Change	Vital Events		Net Migration		
			Births	Deaths	Total	International	Domestic
Minnesota	10,680	26,917	144,350	117,433	-17,365	20,012	-37,377
Dakota County	3,457	3,903	11,181	7,278	-823	1,305	-2,128

Source: Census Bureau Population Estimates Program

Language

Aside from English, the top five languages spoken in Dakota County are **Spanish, Somali, French, Vietnamese, and Russian**. A higher percent of Dakota County residents than Minnesota residents speak a language other than English at home or speak English less than “very well”.

Limited English speaking households are defined as household where no one in the household 14 and over speaks English only or speaks English 'very well'. In Dakota County, the languages spoken in the largest numbers of limited-English speaking households are listed below.

Table 2: Limited English speaking households (2022)

Population with a first language other than English	Minnesota, 2022	Dakota County, 2022
Percent who speak a language other than English at home	12.2%	13.5%
Percent of total population who speak English less than "very well"	4.8%	5.5%

Source: American Community Survey

- | | | |
|---------------|-------------|-------------|
| 1. Spanish | 6. Somali | 11. Korean |
| 2. Vietnamese | 7. Russian | 12. Chinese |
| 3. French | 8. Thai | 13. Hmong |
| 4. Arabic | 9. Amharic | |
| 5. Lao | 10. Italian | |

² The total population change includes a residual which represents the change in population that cannot be attributed to any specific demographic component. Net international migration includes the international migration of both U.S.-born and non-U.S.-born populations. Specifically, it includes: (a) the net international migration of the non-U.S. born, (b) the net migration of U.S. born to and from the United States, (c) the net migration between the United States and Puerto Rico, and (d) the net movement of the Armed Forces population between the United States and overseas.

Foreign Born Population

Both the native and foreign born populations are steadily increasing in Dakota County (see Figure 2). Depending on the year, one-half to two-thirds of the foreign-born population in Dakota County are naturalized citizens (see Figure 3). One half of our foreign-born population has entered in 2010 or later (see Figure 4).

Figure 2: Native vs Foreign Born Population

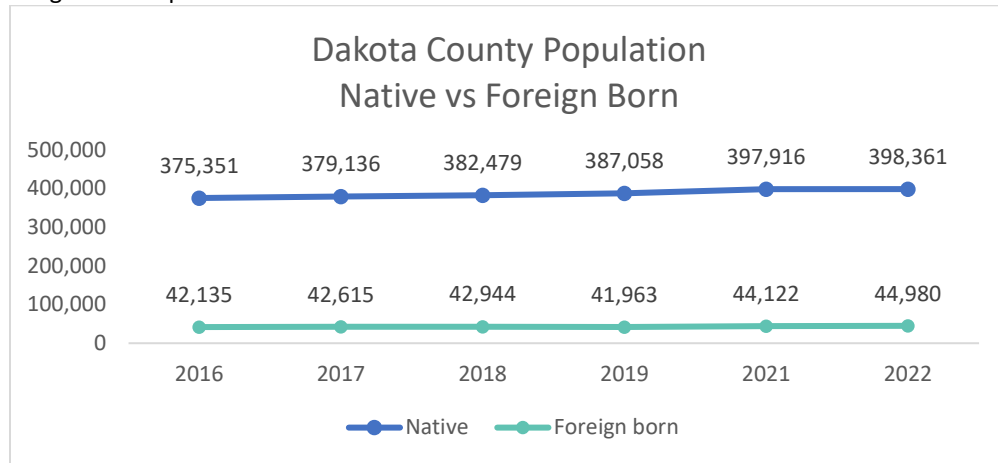


Figure 3: Foreign Born Citizenship

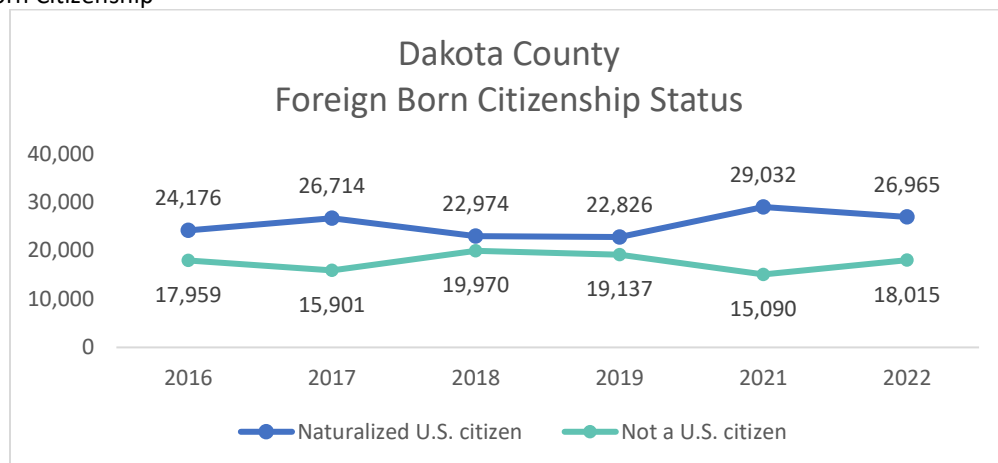
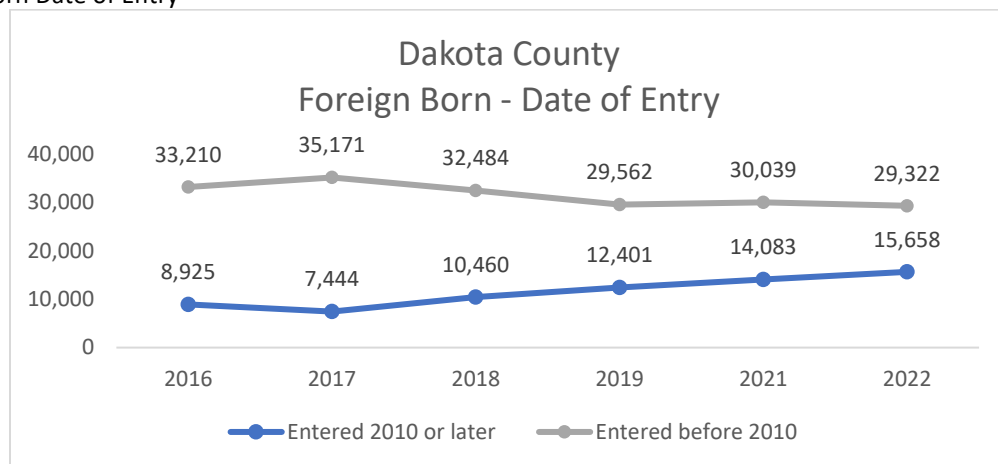


Figure 4: Foreign Born Date of Entry

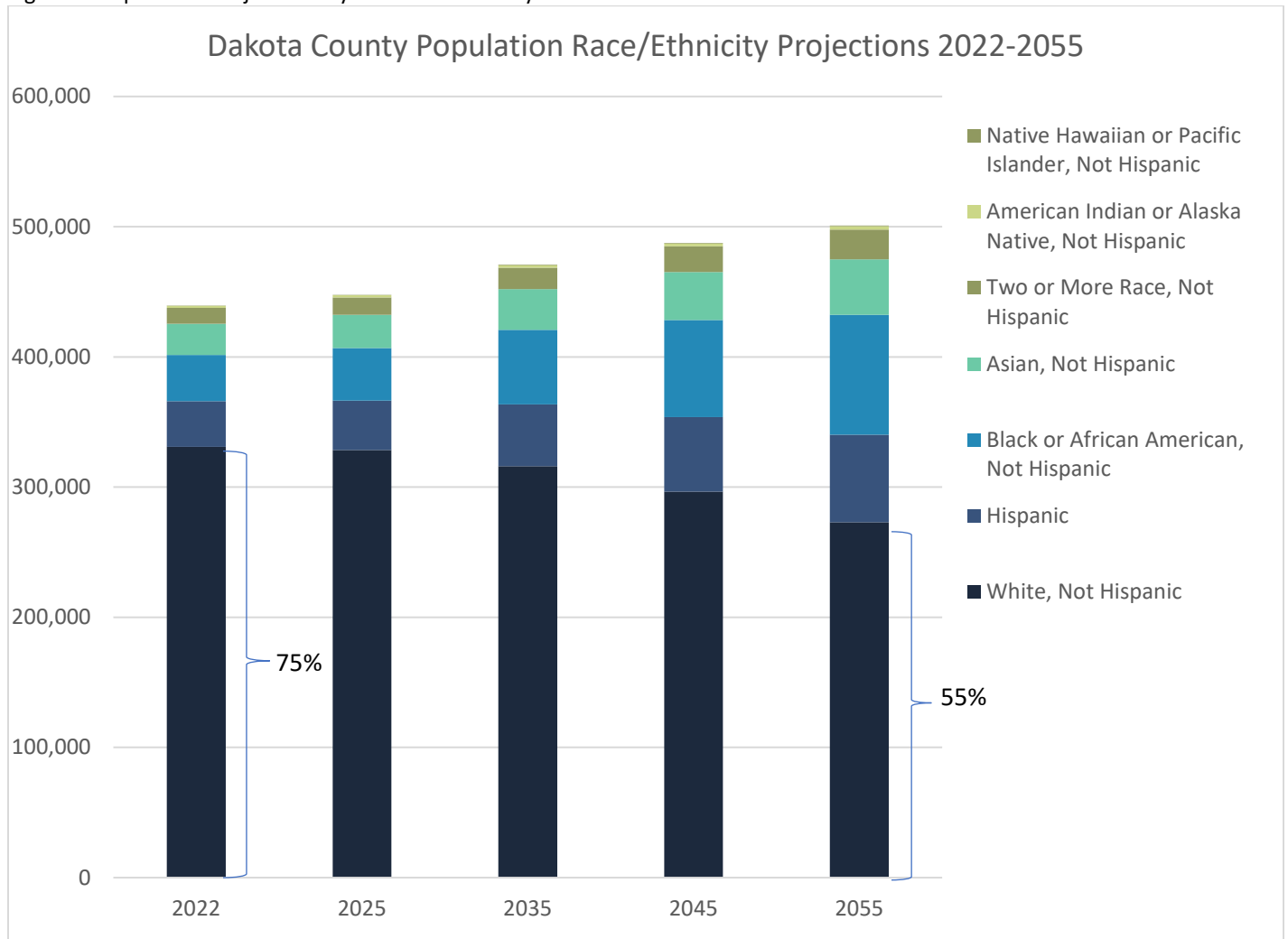


Source: American Community Survey

Diversity

Dakota County is growing in diversity. The Dakota County white not-Hispanic population is expected to decrease from 75% to 55% by 2055.

