Program Highlights

Opportunity Grant

The City of Perham's Opportunity Grant program concluded in March 2025 after two successful years of supporting local economic development. Launched in April 2023, the program awarded 21 grants, distributing nearly $1.3 million and leveraging over $6.8 million in private investment. Made possible through state legislation permitting the use of excess Tax Increment Financing funds, the program played a key role in fostering economic growth and community investment.

SHRIMP Grant

The Single-Family Home Rehabilitation and Improvement Matching Program (SHRIMP) was a success this past year. This initiative was designed to enhance the quality and longevity of single-family rental homes within the city limits of Perham by providing support to landlords making property improvements. The program provided 20 grants on a 1:1 matching basis, with each grant offering up to $5,000 to assist in structural, functional and deferred maintenance needs. Landlords were required to contribute matching funds, effectively doubling the investment into each property and ensuring safe and sustainable housing rental options for the Perham community. The program successfully incentivized $100,000 in additional private funding for a total of $200,000 in housing improvements. The program also contributed to strengthening Perham's economic base by creating demand for contractors, material suppliers and local retailers. We extend our gratitude to all participating landlords, contractors and local businesses for building a stronger housing market in Perham, MN.

Downpayment Assistance

The Perham EDA remains committed to fostering homeownership opportunities within our community. One of our key initiatives, the Down Payment Assistance Program, continues to support qualified homebuyers in achieving their dreams of owning a home. This program provides buyers with up to $10,000 in loan assistance with the down payment on a new or existing home. A benefit of this program is the financial flexibility of not being required to make payments or accrue interest for up to 30 years. In the past year, the program successfully assisted three homebuyers, awarding a total of $30,000 in down payment assistance. These funds were instrumental in helping families establish roots in Perham, contributing to the growth of our local economy and housing market. 2025 is starting off strong with assistance already to three homebuyers.

Population

Perham: 3716
3512 (2020)

Otter Tail County: 60,626
State of MN: 5,717,184
United States: 335,942,003

Median Age

Perham: 35.0
35.0 (2020)

Otter Tail County: 46.3
State of MN: 38.6
United States: 38.8

Median Household Income

Perham: $47,088.00
$46,509.00 (2020)

Otter Tail County: $67,990.00
State of MN: $87,556.00
United States: $74,580.0

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Annual Report

2024

ECONOMIC DEVELOPMENT AUTHORITY OF PERHAM

Message from the Director

As we reflect on 2024, it's clear that this has been an incredible year of progress and growth for Perham. From major infrastructure improvements like the Main Street reconstruction to the continued success of economic development programs such as the Opportunity Grant and SHRIMP, our community has remained committed to building a stronger future.

New investments have strengthened our local economy, and key housing initiatives have supported homeownership and property improvements. These achievements would not have been possible without the dedication and resilience of our local businesses, residents, and visitors. Your support, whether through investing, working, shopping, or simply enjoying what Perham has to offer, has been instrumental in our success.

Thank you for your continued partnership in making Perham a vibrant and welcoming place to live, work, and visit. We look forward to another year of growth and opportunity in 2025!

Nick Murdock, EDA Director

City of Perham - Building Permits

Year to Year Comparison

Commercial

Year	Value	Count	Average
2018	$ 17,052,021.00	44	$ 387,545.93
2019	$ 11,161,537.77	32	$ 348,798.06
2020	$ 22,707,902.04	36	$ 630,775.06
2021	$ 29,117,754.00	28	$ 1,039,919.79
2022	$ 11,064,652.74	28	$ 395,166.17
2023	$ 24,214,938.00	38	$ 637,235.21
2024	**$36,423,392.95**	**28**	**$ 1,300,835.46**

Residential

Year	Value	Count	New 1-2 Family Units	New Multi-Family Units
2018	$ 1,826,687.00	69	5	0
2019	$ 1,012,628.00	74	3	0
2020	$ 5,508,040.00	113	26	0
2021	$ 4,397,628.27	79	14	24
2022	$ 3,195,683.00	63	11	35
2023	$ 6,466,740.00	85	20	0
2024	**$ 3,819,309.69**	**71**	**17**	**0**

Key Takeaways:

- The commercial sector experienced significant growth in total and average permit values.
- Residential permits peaked in 2023 but declined in 2024 in both value and new 1-2 family housing units.
- The average commercial permit value in 2024 more than doubled from 2023, largely due to the Bongards expansion project.

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Project Highlights

Main Street Reconstruct: The most significant infrastructure project of the year was the complete reconstruction of Main Street/County Highway 80, a vital corridor through the heart of Perham. Favorable spring weather enabled an efficient start, and construction crews maintained steady progress throughout the summer, meeting all project deadlines.

The most impacted area was the downtown core, where road closures, detours, and adjusted business access created temporary challenges. However, proactive and transparent communication was key to the project's success. City officials worked closely with local businesses, contractors, and the Perham Area Chamber of Commerce to ensure stakeholders were well-informed and prepared for disruptions. This collaborative approach helped minimize impacts while enhancing the long-term benefits of this essential infrastructure improvement.

Bongards Dryer/Intake/Warehouse: A $125 million expansion and addition to the Bongards Creameries facility is steadily progressing on NE 3rd Street. The project aims to increase intake and warehouse capacity to accommodate growing demand. Additionally, a large dryer facility is being constructed to process extracted protein into a marketable whey protein product, which will be sold to various food and supplement manufacturers.

Commercial Activity

Perham experienced another dynamic year of commercial growth, with several new businesses, relocations, and expansions strengthening the local economy.

New Businesses: The community welcomed a variety of new enterprises, including Ellingson Plumbing, Heating, AC and Electric/The Fireplace Store, Productive Pathways, Fresh Prints of Perham, Northwestern Mutual, On Spot Therapy and Orofacial Myology, Prairigrass, Wild Oak Market, and Creative Friends.

Relocations: Teho Fitness, Nourish and Flourish Wellness, and Propel Financial Strategies moved to new locations, enhancing their services and accessibility.

Expansions: Karvonen's and Bongards expanded their operations, reflecting strong business growth and investment in the area.

Perham continues to thrive as a hub for business development, fostering economic vitality and community engagement.

Upcoming Projects

Cherry Lane: Expanding Perham's housing capacity remains a continuous effort. Located at the North end of Clearwater 1st addition, Cherry Lane is set for infrastructure installation in 2025. The project will transform four large single-family home lots into eight smaller ones. The new homes to be built are expected to be more affordable than other existing new construction options.

LCC Locker Plant Expansion: To remain competitive and meet growing demand, the Lakes Community Coop Meat Market in Perham is set to undergo a major expansion in 2025. This project will nearly double its space, increasing from 5,000 to 9,600 square feet, allowing for additional animal housing, processing rooms, and coolers. The expansion could also create up to 15 new jobs. The primary objectives are to better serve public demand and strengthen supply chain resilience. Financial support for the project will come from the USDA, the State of Minnesota, and the Perham Opportunity Grant.