

TABLE 15
MAJOR EMPLOYERS
PRIMARY MARKET AREA
June 1996

Organization	Product/Service	Number of Employees		Typical Wages	
		Full-time	Part-time	Professional/ Administrative	Production/ Operations
Wahpeton					
3M/Imation	Diskettes/Optical Technologies	750	5	\$35,000-60,000/yr.	\$10.00-12.00/hr.
Primewood/Primeboard	Pressed Wood Products	556	6	\$30,000-\$40,000/yr.	\$7.50-12.00/hr.
North Dakota State College of Science	Vocational Education	335	15	\$30,000-45,000/yr.	\$7.00-11.00/hr.
MINN-DAK Farmers Co-op	Sugar Processing	300	250 *	NA	\$8.00-16.00/hr.
Wil-Rich Manufacturing	Ag. Equipment	175	2	NA	\$10.00/hr.
Wahpeton School District	Education	150	50	\$26,000-40,000/yr.	\$6.75-9.25/hr.
Richland County	Government	105	4 *	\$30,000-55,000/yr.	\$7.00-11.00/hr.
RO Banks Tool & Mftg.	Fabrication/Stamping	90	5	NA	\$8.00-9.00/hr.
Pro Gold Inc.	Corn Processing	90	0	NA	\$10.00/hr.
Primewood Transportation	Transportation	60	4	\$35,000/yr.	NA
City of Wahpeton	Government	56	14	\$35,000/yr.	\$8.00-12.00/hr.
Merit Care	Medical Clinic	37	1	\$120,000/yr. +	\$6.00-12.00/hr.
WCCO Belting	Industrial Belts	36	3	\$25,000-30,000/yr.	\$7.00-10.00/hr.
Dakota Clinic	Medical Clinic	30	25	NA	NA
Total		2,770	359		
Breckenridge					
St. Francis Medical Center	Hospital & Nursing Home	280	120	\$30,000-35,000/yr.	\$8.00-12.00/hr.
Breckenridge School District	Education	135	15	\$22,000-65,000/yr.	\$7.50-10.00/hr.
Sigco Sun Products	Ag Research/Sales	70	15	\$30,000-60,000/yr.	\$6.00-9.00/hr.
Wilkin County	Government	61	40 *	\$25,000-35,000/yr.	\$8.00-10.00/hr.
Mycogen Plant Sciences	Ag Research/Sales	35	0	\$35,000-70,000/yr.	\$9.00-11.00/hr.
City of Breckenridge	Government	33	6	\$30,000-40,000/yr.	\$12.00-14.00/hr.
Total		614	196		

* Includes seasonal workers

Source: Maxfield Research Group

- MINN-DAK was the only employer that is expected to see declines in employment in the short-term because of increased technology. The expected decline will occur all at once, but will be minimal, estimated at 5.0 percent of the work force.
- Strong employment growth is expected to continue through the end of this decade and into the next decade. Our interviews indicated that altogether Wahpeton's major employers could add an additional 200 to 300 jobs by the end of the decade. The jobs will consist of a mix of production, administrative and managerial positions.
- Very minimal turnover/retirement is expected at the major employers over the next few years.
- Most unskilled production/operation workers are hired locally within the two county study area, while more highly skilled, upper-level employees are generally recruited regionally, throughout Minnesota and North Dakota, and occasionally nationwide.
- While not all of the contacts at the major employers were aware of their new employees having difficulty finding appropriate housing in the area, the most common response, by far, was that there is a lack of affordable single-family homes. Nearly all of these respondents mentioned there is a need for more homes priced between \$50,000 and \$100,000. Some mentioned that the need is for homes in the lower end of this range while other mentioned it was in the higher end of the range. However, there was nearly always a overlap in the need for homes priced between \$70,000 and \$80,000.
- A number of respondents also mentioned that the lack of move-up and executive-priced homes, but that the recent availability of lots has solved some of the problems. Others mentioned that some professionals and executives are reluctant to build upper-bracket homes in the area because they fear that the homes may not hold their value as much as homes in larger communities such as Fargo. Limited lot choices and subdivisions adjacent to land with incompatible zoning was also mentioned as a deterrent for additional construction.
- Responses regarding the need for further rental housing was mixed. Some mentioned a need for additional rental units, others mentioned that the influx of Pro Gold construction workers had created the tight rental market and the market would loosen up once the construction workers left. Others mentioned that the development of senior housing was needed most and would, in turn, free up both more modestly priced single-family homes and existing apartments.
- The strengths of the Wahpeton-Breckenridge area cited were: small-town atmosphere, low crime rates, friendly people, strong local economy, job opportunities, parks/zoo, schools, and growing community.
- Weakness of the communities included: lack of retail and entertainment, limited housing options, lack of natural amenities (i.e., hills, lakes, etc.), students do not remain in the

community during the summer or on weekends, past relationships between city officials, developers and employers.

Geographic Distribution of Employees

Table 16 shows the results of a phone survey pertaining to the geographic distribution of employees at nearly 20 of the PMA's largest employers. The survey was conducted by the City of Wahpeton in the Winter of 1995-96 (with assistance provided by the human resource offices of the respective employers). The data was sorted by zip codes of the employee's address. The survey results show the following distribution trends.

- Of the nearly 2,900 employees at the major organizations surveyed, approximately 1,900 or two-thirds lived in the immediate Wahpeton-Breckenridge area.
- The remaining 1,000 employees were scattered among nearly 80 different communities (zip codes) in 23 counties in three states.
- Nearly 87.0 percent of the employees surveyed lived in the study area (either Richland or Wilkin County). Another roughly 5.0 percent lived in Otter Tail County (the vast majority lived in the Fergus Falls/Carlisle area) followed by nearly 3.0 percent that lived in the greater Fargo area (which included Fargo, West Fargo and Moorhead)
- Fairmount and Hankinson, North Dakota (Richland County) as well as Fergus Falls, Minnesota, (Otter Tail County) all reported having more than 95 employees. The greater Fargo area totaled 83 employees (and included 60 employees in Fargo, 12 in Moorhead and 11 in West Fargo). Mooreton and Wyndmere, North Dakota, (both in Richland County) had more than 50 employees that worked in the PMA.