Figure 5: Population Projections by Race and Ethnicity



Source: Census Bureau Population Estimates Program and Minnesota State Demographer

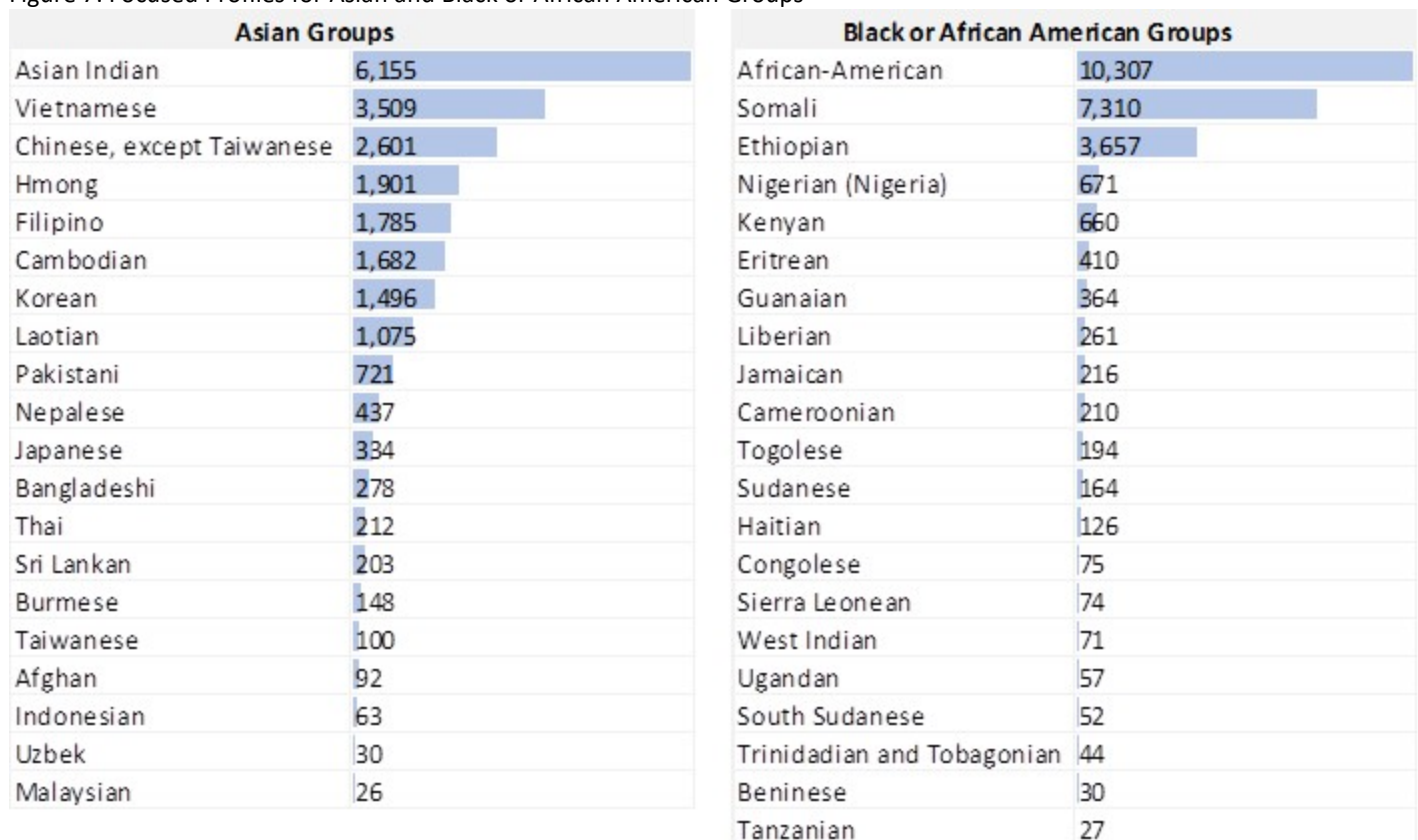
Focused Demographic Profile

Presented below are detailed demographic charts offering insights into the racial and ethnic composition of Dakota County, with a specific focus on Asian, Black or African American, and American Indian and Alaska Native populations.

Figure 6: Focused Profile for American Indian and Alaska Native Groups



Figure 7: Focused Profiles for Asian and Black or African American Groups



Source: Census Bureau Detailed Demographic and Housing Characteristics File A

Age

Dakota County is aging as well. The 60+ population is growing more rapidly than the rest of the population. Dakota County is moving from being skewed younger to a more evenly distributed population.

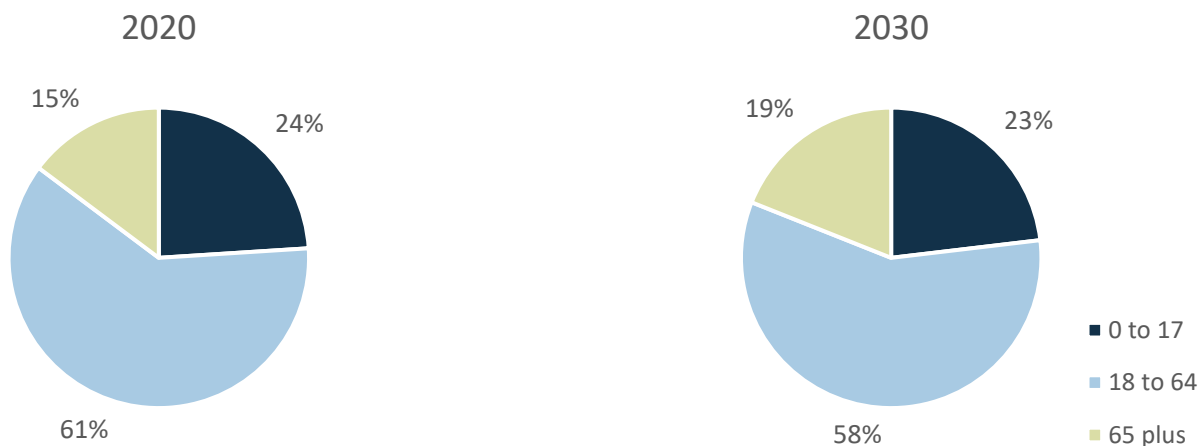
Figure 8: Dakota County Population Projections by Age Group (2020-2050)

Year	2020	2030	2040	2050
0-4	27,596	28,272	29,007	30,048
5-9	29,586	29,792	30,470	31,419
10-14	31,441	30,751	32,116	32,939
15-19	28,314	29,283	30,060	30,727
20-24	24,155	25,379	25,307	26,418
25-29	27,135	26,529	27,962	28,698
30-34	29,321	29,199	31,272	31,173
35-39	32,367	32,243	32,132	33,852
40-44	29,323	32,172	32,651	34,952
45-49	27,170	32,811	33,320	33,178
50-54	28,773	27,724	31,008	31,448
55-59	31,571	24,356	29,987	30,442
60-64	28,540	24,323	23,888	26,705
65-69	22,562	25,781	20,255	24,920
70-74	17,408	23,243	20,173	19,772
75-79	11,275	17,567	20,438	16,010
80-84	6,874	11,933	16,199	14,032
85+	6,906	8,764	13,672	17,578

Source: Minnesota State Demographer

By 2040, the median age in Dakota County will have increased from 38.2 in 2020 to 40.1; then the population is expected to stabilize. By 2030, as a percentage of the total population, the working age population, ages 18-64, will decrease 3%, while the 65+ population will increase 4%.

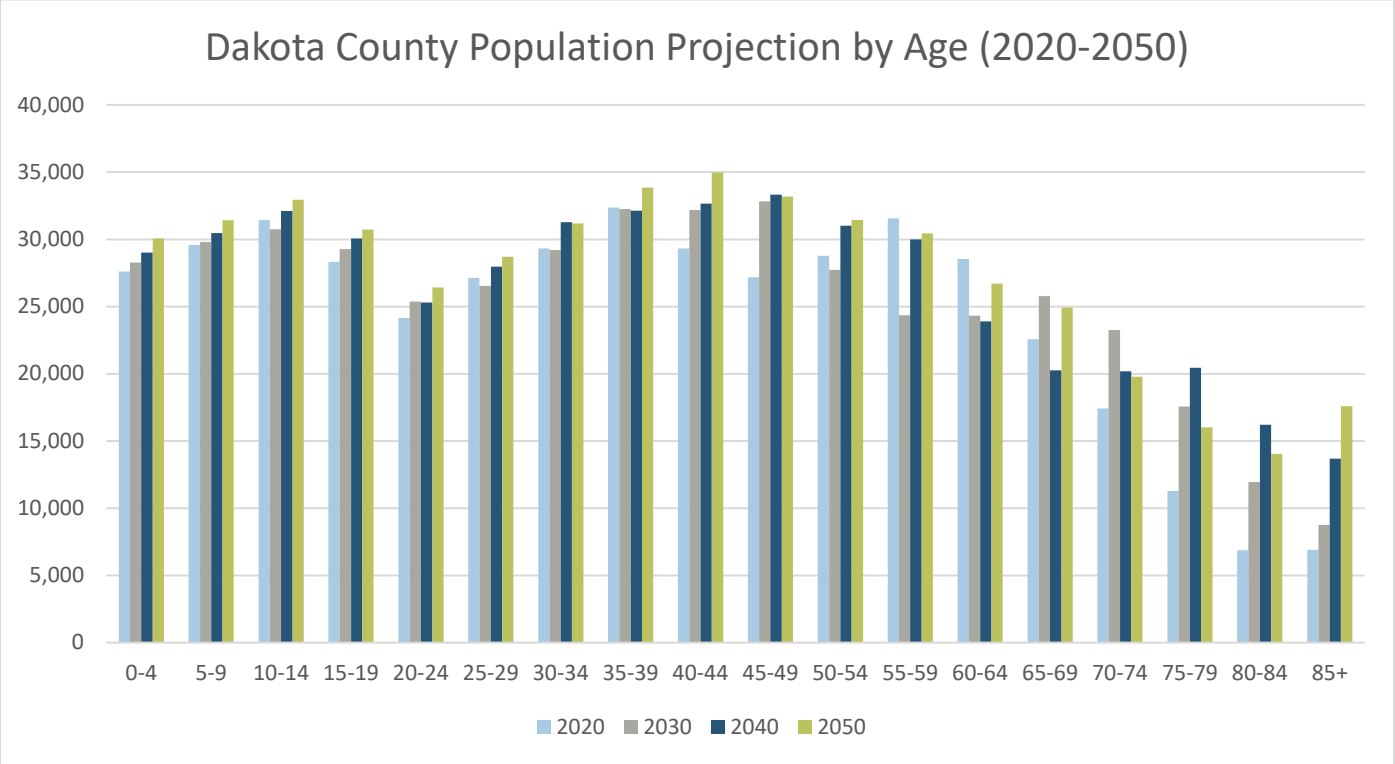
Figure 9: Dakota County Population Projections by Age Cohorts (2020-2030)



Source: Minnesota State Demographer

Figure 10 shows how each age group is projected to change over the next thirty years. These projected numbers may be useful in planning for future County services and programs.

Figure 10: Dakota County Population Projection by Age (2020-2050)



Source: Minnesota State Demographer

Veteran Population

As of 2022, veterans make up 6% of the Dakota County population. Absent major conflicts, that number is expected to decrease, as the veteran population itself is anticipated to reduce by almost half by 2050. The projections indicate an aging veteran population, with a notable peak in 2035 for those 85 years and older.

Figure 11: Veteran Population Projections

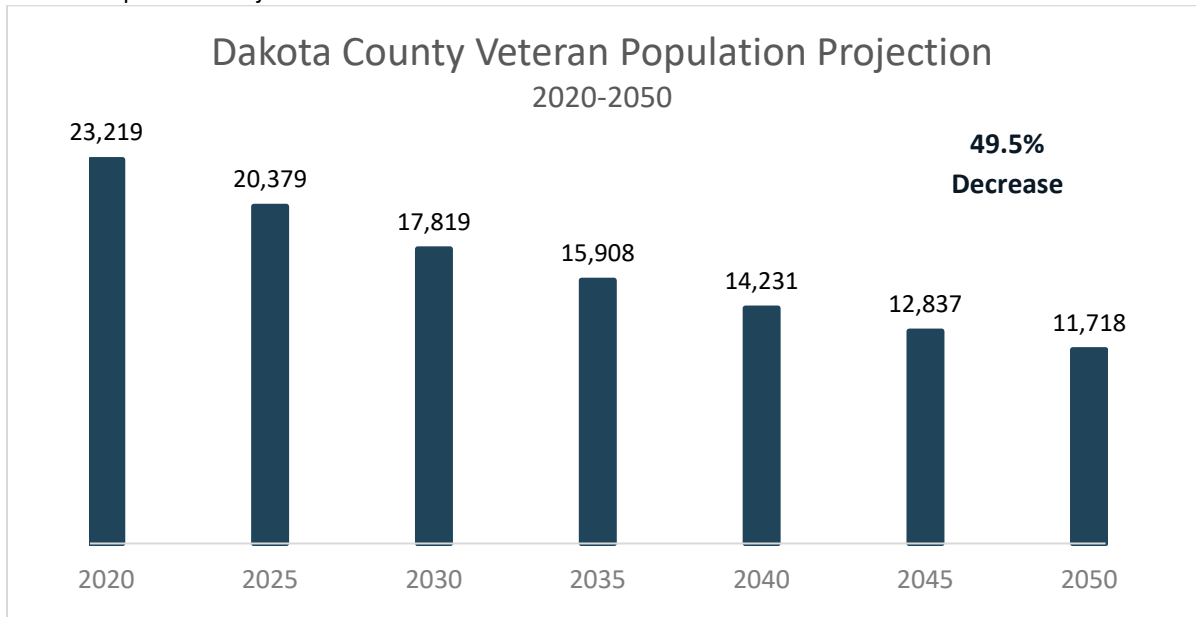
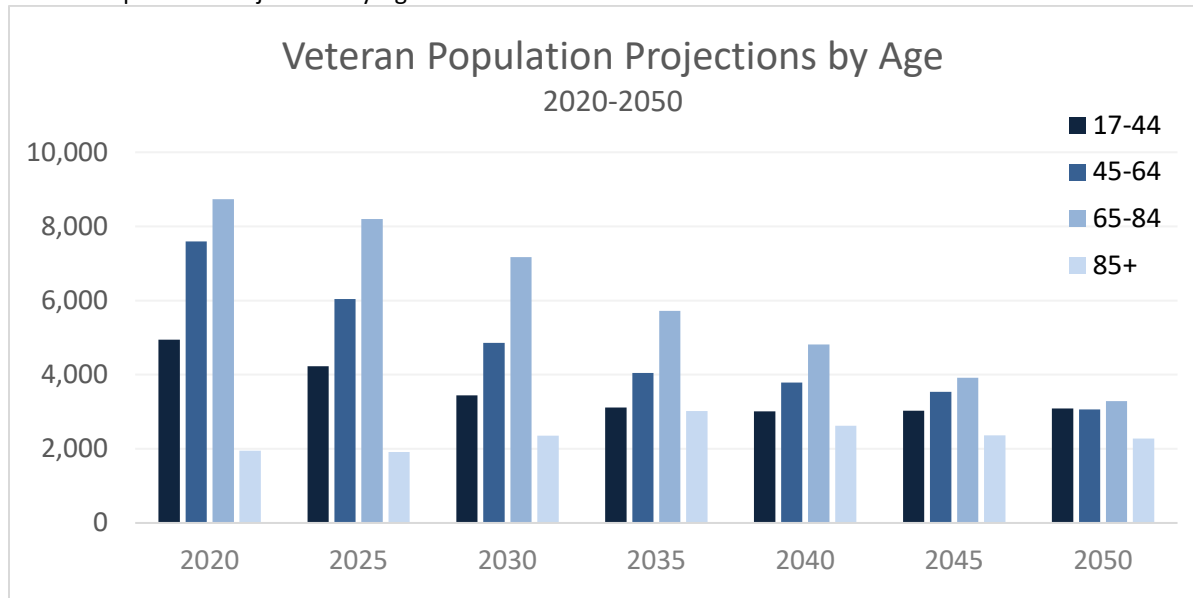


