ANNUAL REPORT 2023

Perham Economic Development Authority

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PERHAM
"This is where so many people choose to vacation and I am lucky enough to live where I also vacation."
Sue Huebsch
Owner of Wild Goose

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NOTE FROM DIRECTOR

Perham, MN, continues to demonstrate resilience and growth in its economic landscape. With a strategic focus on fostering entrepreneurship, enhancing infrastructure, and nurturing community development, Perham stands as a beacon of opportunity in the heart of Otter Tail County. This report highlights key achievements, ongoing initiatives, and future prospects driving economic prosperity in our vibrant community.

Perham witnessed a surge in entrepreneurial activity in 2023, with several new businesses establishing roots in the area. Again, most of these ventures were spearheaded by women entrepreneurs, underscoring the diverse and inclusive nature of our local economy. The Perham Economic Development Authority (EDA) played a pivotal role in providing support, resources, and guidance to these budding enterprises, fostering an environment conducive to business innovation and growth.

Infrastructure development remains a cornerstone of Perham's economic agenda. In 2023, significant investments were made to enhance transportation networks, including road upgrades and expansion projects aimed at improving connectivity within the region. Additionally, ongoing efforts to modernize utility systems and expand broadband access are poised to further bolster the community's competitive edge and attract investment across various sectors.

Recognizing the importance of affordable and accessible housing, Perham embarked on ambitious housing initiatives in 2023. Through collaborative partnerships with local stakeholders and government agencies, the city facilitated the construction of new housing units catering to diverse housing needs and preferences. These efforts are instrumental in attracting and retaining a talented workforce while fostering a vibrant and inclusive community.

As we embark on the year ahead, Perham remains poised for continued economic growth and prosperity. With a steadfast commitment to innovation, collaboration, and community engagement, we are well-positioned to capitalize on emerging opportunities and overcome challenges. The Perham EDA, in conjunction with local businesses, government agencies, and community organizations, will continue to drive initiatives aimed at fostering sustainable economic development, enhancing quality of life, and ensuring a bright and prosperous future for all residents.

Perham's economic trajectory is marked by resilience, vitality, and inclusivity, setting the stage for continued success in the years to come. Through collective effort and forward-thinking leadership, we remain steadfast in our commitment to building a thriving and resilient economy that benefits all members of our community.

Nick Murdock
EDA Director, City of Perham
02/17/2023

MISSION AND VISION

Perham EDA Mission Statement

The Perham Economic Development Authority is committed to being a catalyst for growth within the city of Perham.

Perham EDA Vision Statement:

We seek to provide every member of our community access to quality housing, employment, and recreation by:

- **Encouraging and assisting the development of new and existing businesses by providing information, financing, mentoring, and education.**
- **Working with the Perham Area Chamber of Commerce and other groups to promote tourism and recreational opportunities.**
- **Partnering with local businesses, industry leaders, and the Perham Housing & Redevelopment Authority to expand and enhance housing opportunities.**

EDA Board of Directors

- Charlie Cavanagh, Chair
- Denise Schornack, Vice Chair
- David Arvig
- Curt Osterfeld
- Chuck Hofius
- Tim Meehl, City Council Representative
- Brad Schmidt, City Council Representative

All board members are volunteers and serve six-year terms.

The Perham Economic Development Authority Board meets monthly on the fourth Tuesday at 7:00 AM in the Council Chambers of Perham City Hall.

EDA PROGRAMS

• **Funding Solutions:**

Perham EDA offers diverse financing options tailored for startups, expansions, equipment purchases, acquisitions, and other business requirements.

• **Tax Increment Financing:**

Utilizing TIF, the EDA facilitates support for housing and business development projects.

• **Otter Tail County Housing Initiative:**

Partnering in Otter Tail County's Big Build program, we provide tax abatement support for housing initiatives.

• **Homebuyer Assistance Program:**

Income-eligible first-time homebuyers can access funds to assist with their down payments.

• **Property Listing and Promotion:**

Maintaining a comprehensive inventory of commercial properties, the EDA facilitates connections between buyers, sellers, landlords, and lessees.

• **Opportunity Grants Initiative:**

In collaboration with the City of Perham, the EDA introduced a citywide grant program in 2023 to aid in the expansion and maintenance of residential and commercial properties.