TABLE 16
 GEOGRAPHICAL DISTRIBUTION OF EMPLOYEES
 WAHPETON MAJOR EMPLOYERS
 Winter 1995-96

Geographic Area			Employees	
Community (Zip Code)	State	County	No.	Pct.
Wahpeton/Dwight	ND	Richland	1,364	47.2
Breckenridge	MN	Wilkin	534	18.5
Fergus Falls/Carlisle	MN	Otter Tail	108	3.7
Fairmount	ND	Richland	103	3.6
Hankinson	ND	Richland	95	3.3
Fargo	ND	Cass	60	2.1
Mooreton	ND	Richland	53	1.8
Wyndmere	ND	Richland	52	1.8
Kent	MN	Wilken	41	1.4
Campbell	MN	Wilken	39	1.3
Foxhome	MN	Wilken	37	1.3
Lidgerwood	ND	Richland	36	1.2
Abercrombie	ND	Richland	33	1.1
Rothsay	MN	Wilken	26	0.9
Rosholt	SD	Roberts	20	0.7
Barney	ND	Richland	19	0.7
Milnor	ND	Sargent	17	0.6
Barnesville	MN	Wilken	14	0.5
Tintah	MN	Traverse	14	0.5
Doran	MN	Wilken	13	0.4
Wheaton	MN	Traverse	13	0.4
Wolverton	MN	Wilken	13	0.4
Moorhead	MN	Clay	12	0.4
West Fargo	ND	Cass	11	0.4
Battlelake	MN	Otter Tail	10	0.3
Colfax	ND	Richland	10	0.3
Remainder of Ottertail County	MN	Otter Tail	31	1.1
Grant County	MN	Grant	23	0.8
Remainder of Richland County	ND	Richland	22	0.8
Remainder of Sargent County	ND	Sargent	13	0.4
Other Minnesota	MN	----	37	1.3
Other North Dakota	ND	----	10	0.3
Other South Dakota	SD	Roberts	4	0.1
Total			2,889	100.0

Source: Maxfield Research Group

HOUSING CHARACTERISTICS

Introduction

The variety and condition of the housing stock in a community provides the basis for an attractive living environment. Housing is the primary building block of a community supporting its growth and community services. This study reviews the housing situation in the study area by: 1) examining Census data on change in tenure, the age of the housing stock and the number of units in structure; 2) reviewing residential construction trends for the Cities of Wahpeton and Breckenridge; 3) conducting a windshield survey of the housing stock of the two cities; and 4) interviewing real estate agents, rental property owners and managers, and other members of the community that are directly involved in the local housing market.

Change in Tenure

Table 17 displays data on household tenure for the study area in 1980 and 1990. The table shows that the total number of study area households that owned and rented their housing. The table is useful in that it indicates shifts in the type of housing that households prefer.

- The study area posted a decline of 23 households during the 1980's. The number of households that owned their housing decreased by 84 (a loss of 1.2 percent), but the number of households that rented their housing increased by 61 (a gain of 2.4 percent).
- The PMA gained 180 households during the 1980's. There were 80 additional households that owned their housing and 100 more households renting their housing. Wahpeton accounted for nearly all of the PMA's gains in ownership and about three-quarters of the gain in renter households during the 1980's.
- The SMA experienced a loss of 203 households during the 1980's. There were 164 fewer homeowners (a loss of 3.9 percent) and 39 fewer renters (a loss of 4.5 percent). Wilkin County accounted for about 70.0 percent of the SMA's loss in homeowners and all of the loss in renters.
- Of the 151 households Wahpeton gained between 1980 and 1990, 50.9 percent owned their housing. This compares to Breckenridge where renter households comprised only 10.3 percent of the 29 households Breckenridge gained during the 1980's.

Age of the Housing Stock

Table 18 presents data on the age of the study area's housing stock in 1990, from the U.S. Census. The data is important because a portion of the older housing likely requires renovation

TABLE 17
CHANGE IN OWNER AND RENTER HOUSEHOLDS
WAHPETON-BRECKENRIDGE STUDY AREA
1980 to 1990

	Number of Households		Change 1980-1990		Percent of Households	
	1980	1990	No.	Pct.	1980	1990
OWNER						
Wahpeton	1,505	1,582	77	5.1	53.4	53.3
Breckenridge	1,022	1,025	3	0.3	70.6	69.4
PMA Total	<u>2,527</u>	<u>2,607</u>	<u>80</u>	<u>3.2</u>	<u>59.3</u>	<u>58.7</u>
Remainder of Richland Coun	2,958	2,907	-51	-1.7	82.2	81.9
Remainder of Wilkin County	1,266	1,153	-113	-8.9	85.3	86.8
SMA Total	<u>4,224</u>	<u>4,060</u>	<u>-164</u>	<u>-3.9</u>	<u>83.1</u>	<u>83.2</u>
Study Area Total	6,751	6,667	-84	-1.2	72.2	71.5
North Dakota	156,498	157,950	1,452	0.9	68.7	65.6
Minnesota	1,035,689	1,183,673	147,984	14.3	71.7	71.8
RENTER						
Wahpeton	1,311	1,385	74	5.6	46.6	46.7
Breckenridge	426	452	26	6.1	29.4	30.6
PMA Total	<u>1,737</u>	<u>1,837</u>	<u>100</u>	<u>5.8</u>	<u>40.7</u>	<u>41.3</u>
Remainder of Richland Coun	639	644	5	0.8	17.8	18.1
Remainder of Wilkin County	219	175	-44	-20.1	14.7	13.2
SMA Total	<u>858</u>	<u>819</u>	<u>-39</u>	<u>-4.5</u>	<u>16.9</u>	<u>16.8</u>
Study Area Total	2,595	2,656	61	2.4	27.8	28.5
North Dakota	71,166	82,928	11,762	16.5	31.3	34.4
Minnesota	409,533	464,180	54,647	13.3	28.3	28.2
TOTAL						
Wahpeton	2,816	2,967	151	5.4	100.0	100.0
Breckenridge	1,448	1,477	29	2.0	100.0	100.0
PMA Total	<u>4,264</u>	<u>4,444</u>	<u>180</u>	<u>4.2</u>	<u>100.0</u>	<u>100.0</u>
Remainder of Richland Coun	3,597	3,551	-46	-1.3	100.0	100.0
Remainder of Wilkin County	1,485	1,328	-157	-10.6	100.0	100.0
SMA Total	<u>5,082</u>	<u>4,879</u>	<u>-203</u>	<u>-4.0</u>	<u>100.0</u>	<u>100.0</u>
Study Area Total	9,346	9,323	-23	-0.2	100.0	100.0
North Dakota	227,664	240,878	13,214	5.8	100.0	100.0
Minnesota	1,445,222	1,647,853	202,631	14.0	100.0	100.0

Sources: Bureau of the Census: U.S. Census of Population and Housing (1980 & 1990)
Maxfield Research Group