Figure 12: Veteran Population Projections by Age



Source: National Center for Veterans Analysis and Statistics

Population Disability Characteristics

While the percentage of individuals with disabilities in Dakota County is lower than the State levels, there has been a notable increase in disability rates since 2017. When examining disability types, the most significant increases are observed among those facing cognitive and ambulatory difficulties.

Table 3: Population by Disability Status (2017 and 2022)

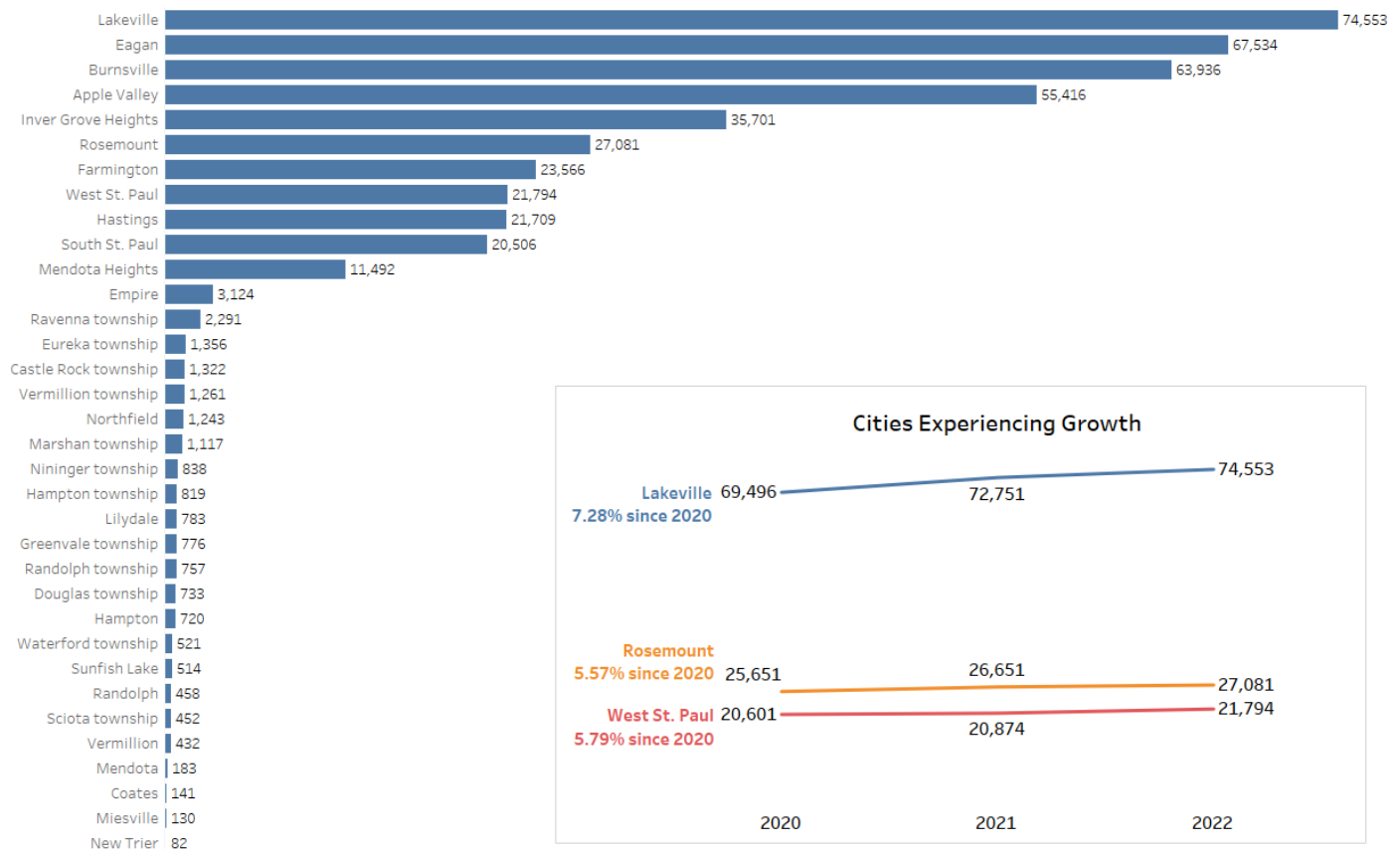
	Minnesota			Dakota County		
	Total population ³	With a disability	Percent with a disability	Total population	With a disability	Percent with a disability
2017	5,519,199	615,846	11.20%	419,779	36,841	8.80%
2022	5,657,569	658,681	11.60%	440,949	48,025	10.90%

Source: American Community Survey

Cities and Townships

Of the 34 cities and townships in Dakota County, three have increased population since 2020: Lakeville, Rosemount, and West St. Paul. The remaining are all decreasing, with an average 1.93% decrease since the decennial census.

Figure 13: Dakota County Population by Cities and Townships (2022)



Source: Census Bureau Population Estimates Program

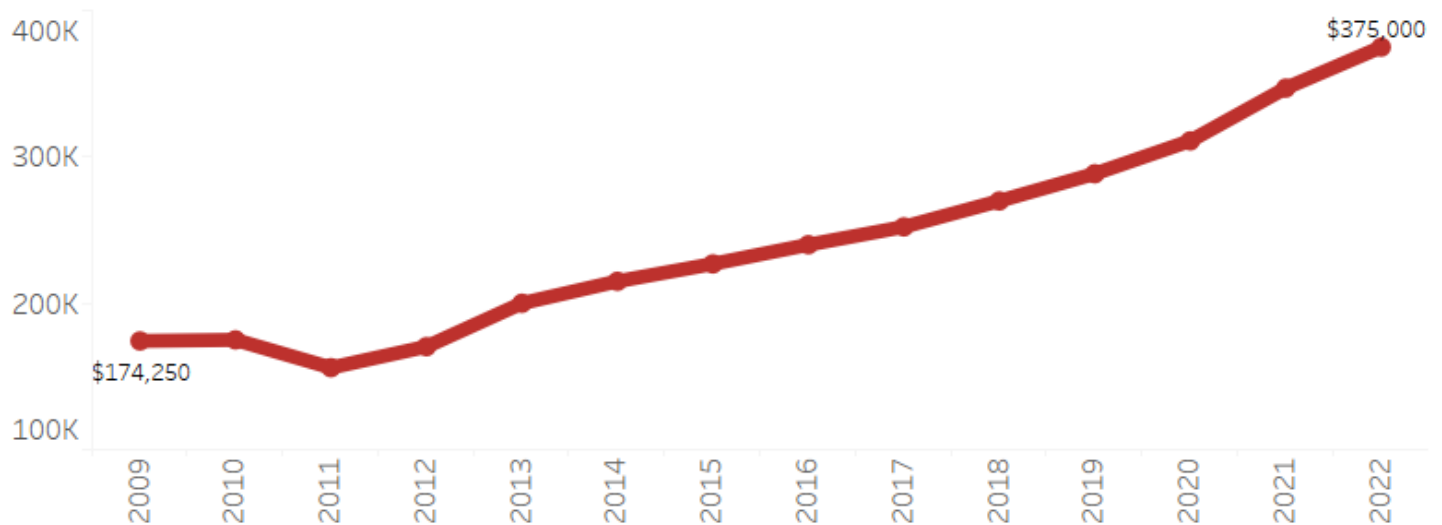
³ Total population refers to the total civilian noninstitutionalized population.

Housing

Median Home Sale Price

In 2022, the median home sale price in Dakota County was \$375,000. Housing increases are outpacing other areas of inflation, with increases ranging from 8-11% annually since 2019 (see Figure 14).

Figure 14: Dakota County Median Home Sale Price

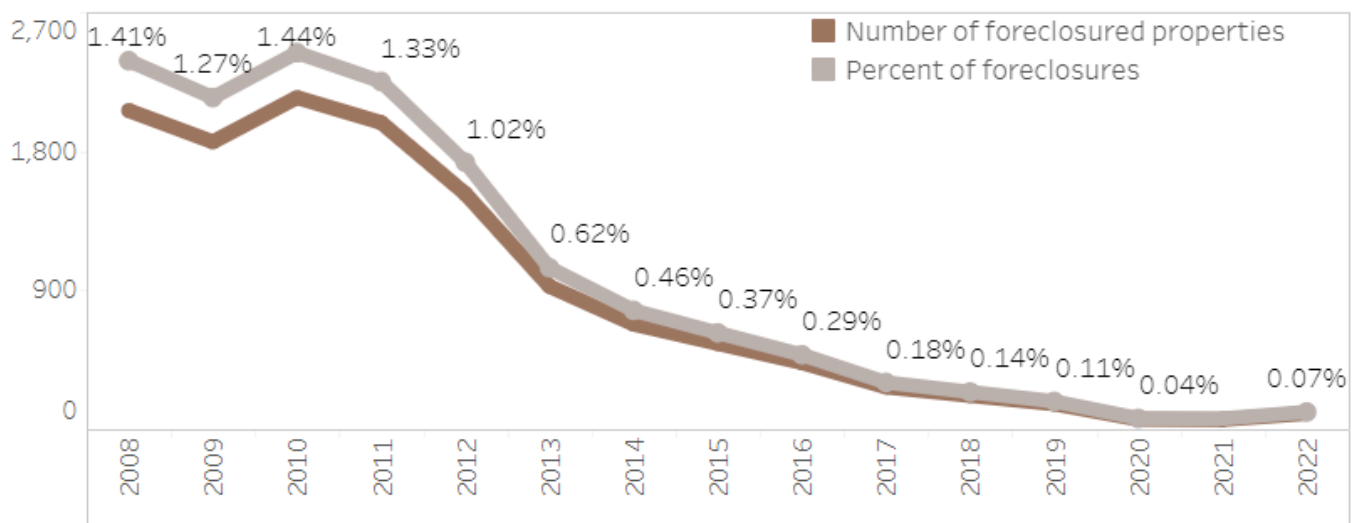


Source: Minneapolis Area Association of Realtors

Foreclosures

There were 102 foreclosures in Dakota County in 2022, down from 2,063 in 2008.