DEMOGRAPHICS

INFORMATION PROVIDED BY GREATER LAKES ASSOCIATION OF REALTORS

Total Population

This chart shows the total population in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually

Total Daytime Population

This chart shows the number of people who are present in an area during normal business hours, including workers, and compares that population to other geographies. Daytime population is in contrast to the "resident" population present during evening and nighttime hours.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually

Population Change Since 2010

This chart shows the percentage change in area's population from 2010 to 2022, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually

Average Household Size

This chart shows the average household size in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually

Female / Male Ratio

This chart shows the ratio of females to males in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

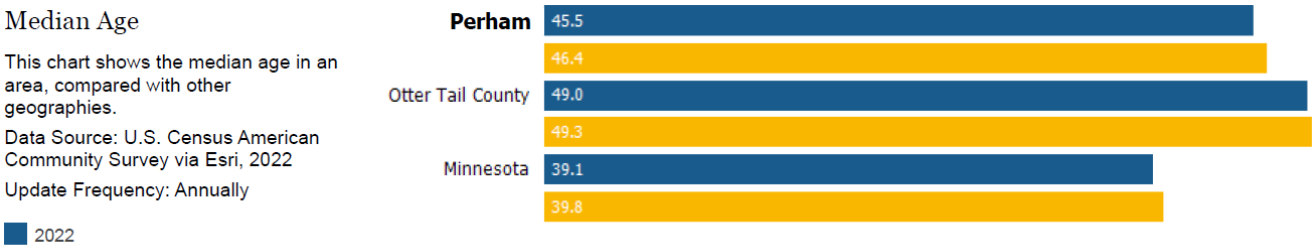
Update Frequency: Annually

Median Age

This chart shows the median age in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually

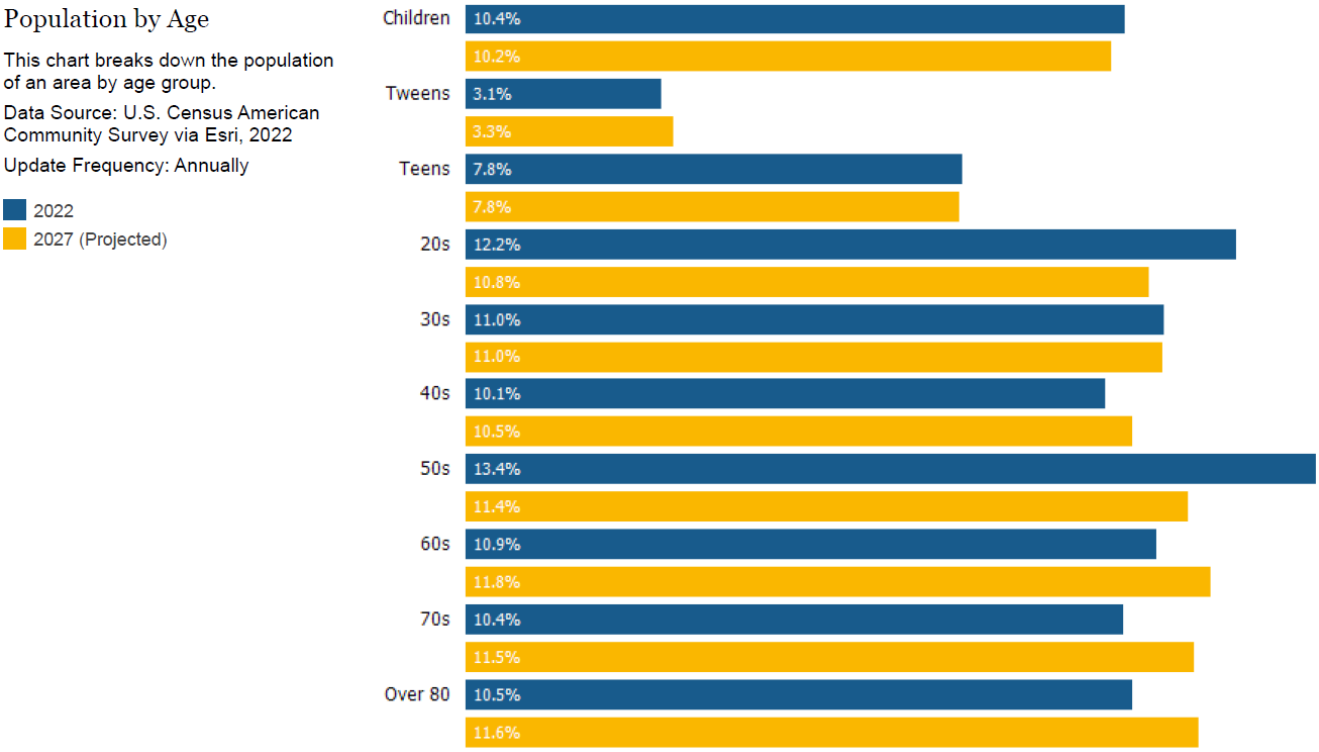


Population by Age

This chart breaks down the population of an area by age group.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually



Average Household Income

This chart shows the average household income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

Update Frequency: Annually

Median Household Income

This chart shows the median household income in an area, compared with other geographies.