TABLE 18
AGE OF HOUSING
WAHPETON-BRECKENRIDGE STUDY AREA
1990

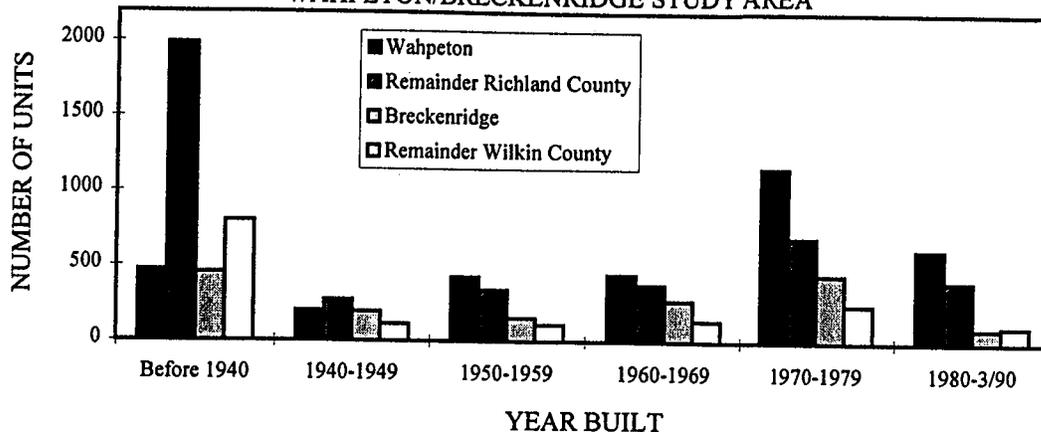
Total Housing Units	Year Structure Built											
	Before 1940		1940-1949		1950-1959		1960-1969		1970-1979		1980-3/90	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Wahpeton												
Owner-Occupied	1,582		112	7.1	246	15.5	240	15.2	411	26.0	259	16.4
Renter-Occupied	1,385		59	4.3	174	12.6	165	11.9	593	42.8	281	20.3
Vacant	350		28	8.0	7	2.0	38	10.9	158	45.1	76	21.7
Subtotal	3,317	14.2	199	6.0	427	12.9	443	13.4	1,162	35.0	616	18.6
Breckenridge												
Owner-Occupied	1,025		161	15.7	135	13.2	153	14.9	188	18.3	62	6.0
Renter-Occupied	452		9	2.0	16	3.5	114	25.2	198	43.8	30	6.6
Vacant	142		25	17.6	4	2.8	6	4.2	61	43.0	3	2.1
Subtotal	1,619	28.0	195	12.0	155	9.6	273	16.9	447	27.6	95	5.9
PMA Total												
Owner-Occupied	2,607		273	10.5	381	14.6	393	15.1	599	23.0	321	12.3
Renter-Occupied	1,837		68	3.7	190	10.3	279	15.2	791	43.1	311	16.9
Vacant	492		53	10.8	11	2.2	44	8.9	219	44.5	79	16.1
Total	4,936	18.7	394	8.0	582	11.8	716	14.5	1,609	32.6	711	14.4
Remainder of Richland County												
Owner-Occupied	2,907		208	7.2	261	9.0	270	9.3	534	18.4	295	10.1
Renter-Occupied	644		49	7.6	45	7.0	54	8.4	99	15.4	34	5.3
Vacant	526		14	2.7	35	6.7	52	9.9	63	12.0	75	14.3
Total	4,077	48.8	271	6.6	341	8.4	376	9.2	696	17.1	404	9.9

TABLE 18
AGE OF HOUSING
WAHPETON-BRECKENRIDGE STUDY AREA
1990
(Continued)

Total Housing Units	Year Structure Built											
	Before 1940		1940-1949		1950-1959		1960-1969		1970-1979		1980-3/90	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Remainder of Wilkin County												
Owner-Occupied	589	51.0	76	6.6	87	7.5	106	9.2	201	17.4	95	8.2
Renter-Occupied	106	60.6	26	14.9	12	6.9	19	10.9	10	5.7	2	1.1
Vacant	106	54.9	11	5.7	12	6.2	14	7.3	37	19.2	13	6.7
Total	801	52.6	113	7.4	111	7.3	139	9.1	248	16.3	110	7.2
SMA Total												
Owner-Occupied	1,928	47.5	284	7.0	348	8.6	376	9.3	735	18.1	390	9.6
Renter-Occupied	469	57.3	75	9.2	57	7.0	73	8.9	109	13.3	36	4.4
Vacant	393	54.7	25	3.5	47	6.5	66	9.2	100	13.9	88	12.2
Total	2,790	49.8	384	6.9	452	8.1	515	9.2	944	16.9	514	9.2
Study Area Total												
Owner-Occupied	2,568	38.5	557	8.4	729	10.9	769	11.5	1,334	20.0	711	10.7
Renter-Occupied	667	25.1	143	5.4	247	9.3	352	13.3	900	33.9	347	13.1
Vacant	479	39.6	78	6.4	58	4.8	110	9.1	319	26.3	167	13.8
Total	3,714	35.3	778	7.4	1,034	9.8	1,231	11.7	2,553	24.2	1,225	11.6

Sources: Bureau of the Census: U.S. Census of Population and Housing, 1990
Maxfield Research Group

CHART 2
HOUSING UNITS BY YEAR BUILT
WAHPETON/BRECKENRIDGE STUDY AREA



Source: Maxfield Research Group

or replacement. However, much of the older housing stock in Wahpeton and Breckenridge currently fills a low cost housing niche for students, migrant workers and the temporary Pro Gold construction workers. It should be noted that this Census data is based on a sample, not an actual count, and thus some of the figures may differ slightly from the figures presented in prior tables.

- According to the Census, there were 10,535 housing units in the study area in 1990, 9,324 of these units were occupied at the time of the census, translating into a vacancy rate of 11.5 percent.
- The 4,936 housing units in the PMA accounted for 47.3 percent of the study area's housing units. The 492 vacant units in the PMA accounted for 40.6 percent of the vacant units in the study area. The PMA had a total a vacancy rate of 10.0 percent compared to the SMA's 12.8 percent vacancy rate.
- The table shows that the study area's housing stock was built primarily during two periods: before 1940 (3,714 units, or 35.3 percent of the total) and during the 1970's (2,553 units, or 24.2 percent of the total). Nearly one-half of the housing units in the SMA were built prior to 1940 versus roughly 19.0 percent in the PMA. Conversely, nearly one-third of the PMA's housing stock was built during the 1970's versus about 17.0 percent in the SMA.
- Wahpeton's housing stock is significantly newer than the housing in Breckenridge or the remainder of the study area. In Breckenridge, 28.0 percent of the housing stock was built prior to 1940, whereas only 14.2 percent of the housing in Wahpeton was built before 1940. On the other hand, nearly 54.0 percent of Wahpeton's housing was built between 1970 and 1990 compared to 33.5 percent in Breckenridge and 26.0 percent in the SMA.