Figure 15: Dakota County Foreclosure Rates

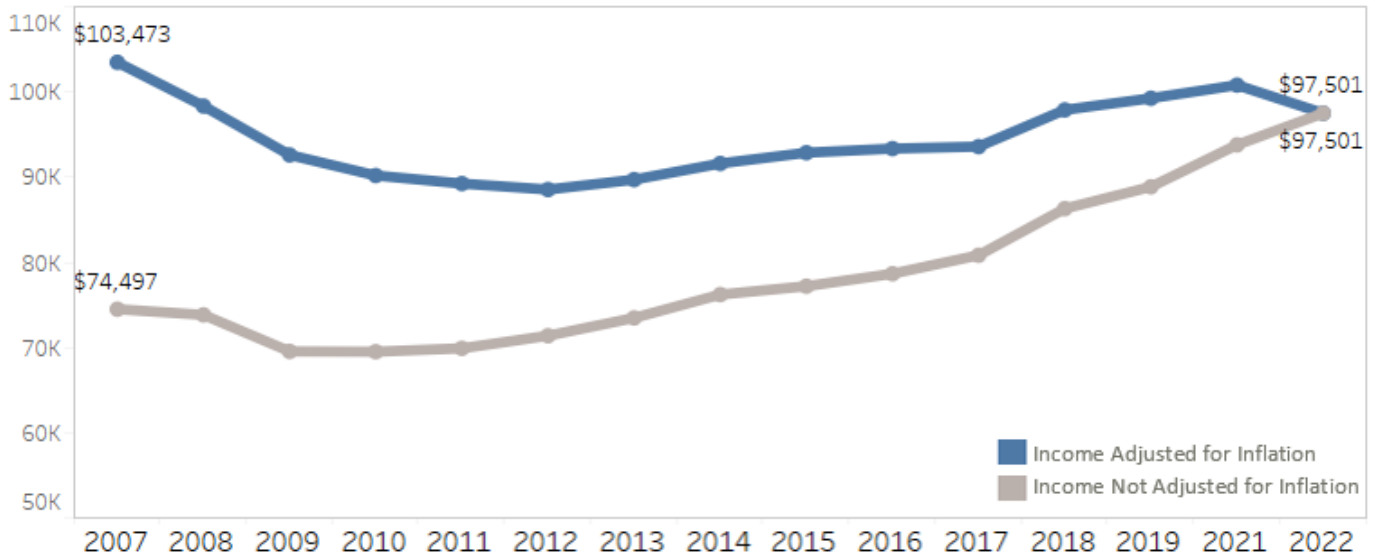


Source: Dakota County Sheriff's Office, Dakota County Assessing Department

Median Household Income

Dakota County consistently has a higher median household income than the State, 18% higher in 2022 at \$97,501 in Dakota County vs \$82,338 for the State. When adjusted for inflation, Dakota County salaries were trending upward since 2017, but made a downward turn in 2022.

Figure 16: Dakota County Median Household Income



Source: American Community Survey

Cost of Living

Dakota County's cost of living has increased 6.5% since 2017. At \$68,599, the 2022 cost of living in Dakota County was 13.3% higher than the State cost of living. An hourly wage of \$21.99 is needed to meet basic needs for a typical family in Dakota County.

Table 4: Cost of Living (2017 and 2022)

Typical Family : 2 Adults (1 working full-time, 1 part-time) and 1 Child		Dakota County		Minnesota	
Year		2017	2022	2017	2022
Annual Cost of Living		\$64,437	\$68,599	\$57,624	\$60,540
Hourly Wage Required		\$20.65	\$21.99	\$18.47	\$19.40
Monthly Costs	Child Care	\$741	\$842	\$504	\$579
	Food	\$756	\$815	\$763	\$822
	Health Care	\$486	\$575	\$459	\$561
	Housing	\$1,113	\$1,348	\$980	\$1,151
	Transportation	\$862	\$755	\$869	\$772
	Other	\$546	\$592	\$510	\$540
	Taxes	\$866	\$790	\$717	\$620

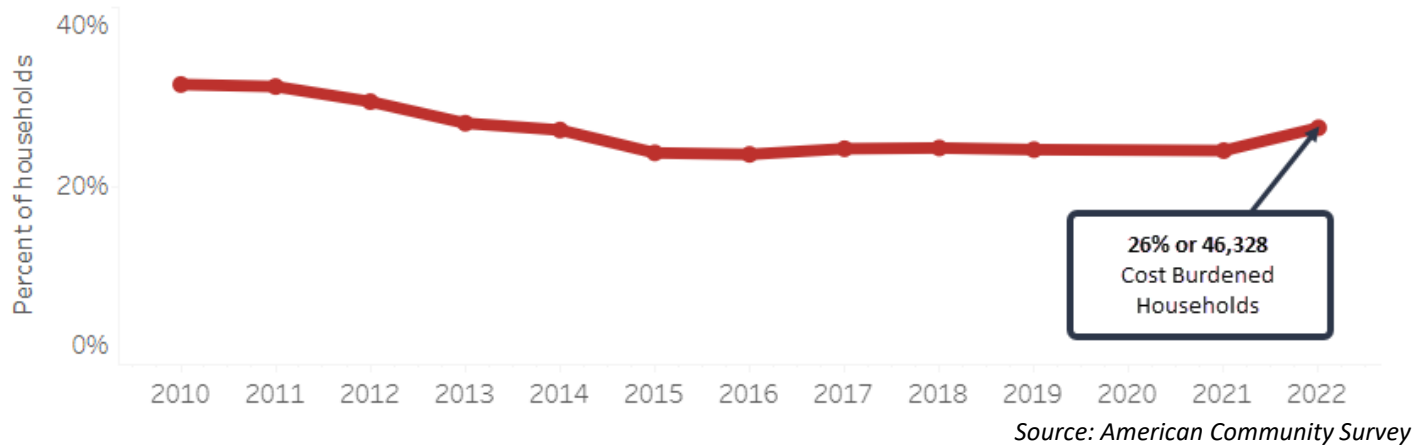
Source: MN DEED Dakota County Profile

Households Burdened by Housing Cost

Being cost-burdened means a household contributes 30% or more of income before taxes and other deductions to housing expenses. Housing expenses include rent or mortgage, taxes, utilities, and association fees. In Dakota County, the percent of households who are cost-burdened has decreased since the 31% peak in 2012, but remains an issue for lower income residents and renters. The percent has held at 24% of households since 2015, but has increased recently to 26%.

Figure 17: Housing Cost Burdened 2010-2022

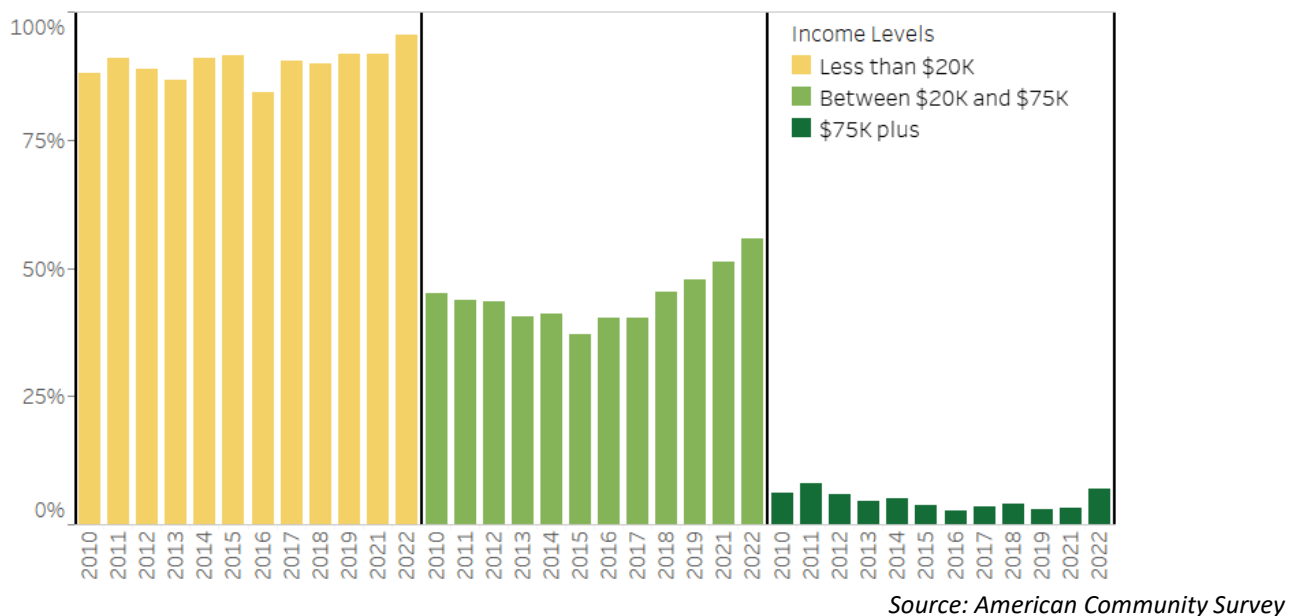
Housing cost burdened trendline in Dakota County



Housing costs exceeding 30% of income is more common for lower income households.

Figure 18: Households Burdened based on Income Level

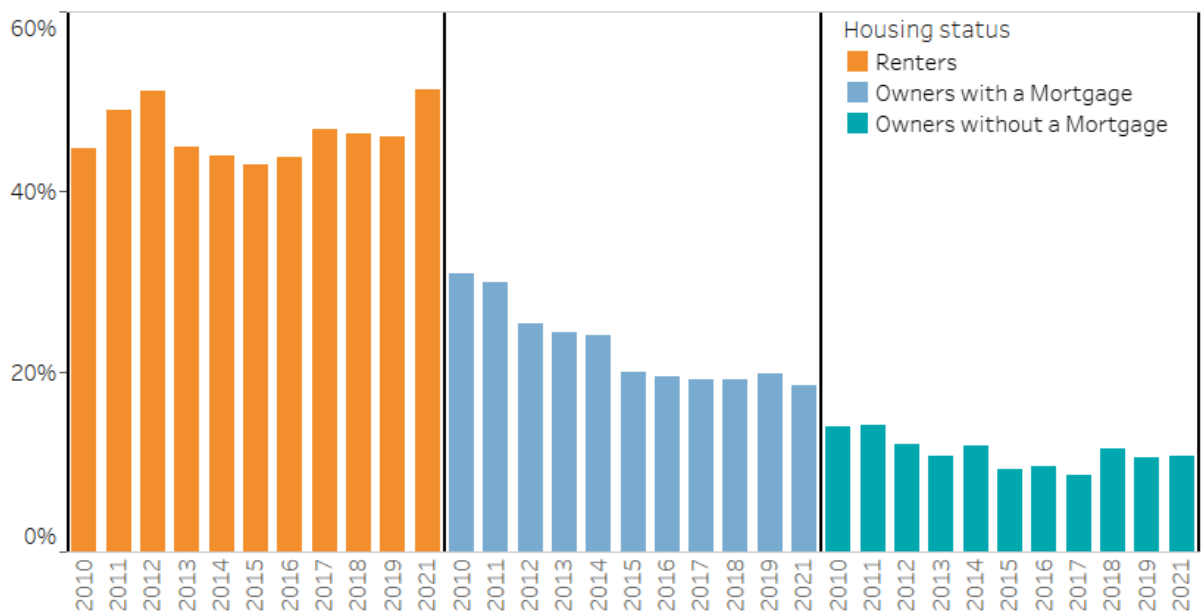
Households burdened by housing costs in Dakota County



Housing costs exceeding 30% of income is more common for renters than homeowners.