Data Source: U.S. Census American Community Survey via Esri, 2022

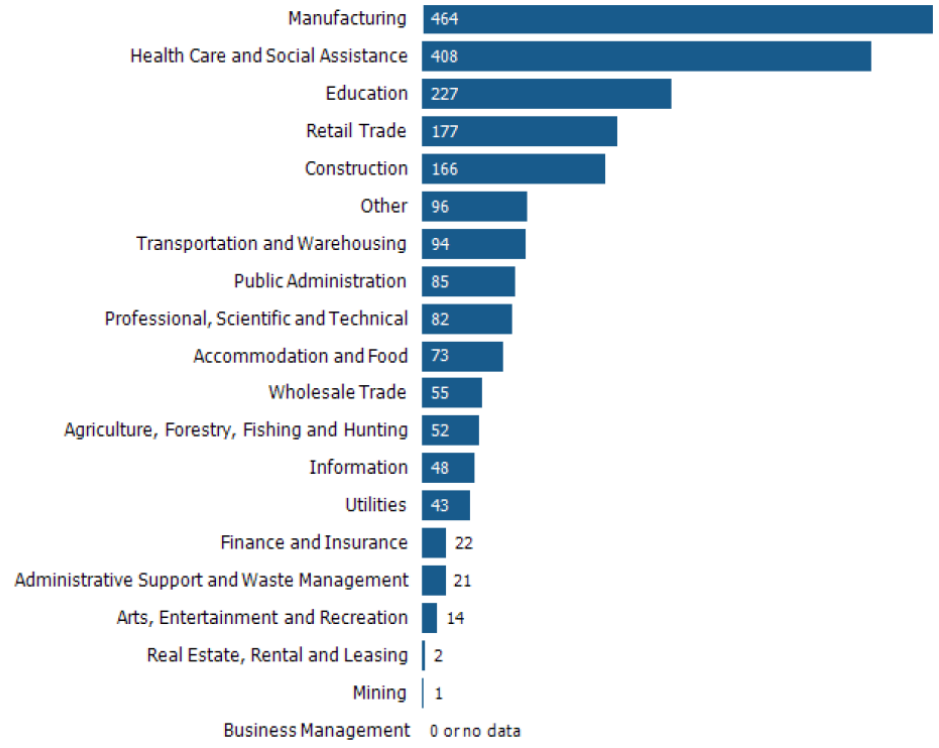
Update Frequency: Annually

Employment Count by Industry

This chart shows industries in an area and the number of people employed in each category.

Data Source: Bureau of Labor Statistics via Esri, 2022

Update Frequency: Annually



COMMERCIAL BUILDING

Commercial Building Permit Year Comparison

	2020	2021	2022	2023
Number of Permits Issued	36	28	28	**38**
Value of Permits Issued	$22,707,902.04	$ 29,117,754.00	$ 11,064,652.74	**$24,214,938.00**
Average Permit Value	$ 630,775.06	$ 1,039,919.79	$ 395,199.17	**$637,235.21**

Commercial Building Highlights for 2023

Storage Stuffin = $1,300,000.00

White Oak Dental Office = $1,348,200.00

Crane Johnson - New Warehouse/Office Remodel = $1,300,000.00

Bongards - New Production Facility = $9,320,764.00

Bongards - New Intake Facility = $8,000,000

RESIDENTIAL BUILDING

Residential Building Permit Year to Year Comparison

	2020	2021	2022	2023
# of Permits Issued	87	65	51	**65**
# of New Homes	5	10	9	**12**
# of New Twin-Homes	21	4	2	**8**
Value of Permits Issued	$5,508,040.00	$4,397,628.00	$ 3,195,683.00	**$6,466,740.00**
Average Permit Value	$48,743.72	$55,666.18	$ 51,543.27	**$76,079.29**

2023 Active Housing Developments

-Rewind 12-unit Sober Living Facility-

-West Wind 4-

Demand for West Wind homes never seems to end!

More construction is planned for the 2024 building season.

-Prairies Edge-

Phase three of the Prairies Edge development is underway. Construction on residential units in the newly developed portion will get under way early in 2024.

-Clearwater Estates-

Two different developers had active building seasons in Clearwater Estates. Ten new residential units were added in 2023!

-Meadowview Homes-

Two twin-homes are SOLD with more to come.

OTTER TAIL COUNTY – THE BIG BUILD

Perham is happy to partner with Otter Tail County in support of The Big Build.