- A substantial portion of the occupied rental units in the PMA were built during the 1970's. These units comprised 42.8 and 43.8 percent of all rental units in Wahpeton and Breckenridge, respectively. In Wahpeton and Breckenridge, more of the housing units built during the 1970's were occupied by renters than by owners. The same trend holds true for the housing units built between 1980 and 1990, in Wahpeton. Both Breckenridge and Wahpeton experienced a substantial amount rental housing development during the 1970's, including a few large subsidized projects.
- The majority (57.3 percent) of the occupied rental units in the SMA were built prior to 1940. These units are primarily older single-family homes that are rented in the small towns and also include farmsteads rented in the rural townships.
- The largest number of vacant units (219 units or 44.5 percent of all the vacant units) in the PMA were built during the 1970's. A similar percentage of vacant units occurred in both Wahpeton (45.1 percent) and Breckenridge (43.0 percent). These vacant units likely consist of a high proportion of vacant rental units.
- 54.7 percent of the vacant housing units in the SMA were built prior to 1940. A similar proportion occurred in the remainder of the Richland County (54.6 percent) and in the remainder of Wilkin County (54.9 percent). Again, these units likely consist of older, single-family homes in smaller cities and vacated farmsteads.

It should be noted that a portion of the vacant units built between 1980 and 1990, are likely new single-family homes that at the time of the census had yet sold.

Units in Structure (By Tenure)

Table 19 shows the number of owner and renter households in different types of structures, based on the number of units in the structure, for the study area in 1990.

- The 6,722 occupied single-family homes in the study area accounted for approximately 72.0 percent of the occupied housing units in 1990. Single-family homes accounted for 88.3 percent of all owner-occupied housing units and 31.5 percent of all rented units.
- While single-family homes consisted of the vast majority of all owned housing throughout the study area, they consisted of a much higher proportion of the renter-occupied units in the SMA (73.3 percent) than in the PMA (22.3 percent). Nearly 15.0 percent of the single-family homes in the SMA were renter-occupied.
- Mobile homes accounted for the second highest proportion of owner-occupied housing units, accounting for 9.2 percent of all owned housing units. The proportion of owned mobile homes was relatively consistent throughout the study area, ranging from 7.3 percent of all owned housing units in Breckenridge to 9.7 percent in the remainder of Richland County.

TABLE 19
TENURE BY UNITS IN STRUCTURE
WAHPETON-BRECKENRIDGE STUDY AREA
1990

	Wahpeton		Breckenridge		PMA Total		Remainder of Richland County		Remainder of Wilkin County		SMA Total		Study Area Total	
	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.	No.	Pct.
Owner-Occupied														
1, detached	1,332	84.2	913	89.1	2,245	86.1	2,606	89.6	1,035	89.8	3,641	89.7	5,886	88.3
1, attached	67	4.2	7	0.7	74	2.8	3	0.1	6	0.5	9	0.2	83	1.2
2	14	0.9	19	1.9	33	1.3	4	0.1	1	0.1	5	0.1	38	0.6
3 or 4	11	0.7	2	0.2	13	0.5	2	0.1	0	0.0	2	0.0	15	0.2
5 to 9	2	0.1	0	0.0	2	0.1	0	0.0	1	0.1	1	0.0	3	0.0
10 to 19	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
20 to 49	0	0.0	1	0.1	1	0.0	0	0.0	0	0.0	0	0.0	1	0.0
50 or more	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0	0	0.0
Mobile homes	150	9.5	75	7.3	225	8.6	282	9.7	104	9.0	386	9.5	611	9.2
Other	6	0.4	8	0.8	14	0.5	10	0.3	6	0.5	16	0.4	30	0.4
Total	1,582	100.0	1,025	100.0	2,607	100.0	2,907	100.0	1,153	100.0	4,060	100.0	6,667	100.0
Renter-Occupied														
1, detached	135	9.7	101	22.3	236	12.8	459	71.3	141	80.6	600	73.3	836	31.5
1, attached	32	2.3	4	0.9	36	2.0	3	0.5	1	0.6	4	0.5	40	1.5
2	71	5.1	31	6.9	102	5.6	13	2.0	6	3.4	19	2.3	121	4.6
3 or 4	111	8.0	62	13.7	173	9.4	35	5.4	4	2.3	39	4.8	212	8.0
5 to 9	300	21.7	64	14.2	364	19.8	90	14.0	13	7.4	103	12.6	467	17.6
10 to 19	442	31.9	38	8.4	480	26.1	0	0.0	0	0.0	0	0.0	480	18.1
20 to 49	248	17.9	68	15.0	316	17.2	0	0.0	0	0.0	0	0.0	316	11.9
50 or more	0	0.0	59	13.1	59	3.2	0	0.0	0	0.0	0	0.0	59	2.2
Mobile homes	28	2.0	18	4.0	46	2.5	35	5.4	10	5.7	45	5.5	91	3.4
Other	18	1.3	7	1.5	25	1.4	9	1.4	0	0.0	9	1.1	34	1.3
Total	1,385	100.0	452	100.0	1,837	100.0	644	100.0	175	100.0	819	100.0	2,656	100.0

Sources: Bureau of the Census: U.S. Census of Population and Housing (1980 & 1990)
Maxfield Research Group

- Buildings of between 10 and 19 units held the second largest concentration of occupied rental units in the study area (behind single-family homes) with 481 units (or 18.1 percent of all rental units), followed closely by buildings of 5 to 9 units, with 467 units (or 17.6 of all rental units), and then buildings of 20 to 49 units, with 316 units (or 11.9 percent of all rental units).
- There were no buildings in the SMA with more than nine units, but there was a small but significant number of rental units in buildings of 5 to 9 units. The 102 units in buildings of 5 to 9 units comprised 12.5 percent of all the rental units in the SMA, and included a number of scattered apartment buildings in some of the surrounding smaller towns, primarily in Richland County.
- The largest concentration of occupied rental units in the PMA are located in buildings of 10 to 19 units; the 480 units in these buildings accounted for 26.1 percent of the PMA's occupied rental units. The second largest concentration, 364 units (19.8 percent of all occupied rental units), was in buildings of 5 to 9 units, followed by buildings with 20 to 49 units (17.2 percent of all rented units). The vast majority of these units (between 78.5 and 92.1 percent) were located in Wahpeton. Breckenridge, however, was the only community in the study area to have a building of 50 or more units (Park Manor).

The profile of rental housing is much different between the PMA and the remainder of the study area. Most of the remainder of the study area is made up of rural townships and small cities. These areas usually do not have the infrastructure in place or zoning ordinances which allow for the development of higher density apartment buildings as do larger cities. In these areas, older single-family homes and occasionally mobile homes or small multi-unit buildings typically satisfy the demand for rental housing. These rental units tend to be more moderately priced than rental units in larger communities, although tenant-paid utility costs can be significant for renters in single-family homes.

Residential Construction

Table 20 presents data on residential construction trends in Wahpeton and Breckenridge from 1975 to 1995, from building permits issued by their respective city.