Figure 19: Households Burdened by Housing Status

Households burdened by housing costs in Dakota County

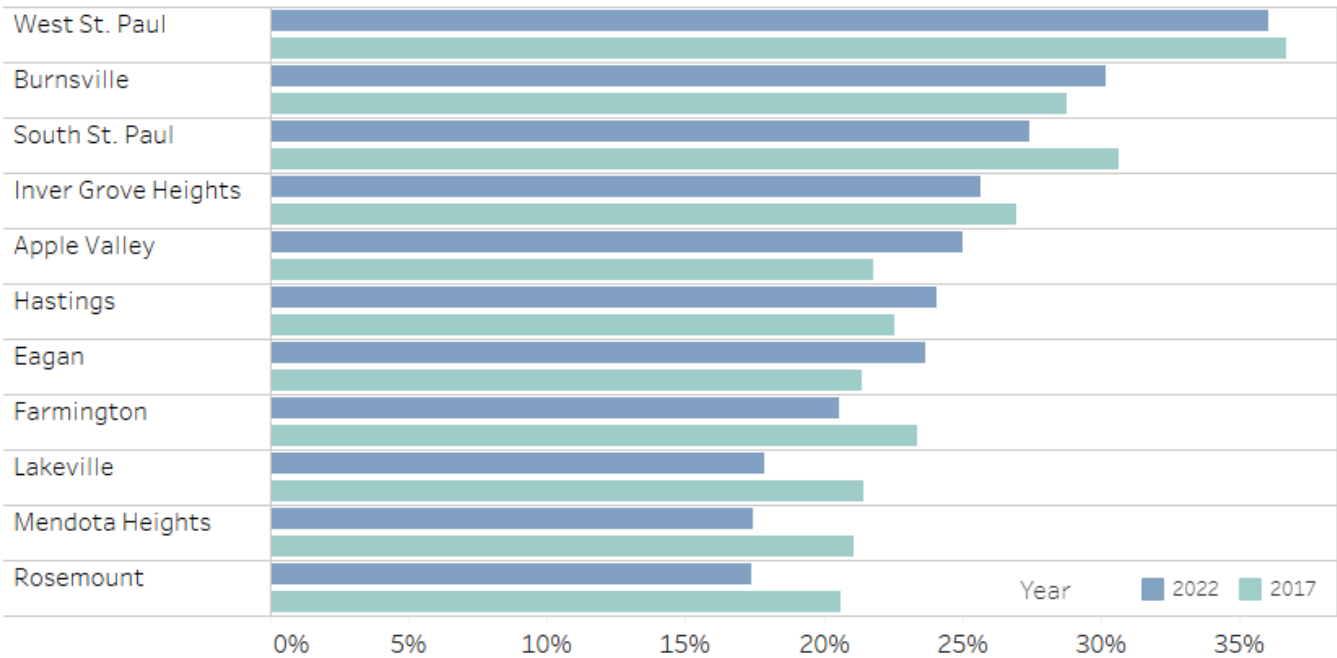


Source: American Community Survey

In 2022, the greatest percent of cost-burdened households were in West St. Paul and Burnsville.

Figure 20: Households Burdened by City

Households burdened by housing costs in Dakota County major cities



Source: American Community Survey

Homeownership

Dakota County homeowner education levels are reflective of the adult education level of the community. And, not surprisingly, homeownership is greatest from ages 35-65, during the working years after time to establish in a career.

Table 5: Homeownership by Education Level

Education Level	Share of Homeowners
Less than high school graduate	3.6%
High school graduate (includes equivalency)	16.7%
Some college or associate's degree	31.9%
Bachelor's degree or higher	47.8%
Total Homeowners	100%

Table 6: Homeownership by Age

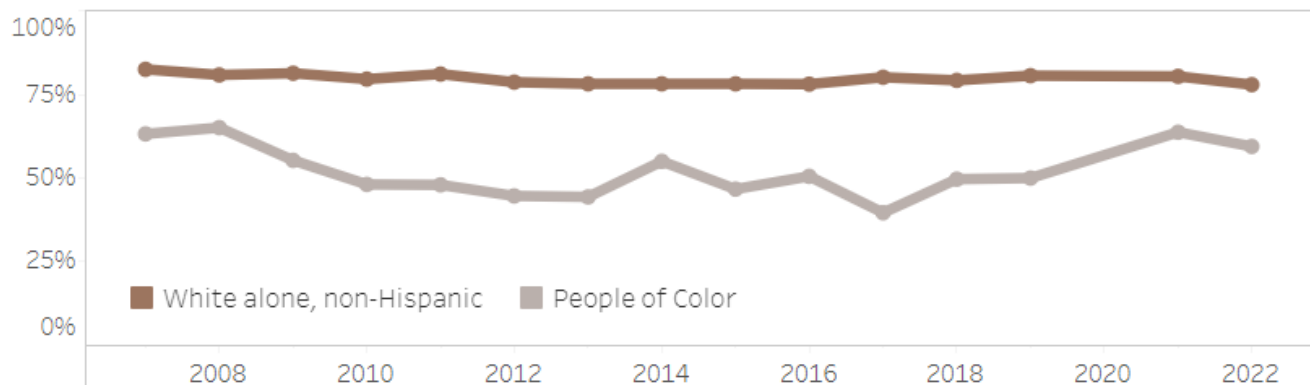
Age Group	Share of Homeowners
Under 35 years	12.0%
35 to 44 years	20.6%
45 to 54 years	19.0%
55 to 64 years	21.5%
65 to 74 years	16.7%
75 to 84 years	7.5%
85 years and over	2.7%
Total Homeowners	100%

Source: American Community Survey

Dakota County White Non-Hispanic home ownership is slightly ahead of the State of Minnesota – 78% to 77%. For people of color, Dakota County homeownership is well ahead of the State as a whole, with rates at 59% to 49%.

Figure 21: Homeownership by Race and Ethnicity

Homeownership rate by race/ethnicity in Dakota County



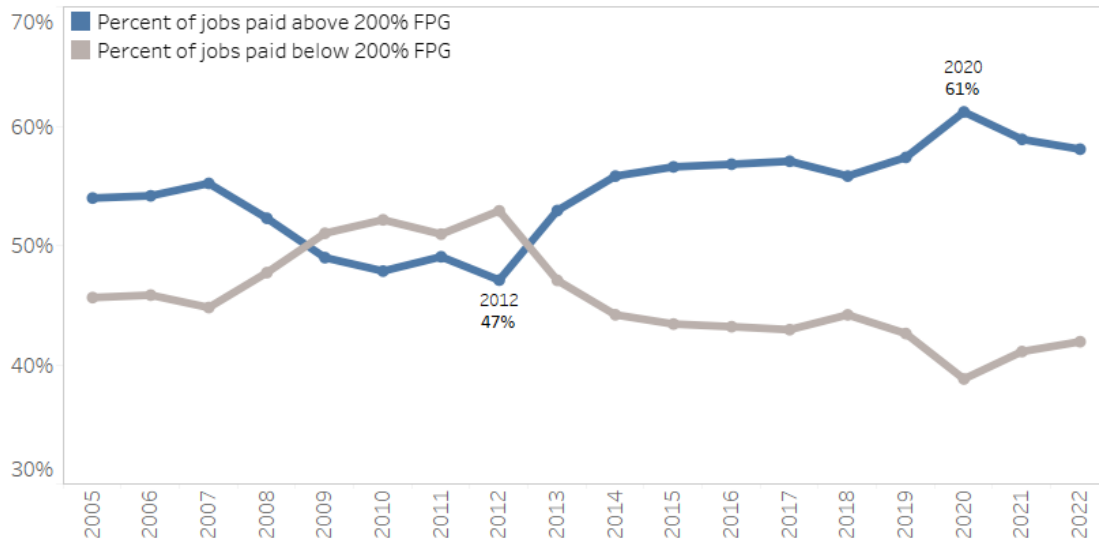
Source: American Community Survey

Socio-Economic Indicators

Jobs and Wages

From 2013 to 2022, 55% or more of the jobs located within Dakota County have had average weekly wages above 200% of the Federal Poverty Guideline (FPG).⁴ In 2022, 200% of the FPG, equated to a job that earned \$55,500 per year (\$26.68 per hour) for a family of four.

Figure 22: Jobs Above and Below Poverty

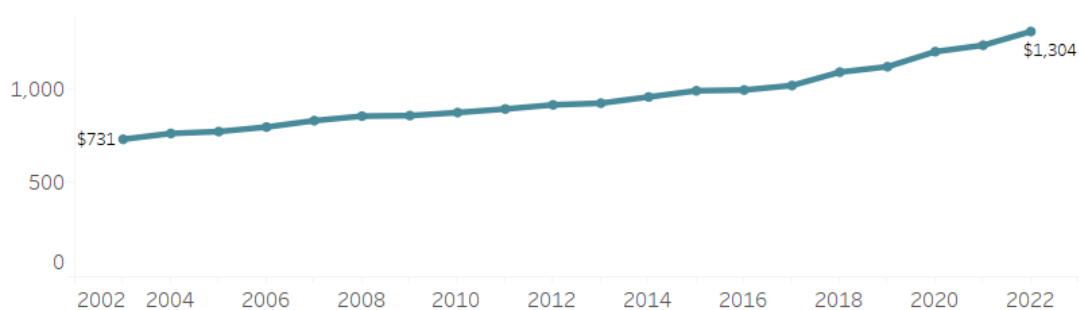


Source: Minnesota Department of Employment and Economic Development

The average weekly wage for jobs located within Dakota County has consistently risen since 2017. However, the percentage of jobs exceeding 200% of the Federal Poverty Guidelines (FPG) reached its highest point in 2020 at 61% and has slightly declined since. This trend suggests a potential correlation with the increased cost of living in recent years.

Figure 23: Average Weekly Wage

Average weekly wage trend in the All Industry in Dakota County



Source: Minnesota Department of Employment and Economic Development

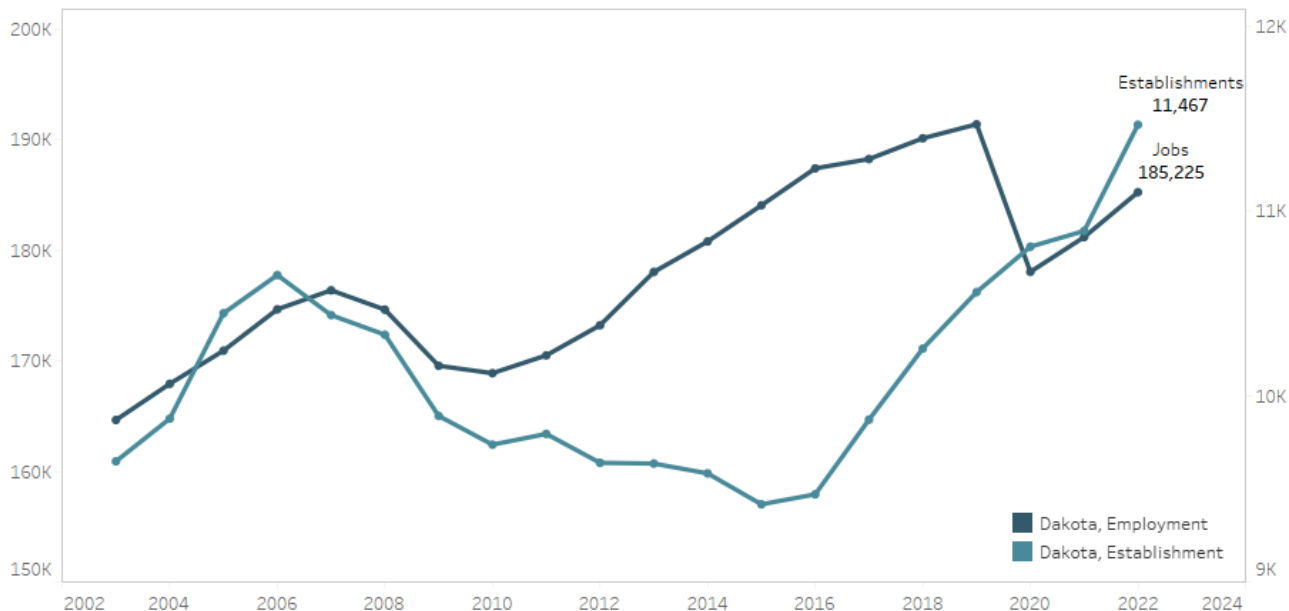
⁴ The average (weekly wage) is the sum of all values divided by the dataset, therefore extreme low and high wages (e.g. executive level positions) do impact the results. Also, the jobs numbers reported are based on employment location. These are jobs located within Dakota County regardless of whether the worker is a resident of the County and doesn't include Dakota County residents who work in other counties.

County business establishments and workforce have consistently grown since at least 2015. However, a significant dip in employment occurred in 2020, aligning with the peak of the COVID-19 pandemic. Subsequently, there has been a steady rebound in the number of workers, indicating a recovery from the pandemic's impact.

