PERHAM
MINNESOTA

PROGRESS

ECONOMIC DEVELOPMENT AUTHORITY OF PERHAM

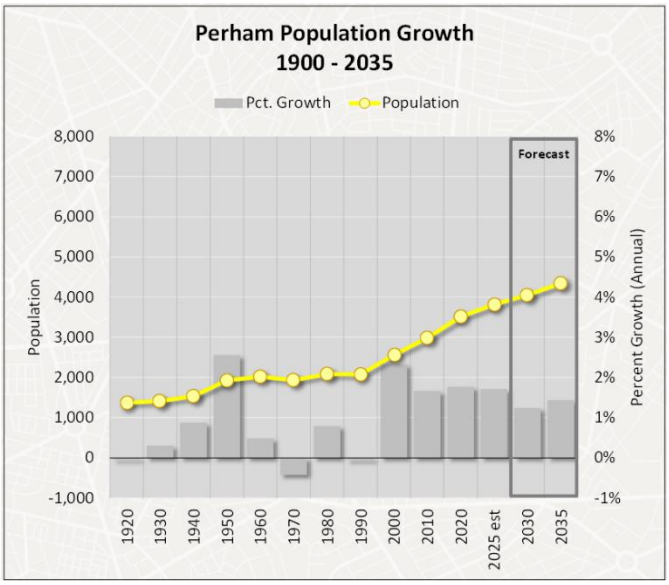
ANNUAL REPORT • 2025

Building Tomorrow's Perham — Today

Housing Needs Analysis

The recently completed 2025 Comprehensive Housing Needs Analysis provides a data-driven foundation for understanding how Perham is growing and what that growth means for the community's future. By examining population trends, workforce dynamics, and housing market conditions, the study highlights a clear connection between housing availability and economic vitality. The following overview builds on those findings, illustrating how demographic shifts and employment patterns are shaping housing demand—and why strategic investment in housing will be essential to support Perham's continued success.

The full 177-page Housing Needs Analysis is available for review at: https://progressiveperham.com/live-here/housing/housing-study/.



Population Growth and Workforce Dynamics Shape Perham's Housing Future

Perham continues to experience steady and meaningful growth, reinforcing its role as a regional hub for both residents and employment. Recent demographic trends show that this growth is not only ongoing but also evolving in ways that will significantly influence the community's housing needs in the years ahead.

📊 **Analysis Data Callout:**
Between 2020–2025: +300 residents (+8.5%) and +134 households (+8.7%)

Since 2020, Perham has added both population and households at a pace that outperforms much of the surrounding region. This growth is expected to continue through 2035, driven by a combination of natural population increases, in-migration, and economic opportunity. Notably, the community's largest population segments are adults between the ages of 25 and 44—prime working and family-forming years. At the same time, the number of residents aged 75 and older is projected to rise sharply, reflecting broader aging trends seen across Minnesota.

📊 **Analysis Data Callout:**
Ages 25–44 = largest population cohorts
Age 75+ projected to grow significantly through 2035

This dual growth pattern—young workforce households alongside a rapidly aging population—creates a diverse and complex housing demand. Younger households are more likely to seek entry-level ownership opportunities or rental housing, while older residents increasingly look for maintenance-free living options or senior-oriented housing. Ensuring that Perham can accommodate both ends of this spectrum will be critical to sustaining balanced community growth.
Equally important is the relationship between population trends and the local workforce. Perham serves as a significant employment center within the region, drawing thousands of workers into the community

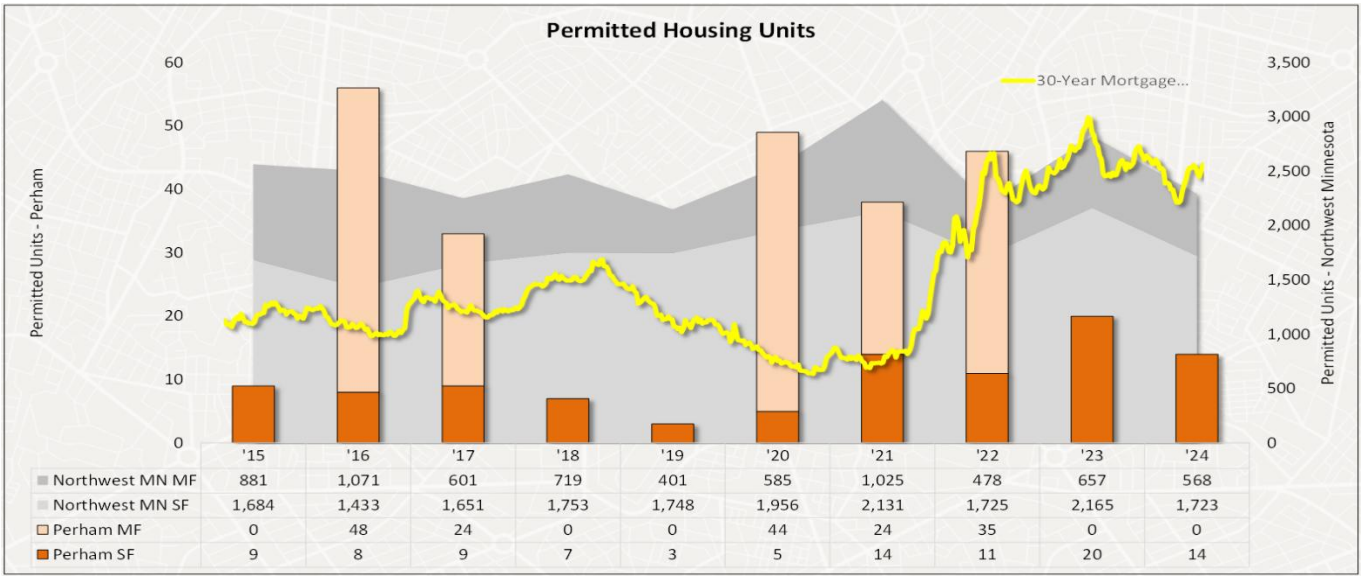
each day. In fact, the number of people commuting into Perham for work far exceeds the number of residents who leave for jobs elsewhere. This dynamic highlights Perham's economic strength—but also underscores a key opportunity.