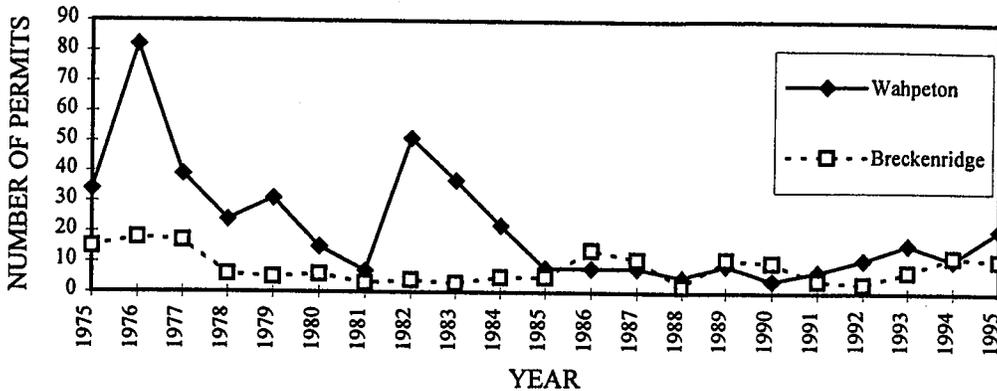
- The PMA added 670 single-family homes and 1,056 multi-family units for a total of 1,726 housing units between 1975 and 1995. This is an average of roughly 32 single-family units and 50 multi-family units per year over the last 20 years.
- The majority of the development in the PMA over the last 20 years has occurred in Wahpeton, with roughly 71.0 percent of the single-family units and 89.0 percent of the multi-family units. Between 1975 and 1995, Wahpeton averaged 23 single-family units and 45 multi-family units while Breckenridge averaged 9 single-family units and 6 multi-family units.

TABLE 20
RESIDENTIAL BUILDING PERMITS ISSUED FOR NEW CONSTRUCTION
WAPHETON AND BRECKENRIDGE
1975-1995

Year	Waphton			Breckenridge			Total		
	Single-Family	Multi-Family	Total	Single-Family	Multi-Family	Total	Single-Family	Multi-Family	Total
1975	34	146	180	15	23	38	49	169	218
1976	82	146	228	18	24	42	100	170	270
1977	39	104	143	17	0	17	56	104	160
1978	24	56	80	6	0	6	30	56	86
1979	31	154	185	5	48	53	36	202	238
1980	15	46	61	6	0	6	21	46	67
1981	7	24	31	3	0	3	10	24	34
1982	51	21	72	4	16	20	55	37	92
1983	37	10	47	3	0	3	40	10	50
1984	22	12	34	5	0	5	27	12	39
1985	8	0	8	5	0	5	13	0	13
1986	8	48	56	14	6	20	22	54	76
1987	8	28	36	11	0	11	19	28	47
1988	5	0	5	2	0	2	7	0	7
1989	9	0	9	11	0	11	20	0	20
1990	4	0	4	10	0	10	14	0	14
1991	7	0	7	4	0	4	11	0	11
1992	11	8	19	3	0	3	14	8	22
1993	16	0	16	7	0	7	23	0	23
1994	11	60	71	12	0	12	23	60	83
1995	21	30	51	11	0	11	32	30	62
<u>Subtotals</u>									
1975-1980	225	652	877	67	95	162	292	747	1,039
Avg.	37.5	108.7	146.2	11.2	15.8	27.0	48.7	124.5	173.2
1980-1985	140	113	253	26	16	42	166	129	295
Avg.	23.3	18.8	42.2	4.3	2.7	7.0	27.7	21.5	49.2
1985-1990	42	76	118	53	6	59	95	82	177
Avg.	7.0	12.7	19.7	8.8	1.0	9.8	15.8	13.7	29.5
1990-1995	70	98	168	47	0	47	117	98	215
Avg.	11.7	16.3	28.0	7.8	0.0	7.8	19.5	16.3	35.8
<u>Total</u>									
1975-1995	477	939	1,416	193	117	310	670	1,056	1,726
Avg.	22.7	44.7	67.4	9.2	5.6	14.8	31.9	50.3	82.2

Sources: City of Breckenridge
City of Waphton
Maxfield Research Group

CHART 3
SINGLE-FAMILY HOME CONSTRUCTION
CITIES OF WAHPETON AND BRECKENRIDGE
1975-1995



Source: Maxfield Research Group

- Residential construction was very strong during the late-1970's. A total of 1,039 housing units were built between 1975 and 1980 alone. Much of growth was due to the substantial rental development that took place. Building permits records show that multifamily units accounted for nearly 72.0 percent of the units built in the late-1970's. During this five year span, Wahpeton averaged 38 single-family homes and 109 multifamily units per year versus 11 single-family units and 16 multi-family units in Breckenridge.
- Residential construction tailed off sharply during the early-1980's. Between 1980 and 1985, there were 295 housing units built in the PMA. The majority (56.3 percent) were single-family units. Wahpeton averaged 23 single-family homes and 19 multifamily units and Breckenridge averaged 4 single-family homes and 3 multi-family units.
- Residential development in the PMA declined even further during the late-1980's. Overall, there were 177 housing units built in the PMA between 1985 and 1990. The number of housing units built in Breckenridge (59 units) increased slightly, largely due to single-family development at twice the rate of the early-1980's (56 units). Housing construction in Wahpeton, however, declined substantially with single-family development at less than one-third the rate (42 units) of the early-1980's. During the late-1980's, Wahpeton averaged 7 single-family units and 13 multifamily units per year. Breckenridge averaged 9 single-family homes but only 1 multifamily unit per year.
- The first half of the 1990's experienced a slight increase in residential construction. Between 1990 and 1995, there was a total of 215 housing units constructed in the PMA. Development increased modestly in Wahpeton, from 118 units in the late-1980's to 168 units in the early-1990's, but declined slightly in Breckenridge, from 59 units to 47 units.

Interviews with city officials, developers and real estate professionals indicated that residential construction has been controlled somewhat over the years by the availability of lots. They mentioned that in years where lots were scarce very little construction occurred, but as soon as lots became available, construction followed (See Chart 3).

Housing Conditions

Since housing is the most visible and tangible component of cities, debate on the desirability and vitality of cities often centers on housing issues. The following text discusses housing conditions in Wahpeton and Breckenridge based on comments from community interviews and observations from a brief windshield survey of housing conditions conducted by Maxfield Research Group in July 1996.