Figure 24: Number of Jobs and Establishments

Jobs and Establishments located within Dakota County

(based on last 12 month period)



Source: Minnesota Department of Employment and Economic Development

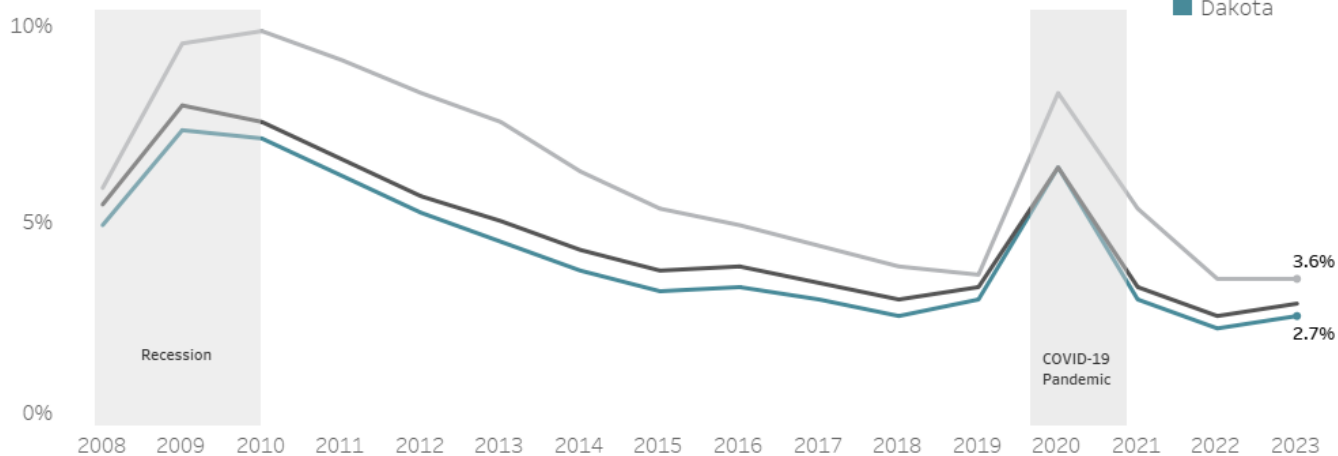
Unemployment Rates

Dakota County unemployment rates have consistently remained below State and National averages. Peaks were observed during the Great Recession (7.2% in 2009) and the COVID-19 pandemic recession (6.3% in 2020). Despite reaching historic lows in recent years, there has been a slight uptick in unemployment rates in 2023.

Figure 25: Unemployment Rates

Unemployment rate in U.S., Minnesota, Dakota (All)

Numbers are not seasonally adjusted

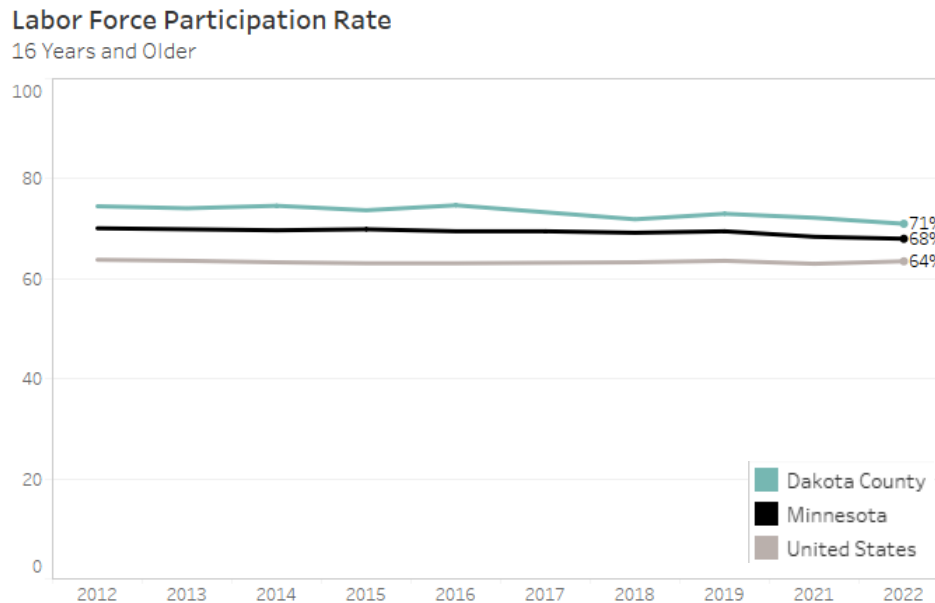


Source: MN DEED (LAUS)

Labor Force Participation Rates

The labor force participation rate signifies the percentage of individuals engaged in work or actively seeking employment. Various factors, such as postsecondary education, child-rearing, or retirement, can contribute to lower rates. Over the past decade, both regional and national labor force participation rates have remained stable, with Dakota County rates consistently ranging between 71-75%.

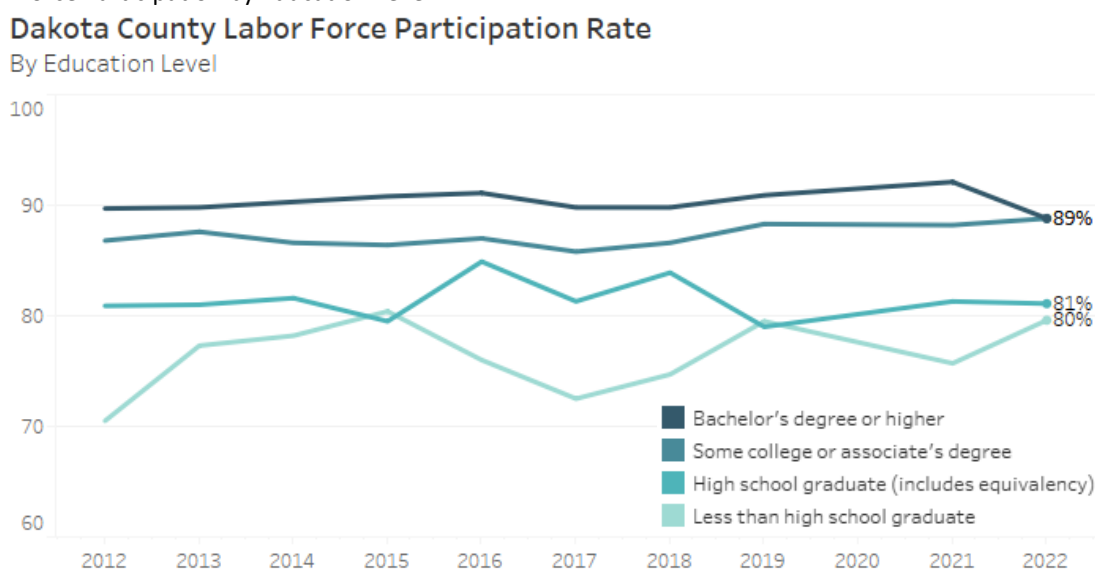
Figure 26: Labor Force Participation Rate



Source: American Community Survey

A notable disparity in labor force participation rates is apparent when segmented by education level. Individuals with some college education (or higher) consistently exhibit participation rates exceeding 85%, while those with a high school graduate level or less consistently have rates at or below 85%.

Figure 27: Labor Force Participation by Education Level

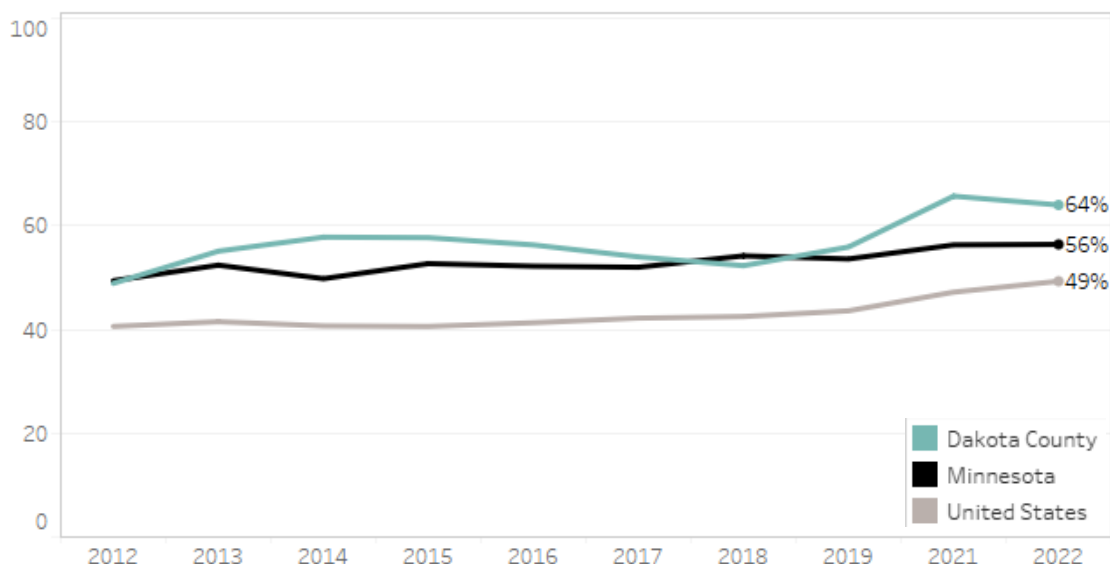


Source: American Community Survey

Over the past decade, the County labor force participation rate for individuals with a disability has risen, from 49% in 2012 to 64% in 2022.

Figure 28: Labor Force Participation by Disability

Labor Force Participation Rates For Individuals with a Disability



Source: American Community Survey

The County's labor force has expanded by 5.3% since 2007. According to population projections and labor force participation rates, the State Demographer anticipates a further 5.7% growth through 2035.⁵

Table 7: Labor Force Projections

Dakota County Labor Force Projections

	2022	2035
Total Labor Force	241,932	256,442
	2007-2022	2022-2035
Percent Change	5.3%	5.7%

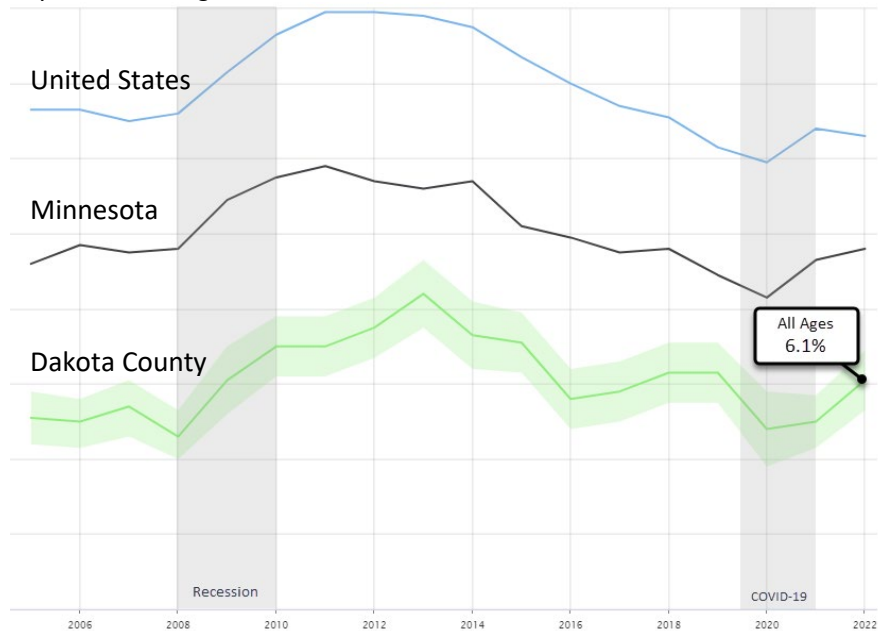
Source: Minnesota State Demographer

⁵ State Demographer methodology for labor force projections: Apply their standard population projection by age group then apply the labor force participation rate in the American Community Survey 2011-2015 to the projected population in each age cohort and hold that rate constant over the projections horizon.

Household Poverty Rates

The County's poverty rate (for all ages) has consistently stayed significantly below State and national averages. There was a decline during the COVID-19 pandemic, hitting 4.8% in 2020. The poverty rate has gradually risen back to pre-pandemic levels, reaching 6.1% in 2022.