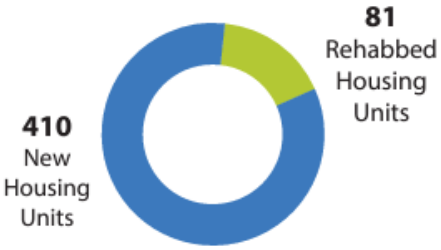
Content provided by Otter Tail County CDA.

View the full OTC CDA Annual Report here:

The need to expand housing opportunities is critical in addressing the county's workforce needs. The Big Build housing growth and investment initiative showed progress in 2023 to increase the construction of new housing units, build partnerships to expand capacity, seek funding opportunities, and advocate for increased funding and support of housing.

150+ people attended housing events to learn, engage, and activate housing growth and partnerships. Events included quarterly Housing Convenings and a Housing Summit.

410 new housing units and 81 rehabbed units added more than $100.8 million of housing investment.



Housing finance programs supported owner-occupied and rental construction and rehabilitation projects.

- Provided Down Payment Assistance to 2 homebuyers
- Provided 3 homeowners with rehabilitation loans
- Awarded $200,000 to cities for public infrastructure investments to support housing growth
- Approved 82 Tax Rebate Program applications

5 first-time homebuyers purchased homes with lower interest rate mortgages and down payment assistance through the Minnesota Cities Participation Program, a partnership between local lenders, Otter Tail County, and Minnesota Housing.

OTTER TAIL COUNTY · MINNESOTA

bigbuildotc.com

NEW BUSINESS/OWNER

Rustic Coneflower Boutique

130 Main Street East

Elements Med Spa

127 1st Avenue South

Storage Stuffin

1061 Coney Street East

Speckled Egg - Bakery

223 Main Street West

Willow Book Store/Big Pine Books

126 Main Street West

New Owner: Greta Guck

NEW LOCATION

Farm Bureau Financial Servies

Michelle Beck

157 1st Avenue South

Integrity Counseling

710 3rd Avenue Southeast

Dr. Big Brain

710 3rd Avenue Southeast

Bongards Cheese Store

101 2ND Street Southeast

EXPANSIONS

Bongards - Intake Facility

110 3rd Ave Northeast

Lakes Family Eye Care – Exam Rooms

222 Market Drive

Crane Johnson – Warehouse Addition

710 2nd Street Southeast

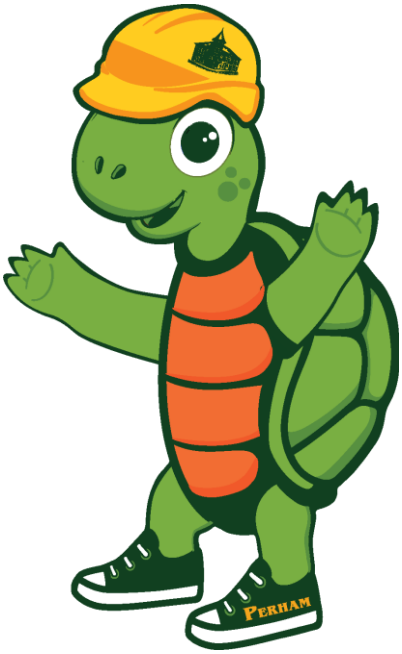
Pizza Ranch – FunZone

720 3rd Avenue Southeast

Nyhus – New Shop

515 Main Street East

2024 MAIN STREET REVITALIZATION PROJECT



This year's road construction project will be more noticeable than in years past as the entirety of Main Street will get a facelift. At the time of this report, plans and specifications for the project have been approved, and contractors are working up bids for the city to review. Contracts will be awarded in late March/early April, and with the construction friendly spring we're having, the project should get off to an early start.

Below is the projected phasing and timeline for the project. You'll notice we've intentionally tried to avoid the major downtown corridor for most of the tourist season.

The city has been working closely with the Perham Area Chamber of Commerce on communication and signage strategies to make sure residents and visitors have up to date information on the project as it moves forward. The QR code on the right will take you to the main communications page for the project. There you'll be able to access the latest project updates, a web-based map showing project status, and a schedule of community meetings pertaining to the project.

As always, if there are any questions or concerns before, during, or after the project, you can contact the city offices at 218.346.4455.

- Full Depth Reclamation
  - Completed under Traffic
- Phase 1 (5th Ave SE to 1st Ave N)
  - Early Spring/Summer (mid June completion)
  - Phase 1A (2nd Ave) – Later completion
- Phase 2 (4th Ave SW to 6th Ave SW)
  - Following Phase 1
- Phase 3 (6th Ave SW to CSAH 51/34)
  - Following Phase 2
- Phase 4 (1st Ave N to 4th Ave SW)
  - Late Summer (aiming for mid-August start)

Apex Engineering Group

Perham
ECONOMIC DEVELOPMENT