The housing in Wahpeton and Breckenridge is generally in good condition. Typically, owner-occupied housing is better maintained than renter-occupied housing: While owners have a financial and emotional stake in the condition of their homes and the appearance of their neighborhoods, renters are sometimes carefree about their housing and can easily move elsewhere if problems are not remedied by the landlord. Some housing appears to require minor structural or cosmetic repairs. This housing will likely remain desirable over the long-term, if properly maintained. Some housing exhibits significant deferred maintenance and may also lack preferred conveniences such as spacious living areas, multiple bathrooms, and covered parking. This housing often attracts households with lower incomes but will probably prove undesirable to most buyers or renters over the long-term.

Although most blighted housing is obsolete due to its age, some blighted housing is located in flood plains or near railroad tracks or other incompatible development. This is evident, to some extent, in both Wahpeton and Breckenridge, where older residential neighborhoods are surrounded by commercial and industrial land uses, as well as the flood plains of the three area rivers. While there was no large concentration of blight in either community there were homes in need of repair or replacement scattered throughout the older neighborhoods. Breckenridge, because of the age of its housing stock, appeared to have a slightly higher proportion of homes in need of repair. However, much of the housing that needs to be replaced serves lower income households and migrant farm workers, who would be displaced as a result of redevelopment efforts. This would necessitate building single-family homes with modest purchase prices and apartments with modest monthly rents.

RENTAL MARKET ANALYSIS

Introduction

Maxfield Research Group examined the PMA's rental market by 1) surveying all subsidized and market rate rental projects (with six or more units) in Wahpeton and Breckenridge; 2) identifying pending rental developments in both cities 3) interviewing rental property owners and managers, developers, civic leaders, major employers, and other housing professionals; 4) conducting a brief windshield survey of Wahpeton and Breckenridge; 5) surveying market rate senior housing alternatives in the region; and 6) surveying local nursing homes to examine the potential for assisted living housing in the PMA.

Rental Market Review

This section of the report reviews the existing rental housing projects in both Wahpeton and Breckenridge. Tables 21 and 22 summarize information on each subsidized project in Wahpeton and Breckenridge, while Tables 23 and 24 focus on the larger market rate projects. It should be noted that the rents indicated on Tables 23 and 24 have been adjusted to include heat and exclude garages, when applicable. The following are the key points found in the examination of the local rental market.

- According to the 1990 Census, there were a total of 1,837 occupied rental units in the PMA.
- Maxfield Research Group surveyed the existing larger (six or more units) rental projects in the PMA in June and July of 1996. The survey inventoried a total of 1,324 rental units. There were 96 rental units vacant in the PMA at time of the survey, for an overall vacancy rate of 7.3 percent.
- Of the units inventoried, 1,087 units were located in Wahpeton and 237 units were located in Breckenridge. Wahpeton had an overall rental vacancy rate of 6.0 percent while Breckenridge had a rental vacancy rate of 13.1 percent. It should be noted that 25 of the vacant units in Wahpeton occurred in one project. If this project is excluded the overall vacancy rate in Breckenridge would fall to 3.7 percent.
- Roughly two-thirds of the units inventoried were market rate units and the remaining one-third were subsidized.

Subsidized Rental Projects

- There are 14 subsidized rental projects in the PMA, with a combined total of 470 units. Of the 14 subsidized projects in the PMA, 10 are general occupancy projects (278 units) and four are senior projects (192 units).

TABLE 21
 SUBSIDIZED RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Vacant		Tenant Profile	Comments
			Unit Mix/Rents	Units		
General Occupancy 614 Dakota Av.	1988 (R)	28	20 1BR	2	50% yng. working singles. 50% seniors	HUD-financed. Apts. located above commercial space in a renovated older bldg. on main st. Elevator, coin-op. Indry. ea. flr., wall-unit A/C, off-st. pkg. Util. allow. of \$15/mo.
			8 2BR	3		
430 Dakota Av.	1985 (R)	29	3 OBR	1	mostly yngt. singles, some students, 2 seniors, 4 mentally disabled individuals	HUD-financed. Apts. located on 2nd-4th flrs. above commercial space in a renovated older bldg. on main st. Elevator, coin-op. Indry. ea. flr., wall-unit A/C, off-st. pkg. Some plug-ins avail. f/ \$25 per mo. Util. allow. of \$13-17/mo. Avg. rent pd. is \$97/ mo.
			22 1BR	1		
			4 2BR	2		
Northland Apartments 1505 12th St. N. 1287 16th Av. N.	1982	24	24 2BR	4	Young singles and couples (only a few w/ children) and 3 seniors.	FMHA financed. Com. coin-op. Indry., wall-unit A/C, off-st. pkg. w/ plug-ins. Tenants recv. a utility allowance of \$42 /mo. Avg. rent pd. is \$123/mo.
Dacotah Place 720 Dakota Av.	1982 (R)	15	1 0BR	0	10 yng. to mid-age singles, 3 students	HUD Section 8 (rehab) subsidized. Com. coin-op. Indry. Off-st. pkg. w/ plug-ins. Tenants recv. util. allowance of \$15/mo. Avg. rent pd. is \$85/mo. Project had 7 vacancies when new owner purchased bldg. in May.
			13 1BR	0	1 senior, 1 couple w/o child	
			1 2BR	0		

TABLE 21
 SUBSIDIZED RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units		Unit Mix/Rents	Vacant Units		Tenant Profile	Comments	
		Units	Units		Units	Units			
Evergreen Manor 1311, 1320 3rd Av. N. 347,489,499 14th St. N.	1980	32	24	2BR	30% of AGI	0	Couples w/ children	HUD Section 8. Com. coin-op. Indry., wall-unit A/C. Util. incl. in rent. Ditchd. gar. avail. for \$30/mo. Rent pd. by tenants ranges from \$0-	
			8	3BR	\$552 Market	0	single-parents		
					30% of AGI		2 seniors		
Southside Villa 901-904 1st St. S.	1980	24	4	1BR	30% of AGI	0	Single-parents,	ND HFA subsidized. Pvt. entrances, Indry. hk.-ups, tot lot, off-st. pkg. w/ plug-ins, A/C rents f/ \$60/season. All tenants recv. rental asst. Avg. rent pd. is approx. \$105/mo. Short waiting list.	
			16	2BR	\$538- Market	0	singles, students		
			4	3BR	30% of AGI	0			
					\$595 - Market				
Community Homes 411 4th St. S.	1971	96	3	0BR	30% of AGI	0	Mix, a lot of families	HUD Section 8: Coin-op. Indry., tot lot, wall-unit A/C, off-st. pkg. w/ plug-ins. All util. pd. by owner. About 50% of tenants pay market rents, 50% recv. rental assistance. Avg. rent pd. is approx. \$250/mo.	
			26	1BR	\$280 - Market	0	and seniors		
			44	2BR	30% of AGI	3			
					\$326- Market				
					30% of AGI				
79 Dakota Av.	1965 (C)	6	22	3BR	\$377-Market	2		Com. coin-op Indry., off-st. pkg. w/plug-ins. Rents pd. range from \$30 to \$100/ mo.	
			4	1BR	30% of AGI	1	students, disabled		
			2	2BR	30% of AGI	0	individuals, 1 single-parent, 2 seniors		