📊 **Analysis Data Callout:**
3,461 workers commute into Perham daily
908 residents commute out

Many of these inbound workers currently live outside the community, often due to limited availability of suitable or attainable housing options within Perham. With continued job growth projected in the coming decade, the ability to attract and retain this workforce locally will depend heavily on expanding the housing supply.
At the same time, a gap persists between local wages and the cost of homeownership. While rental housing remains relatively attainable for many workers, for-sale housing—particularly new construction—often exceeds what typical local incomes can support. This mismatch makes it difficult for workers to transition from renting to owning, and for new residents to put down long-term roots in the community.

📊 **Analysis Data Callout:**
Avg. annual wage ≈ $54,340
Income needed to afford median home ≈ $78,868

Together, these trends point to a clear conclusion: housing availability is directly tied to Perham's ability to sustain both population growth and economic vitality. Expanding housing options that align with local incomes, life stages, and workforce needs will not only support residents but also strengthen the city's position as a regional employment center.
Looking ahead, strategic housing development—particularly workforce-oriented rental and ownership options—will play a pivotal role in shaping Perham's future. By addressing these needs, the community can continue to grow in a way that is both economically resilient and responsive to the people who live and work here.



	'15	'16	'17	'18	'19	'20	'21	'22	'23	'24
Northwest MN MF	881	1,071	601	719	401	585	1,025	478	657	568
Northwest MN SF	1,684	1,433	1,651	1,753	1,748	1,956	2,131	1,725	2,165	1,723
Perham MF	0	48	24	0	0	44	24	35	0	0
Perham SF	9	8	9	7	3	5	14	11	20	14

Note from the Director

The past year has been one of continued progress and momentum for the Perham Economic Development Authority. We remain focused on supporting local businesses, encouraging new investment, and ensuring that Perham continues to be a place where entrepreneurs and employers can succeed.

A key accomplishment in 2025 was strengthening our support network for small businesses and startups. Through our partnership with the Small Business Development Center, we hosted regular SBDC Meet-Ups, providing local entrepreneurs with direct access to expert guidance, peer connections, and practical tools to grow their businesses. These sessions have become a valuable resource for both new and existing business owners.

We also continued to deploy our Gap Financing and Micro Loan Programs to help bridge funding challenges and move projects forward. These tools play an important role in supporting business expansions, startup activity, and redevelopment efforts throughout the community. By offering flexible, local financing options, we are able to respond quickly to opportunities and help make projects viable.

In addition, the EDA remained actively engaged in commercial property search and sale assistance. Whether helping a new business find the right location or supporting the transition of an existing property, we work closely with business owners, developers, and brokers to ensure successful outcomes. Facilitating these connections is a critical part of maintaining a healthy and growing business environment.

As we look ahead, we will continue to build on these efforts—supporting our local businesses, attracting new investment, and leveraging available programs to strengthen Perham's economy. We appreciate the partnerships that make this work possible and look forward to another year of progress.

Building Permit Activity

Key Takeaways 2025

- The commercial sector saw a notable decline in total permit value in 2025 following the record-setting 2024 year, which was significantly influenced by the local Opportunity Grant program that concluded in early 2025. Despite the drop in total value, activity levels remained strong with an increase in total permits issued, indicating continued business investment.
- Residential permit activity rebounded in 2025, with an increase in total permits and a modest rise in total valuation compared to 2024, signaling renewed momentum after the post-2023 slowdown.
- Multifamily development returned in 2025 with the addition of new units, highlighting continued demand for rental housing and aligning with broader housing needs identified in the community.

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
2025	**$15,368,345.95**	**44**	**$ 349,280.59**

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
2025	**$ 4,002,834.59**	**86**	**13**	**24**