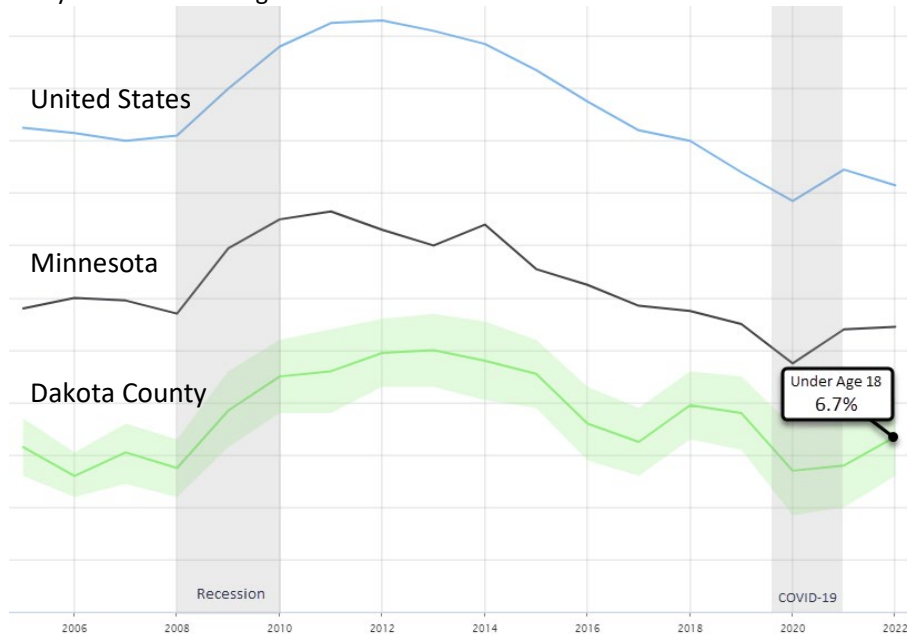
Figure 29: Household Poverty Rate for All Ages



Source: Small Area Income and Poverty Estimates

Poverty rates for the under 18 population in the County have closely mirrored the overall population trend, consistently slightly higher. During the COVID-19 pandemic, rates dropped to 5.4% in 2020, but have since risen back toward pre-pandemic levels, reaching 6.7% in 2022.

Figure 30: Household Poverty Rate for Under Age 18



Source: Small Area Income and Poverty Estimates

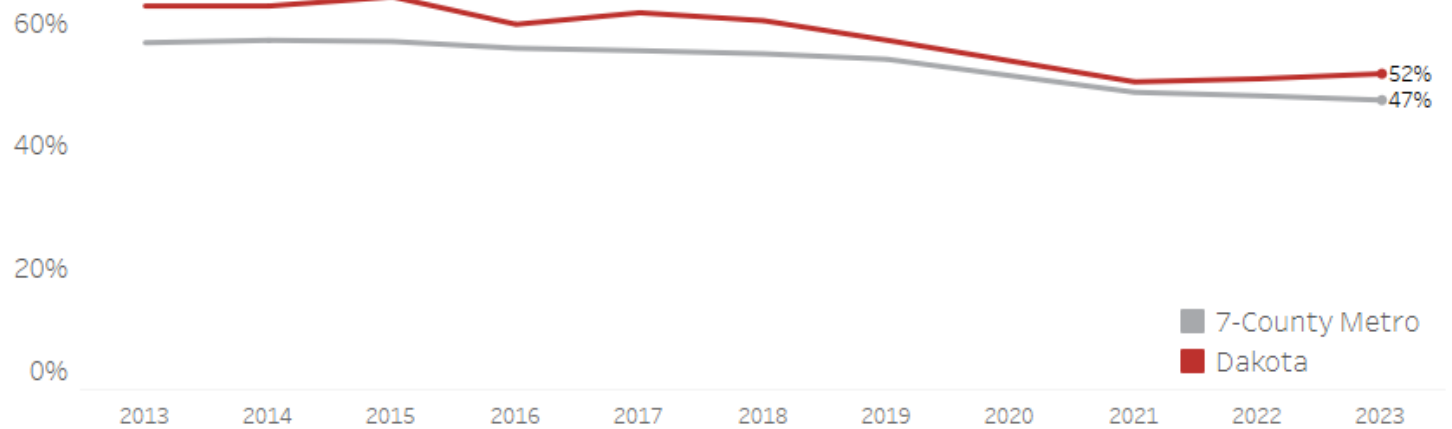
Education

K-12 Achievement

The percentage of 3rd grade students meeting or exceeding the reading standard has slightly decreased in recent years. County student achievement trends align with those of six other metro counties. 2023 data showed a 2% improvement from 2021, with 52% of students meeting or exceeding standards.

Figure 31: Third Grade Reading

Percent at or above standards for 3rd Grade Reading

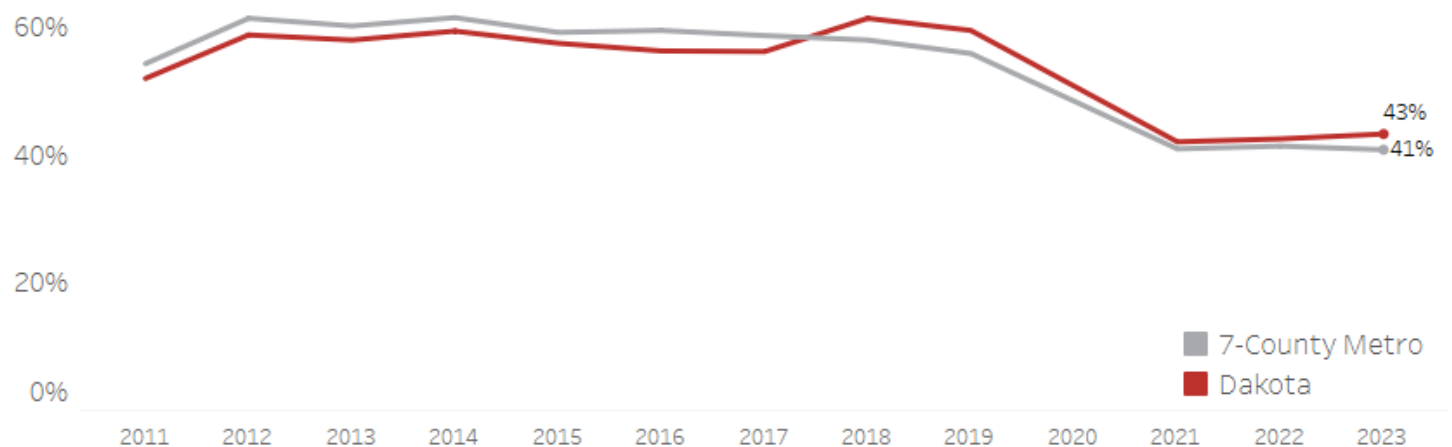


Source: Minnesota Department of Education

The percentage of 8th grade students meeting or exceeding standards for math saw a sharper decline in that same time period (from 61% in 2018 down to 42% in 2021). 2023 data showed a slight increase of 1% in the math achievement levels (to 43%), possibly indicating the start of an upward trend.

Figure 32: Eighth Grade Math

Percent at or above standards for 8th Grade Math

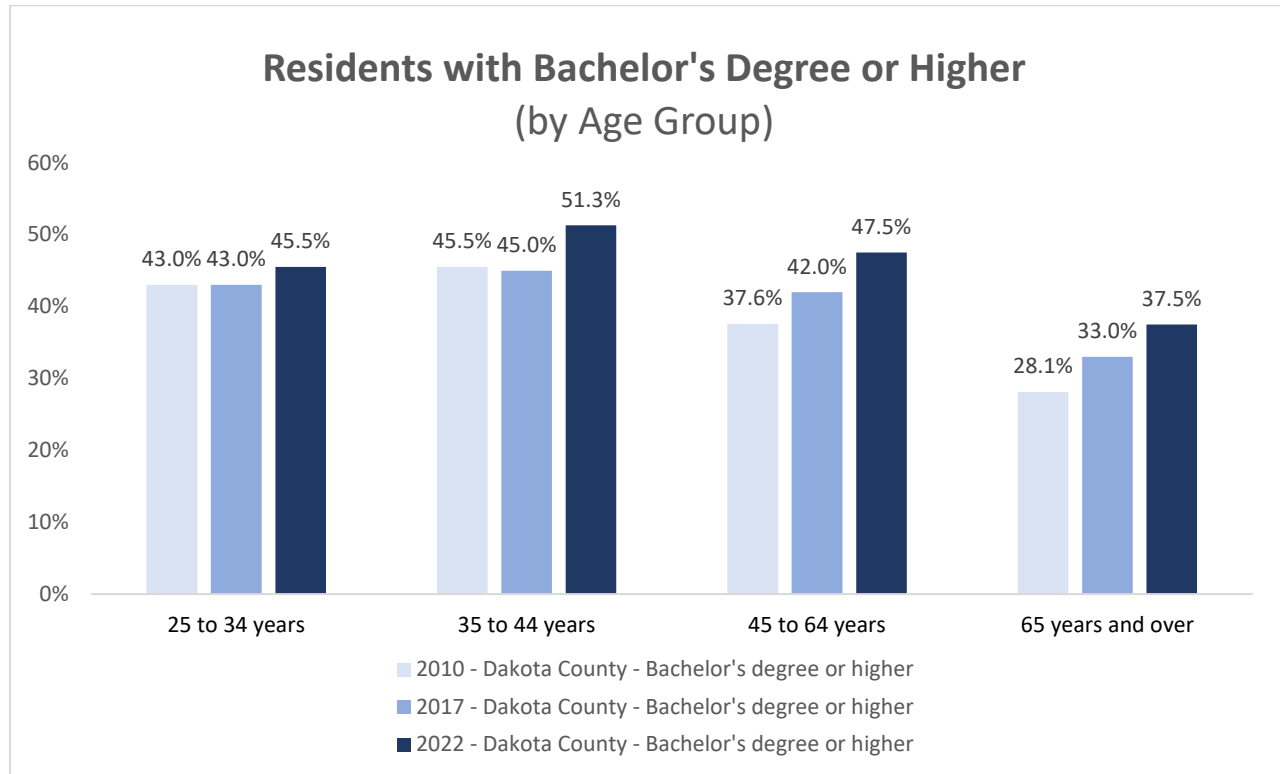


Source: Minnesota Department of Education

Adult Educational Attainment Levels

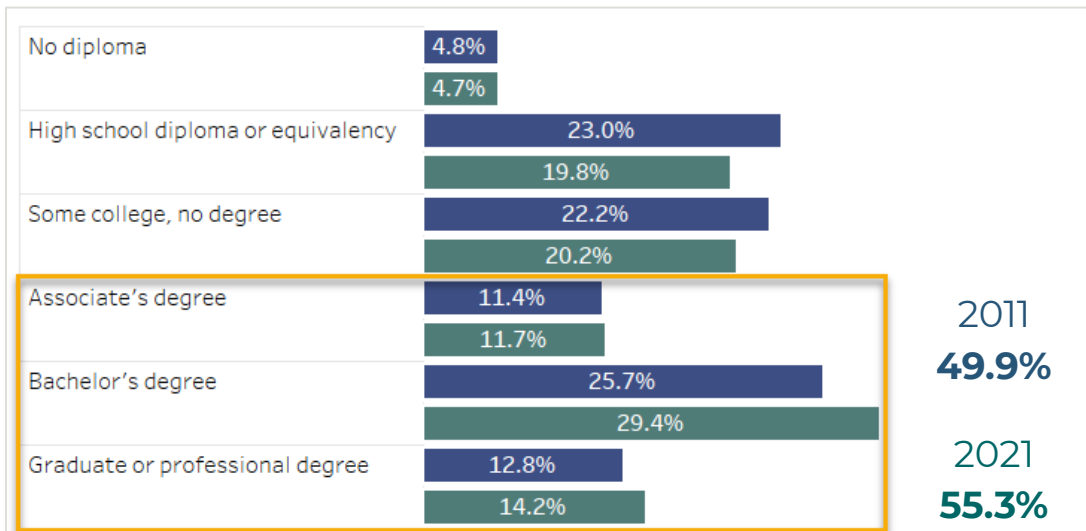
There is a consistent trend of rising educational attainment in the County among adults 25 and older. In 2021, 55.3% of residents held an Associate's degree or higher, compared to 49.9% in 2011. When compared across the Twin Cities metro area, Dakota County typically fall close to the median among all educational attainment levels.