TABLE 21
 SUBSIDIZED RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
Century Apts. 716, 746 6th St. S. 521 7th Av. S.	1978	8	1 1BR 30% of AGI \$310 - Basic \$410 - Market 7 2BR 30% of AGI \$310 - Basic \$410 - Market	0	1 senior, 1 family, 1 single-parent, 2 couples w/o child, 1 single person	FMHA-financed. Bldg. has 24 units, but 16 units are down due to renovation which is expected to be completed in August of 1996. Com. coin-op. Indry., Wall-unit A/C. All tenants recv. rental assistance. Avg. rent pd. is \$100/mo.
Subtotal		<u>262</u>		<u>19</u>	<u>(7.3 % vacancy rate)</u>	
Senior Northland Senior Apts. 1104 14th Av. N.	1982	13	13 1BR 30% of AGI \$270 - Basic \$532 - Market	0	all seniors	FMHA - financed. Single-story bldg. Community rm., com. coin-op. Indry., wall-unit A/C, stor. lockers, off-st. pkg. w/ plug-ins. Utility allowance of \$36/mo., Avg. rent pd. is \$145/mo .
Rainbow Court 97 7th Av. S.	1977/80	56	50 1BR 30% of AGI \$522-558- Market 6 2BR 30% of AGI \$595-622- Market	0	all seniors, age range of 62-75	NDHFA financed. Single-story units w/ prvt. entrances. Community bldg. w/ coin-op. Indry., meeting area/TV room. Off-st. pkg. w/ plug-ins, A/C avail. f/\$60/season. Waiting list w/ 3 names.
Subtotal		<u>69</u>		<u>0</u>	<u>(0.0% vacancy rate)</u>	
Total		<u>331</u>		<u>19</u>	<u>(5.7% vacancy rate)</u>	
(R) = renovated						

Source: Maxfield Research Group

TABLE 22
 SUBSIDIZED RENTAL PROJECTS
 CITY OF BRECKENRIDGE
 June/July 1996

Building Name General Occupancy	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
York Apts. 405,415 9th St. S.	1986	16	16 2BR 30 % of AGI \$300 - Basic \$475 - Market	4	Mix; families single-parents, students, seniors	FMHA financed. Com. coin-op. Indry., A/C sleeves, off-st. pkg. w/ plug-ins. All 12 tenants receive rental assistance. Avg. rent pd. \$150/mo.
Senior York Manor 415 5th St. S.	1980	48	47 1BR 30% of AGI \$455 - Market 1 2BR 30% of AGI \$524 - Market	0	All seniors, a few couples. Avg. age is 84	HUD financed/Section 8 subsidy. Com. coin-op. Indry., elevator, community rm. w/ kitchen, craft rm., Wall-unit A/C, off-st. pkg. w/ plug-ins. Tenants recv. util. allow of \$14/mo. 5 tenants pay market rent (all that is allowed). Avg. rent pd. \$220/mo. Util. allow. of \$14/mo. Waiting list w/ 6 names.
Park Manor 200 Park Av.	1970	75	75 1BR 30% of AGI	25	Nearly all seniors, a few yng. singles. Avg. age of seniors is 82	HUD financed. Currently awaiting funding for a renovation that would enlarge units by combining 3 units into 2, thus reducing the number of units to 65. Elevator, com. coin-op. Indry., community rm., beauty shop, craft rm., atrium, lounge, A/C sleeves. Util. incl in rent, extra charge f/ util. if A/C unit is installed. Asstd. Liv. services avail. to qualifd. indiv. thru county. Avg. rent pd is \$180/mo.
Subtotal		123		25 (20.3 % vacancy rate)		
Total		139		29 (20.9 % vacancy rate)		

Source: Maxfield Research Group

- Overall, the subsidized projects had a vacancy rate of 10.2 percent. The general occupancy projects had a vacancy rate of 8.3 percent while the senior projects had a vacancy rate of 13.0 percent.
- It should be noted that two of the PMA's subsidized projects are either currently undergoing or are expected to undergo renovation. Century Apartments, a 24-unit general occupancy project in Wahpeton, had 16 units down at the time of the survey and these units were not included in the table. According to the new owner, the units will not be ready for lease until August of 1996. Also, Park Manor, a senior project in Breckenridge, has combined some units into larger units, reducing the number of units from 78 units to 75 units currently, and is awaiting funding from HUD to combine some additional units. The project has had vacancy problems in the past and the small size of units (roughly 380 square feet) were thought to have been directly related to the vacancies. Once the renovation is complete, the number of units at the project will have been reduced to 65 units.
- If the 75-unit Park Manor (with 25 vacant units) is excluded, the overall vacancy rate among the PMA's other subsidized projects drops to 5.8 percent and Breckenridge's falls to 6.3 percent.
- Park Manor was the only subsidized senior project in the PMA that had vacancies. In fact, the other three senior subsidized projects in the PMA all had small waiting lists, and there were a significant number of seniors (estimated at between 35 and 40) scattered among the other subsidized general occupancy projects in the PMA.
- Vacancies were wide-spread among the subsidized general occupancy projects in the PMA, only three of the ten subsidized general occupancy projects (not undergoing renovation) were fully occupied when surveyed.

Interviews with individuals familiar with the local rental housing market indicated that there is a surplus of subsidized units in the PMA. It was mentioned several times the market area has received excessive funding for subsidized development because the PMA transcends state lines. These individuals mentioned that in addition to the market area being served by both the Minnesota Housing Finance Agency (MHFA) and the North Dakota Housing Finance Agency (NDHFA), it is also served by two separate HUD (Department of Housing and Urban Development) regional offices (Minnesota's is headquartered in Minneapolis while North Dakota's is headquartered in Denver), which has led to lack of recognition of market conditions across the border, and a saturation of subsidized development in the area. Others mentioned that management issues (i.e., maintenance, building upkeep and appearance, as well as tenant screening) have also contributed to above normal vacancies in some buildings. Others cited that the income restrictions placed on some of the projects have hindered their ability to lease units, and others still stated that the subsidized projects compete with some market rate projects due to very low market rate rents.