Figure 33: Residents with a Bachelor's Degree or Higher



Source: American Community Survey

Figure 34: Adult Education Levels 2011 and 2022



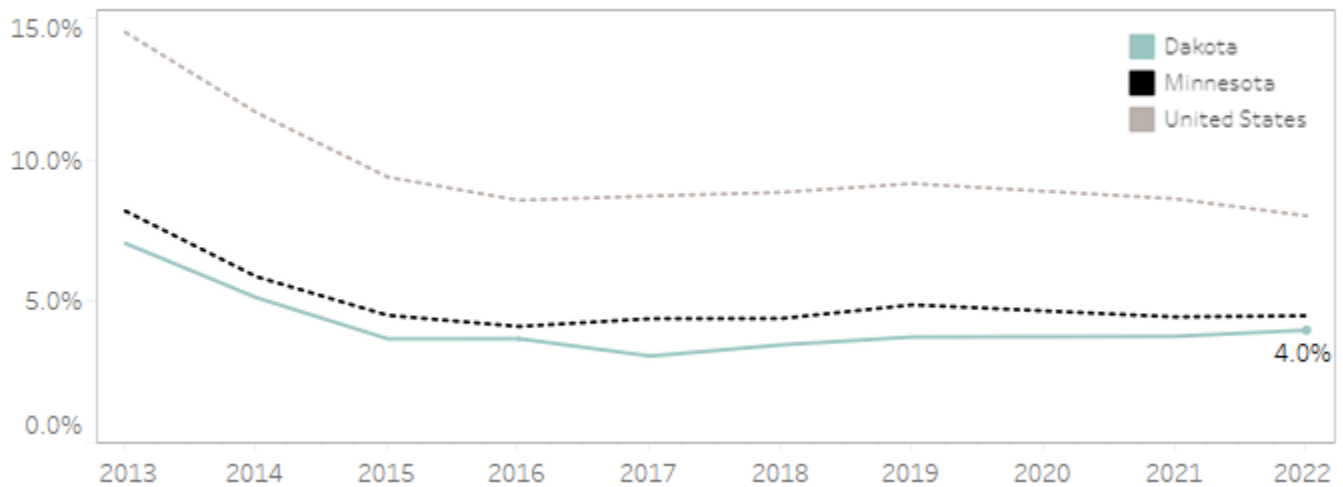
Source: American Community Survey

Health Uninsurance Rates

The health uninsured rate, for all ages, in Dakota County has remained at or below 4% since 2015.

Figure 35: Overall Uninsured Rates

Overall Uninsured Rates

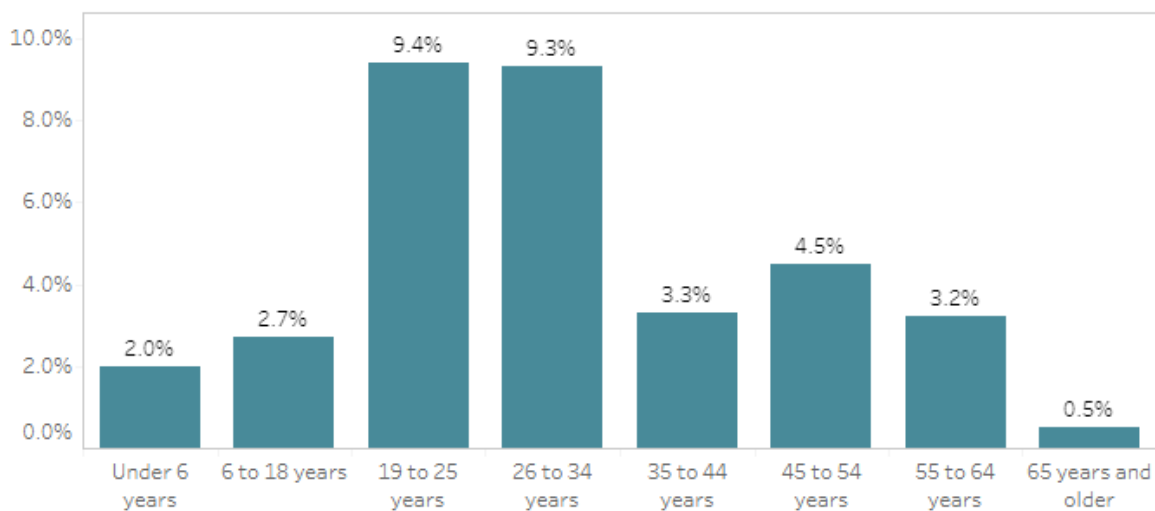


Source: American Community Survey

Throughout the past decade, the age group of 18 to 25 consistently exhibits the highest uninsured rates within their respective cohort, as seen in the 2022 snapshot.⁶

Figure 36: Uninsured Rates by Age Groups

Uninsured Rates by Age Groups | Dakota, 2022



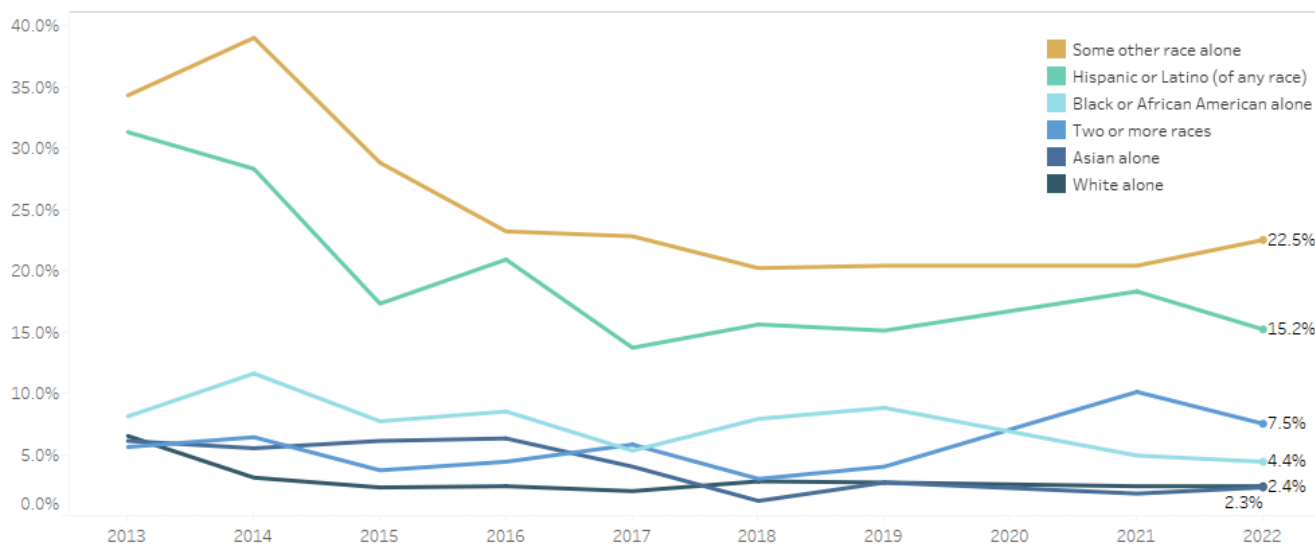
Source: American Community Survey

⁶ Trendline data is unavailable due to the numerous changes in age cohorts that have taken place over the past ten years.

Despite ongoing demographic disparities in health insurance, the County has seen an overall improvement in health uninsurance rates across various racial and ethnic groups during the past decade.

Figure 37: Uninsured Rates by Race and Ethnicity

Uninsured Rates by Race/Ethnicity

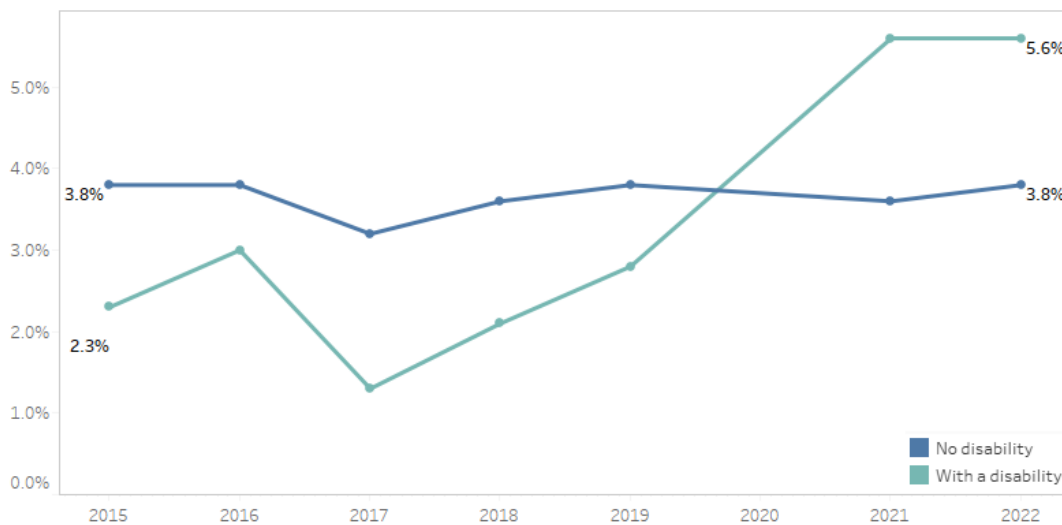


Source: American Community Survey

The uninsured rate among individuals with a disability had consistently stayed at or below 3% until the past two years. In 2021 and 2022, the rates increased, surpassing 5.5%.

Figure 38: Uninsured Rates by Disability Status

Uninsured Rates by Disability Status | Dakota, All

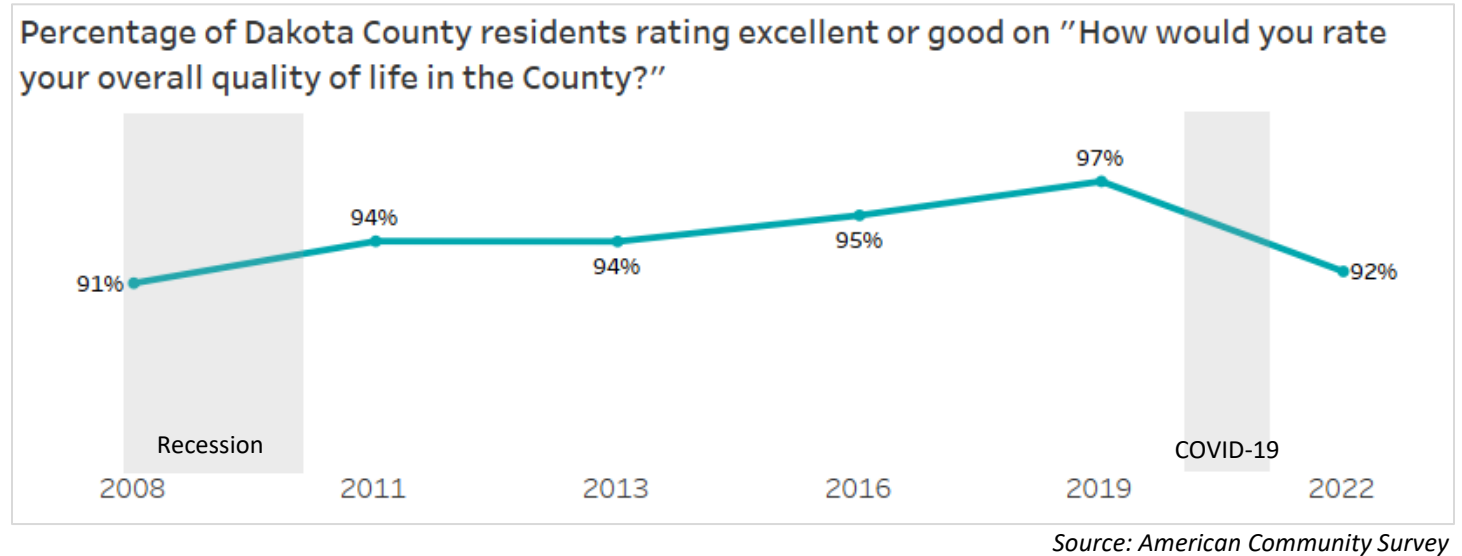


Source: American Community Survey

Residential Survey: Quality of Life Responses

The residential survey, conducted every three years, includes a question on residents' overall quality of life, with response options: excellent, good, fair, or poor. Since 2008, the percentage of residents rating their quality of life as excellent or good has consistently exceeded 90%, reaching a peak of 97% in the 2019 survey.

Figure 39: Residential Survey - Quality of Life Responses



Key Takeaways

- Dakota County is growing, but has experienced recent net out-migration
- The population is aging and becoming more diverse
- Population of persons with disabilities is increasing, along with the rate of health uninsurance within this population
- Housing affordability impacts renters more than homeowners
- Increasing levels of educational attainment among residents 25 years and older
- Unemployment and poverty consistently fall below State and National averages
- High overall quality of life in Dakota County