Market Rate Rental Projects

- A total of 854 market rate rental units were surveyed, 48 of these units were vacant, resulting in a vacancy rate of 5.6 percent. However, two of these projects, the 12-unit Sierra Apartments and the 15-unit Prairiewood North (both located in Wahpeton), opened for occupancy in June 1996 and were still in their initial lease-up period. These two projects combined for 18 of the vacancies, and if these two projects are excluded, the vacancy rate for market rate projects in the PMA drops to 3.6 percent.
- The market rate projects surveyed in Wahpeton had a total of 756 units, or 88.5 percent of all market rate units. The 46 vacant units in the Wahpeton projects translates to a vacancy rate of 6.1 percent, or 3.8 percent excluding the Sierra Apartments and Prairiewood North.
- Only two of the 98 market rate units surveyed in Breckenridge were vacant, resulting in a vacancy rate of 1.9 percent.
- 592 of the 854 market rate units had two bedrooms, accounting for 69.3 percent of all units. There were 158 one-bedroom units or 18.5 percent of all units.
- One-bedroom units had a vacancy rate of 8.2 percent (7.6 percent excluding the two newest projects, the Sierra Apartments and Prairiewood North). Two-bedroom units had a vacancy rate of 5.1 percent. Three-bedroom units had a vacancy rate of 13.8 percent, although all of the vacancies occurred at Prairiewood North. One out of the four one-bedroom plus den units was vacant, and there were no vacancies among efficiencies (a total of 38 units) or two-plus den units (a total of 33 units).
- Adjusted rents for efficiency units ranged from \$175 to \$235 per month and averaged approximately \$200 per month. Rents for efficiency units were similar in Wahpeton and Breckenridge.
- One-bedroom unit rents ranged from \$200 to \$425 per month and averaged roughly \$285 per month in the PMA, with large concentrations of rents in the \$235 to \$260 range and the \$325 to \$330 range (almost entirely in Wahpeton). In Breckenridge, one-bedroom units rents ranged from \$225 to \$275 and averaged approximately \$245 per month. In Wahpeton the average rent was nearly \$295 per month.
- Two-bedroom rents in the PMA ranged from \$275 to \$740 per month and averaged \$400 per month. In Breckenridge, the monthly rents ranged from \$275 to \$370, and averaged roughly \$345 per month. The average rents in Breckenridge were skewed downward somewhat by a number of lower rent units. Most rents for two-bedroom units in Breckenridge were concentrated in the \$350 to \$370 per month range. In Wahpeton, two-bedroom rents ranged from \$285 to \$740 per month and averaged \$405 per month. Only about 10 percent of the units had monthly rents of \$500 or more, and most units were concentrated in either the \$350 to \$370 range or the \$400 to \$450 range.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects						
Sierra Apts. 1166 15th Av. N.	6/96	12	12 2BR \$660-740	6	Mostly professionals and seniors. All couples (1 w/child) except for 1 single person.	Wall-unit A/C (2 per unit), in-unit W/D, walk-in closets, dishwashers, disposals, microwave ovens, 1.5 BA, some units have a den in lieu of a formal dining area, dtchd. gar. incl. in rent (units on 2nd & 3rd flrs. get two-car gar.)
Prairiewood North 604 8th Av. S.	6/96	15	1 1BR \$330 8 2BR \$390-400 6 3BR \$425	1 7 4	Families.	Tax-credit financed/income restrictions. Com. coin-op. Indry., detached garage incl. in rent, dishwashers, disposals, wall-unit A/C, walk-in closets in some units.
Prairewood 813,901,909 6th St. S.	3/95-7/95	45	3 1BR \$330 24 2BR \$390-400 18 3BR \$425	0 1 0	Nealy all couples w/ children or single-parent families, a few singles and couples.	Tax-credit financed/income restrictions. Com. coin-op. Indry., detached garage incl. in rent, dishwashers, disposals, wall-unit A/C, walk-in closets in some units.
Auburn Apts. 1457 11th St. N. 1468 12th St. N.	1985	36	36 2BR \$535-575	0	Mostly working singles and couples (only a few w/ children), 8 seniors.	Dbl. car dtchd. gar. incl. in rent. In-unit W/D, dishwashers, wall-unit A/C, microwave ovens, self-cleaning ovens, balconies/patios, fireplaces in some units.
Town Centre Square II	1985	18	16 1BR \$325 2 2BR \$360	4 0	mostly young singles 5 seniors	Located downtown above commercial space. Elevator, wall-unit A/C, coin-op. Indry., ea. flr., off-st. pkg. some plug-ins avail. f/\$25/mo.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
Marhol Properties. 321 4th Av. N. 328 3rd Av. N. 1015 3rd Av. N. 903 Western Road	1979-1992	44	44 2BR \$450-475	0	roughly 60% seniors 40% couples w/o children & singles	Dtchd. gar. incl. in rent, in-unit W/D, wall-unit A/C, dishwashers, disposals, some larger units have walk-in closets. Substantial waiting list, "always full".
Meide Apartments 1120 Loy Av. 1350 12th St. N.	1979-81	24	24 2BR \$415-435	2	Working singles and couples.	Lesser rents indicate garden level units. Wall-unit A/C, com. coin-op. Indry., disposals, some units have balconies, dtchd. gar. incl. in rent.
Hinsverk Apts. 367 14th St. N.	1983	12	12 2BR \$410	0	4 young roommates 4 couples (1 w/ child) 2 seniors, 2 Pro Gold const. workers	Com. coin-op. Indry., balconies on top 2 flrs., wall-unit A/C, dishwashers, disposals, dtchd. gar. incl. in rent.
North Meadow Ridge 1150 14th Av. N. 1358 12th St. N.	1979	24	24 2BR \$415-430	2	Mostly working couples (some w./ children) 1 senior.	Com. coin-op. Indry., dishwashers, disposals, self-cleaning ovens, wall-unit A/C, dtchd. gar. incl. in rent.
Meide Apts. 1102, 110 Loy Av.	1978	20	4 1BR \$390 12 2BR \$435-455 4 2+DEN \$585	1 2 0	Mix: families, couples w/o children, singles and 5 seniors.	Com. coin-op. Indry., dishwashers, disposals, self-cleaning ovens, wall-unit A/C, dtchd. gar. incl. in rent (some dbl.-car garages). Some garden level units, some have balconies. 2 full baths in 2+Den units. Some units have fireplaces.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
Morris Apts. 1103, 1111 14th Av. N.	1978	20	4 1BR \$325 12 2BR \$425-440 4 3BR \$535	0	50% seniors, 50% couples (2 w/ child)	Com. coin-op. Indry., wall-unit A/C, dishwashers, disposals, balconies/patios, dtchd. gar. incl. in rent. 3BR units have 2 full baths and fireplaces.
Town Square 323 6th St. N.	late-1970's	12	12 2BR \$385-405	0	Students, seniors, 2 families.	Com. coin-op. Indry., stor. lockers, dtchd garages \$25/mo., balconies, wall-unit A/C, dishwashers, disposals.
Del Rose 504 3rd Av. N.	late-1970's	17	11 1BR \$260-290 6 2BR \$295-315	1	Mostly students, a few Pro Gold const. wrkrs.	Com. coin-op. Indry., stor. lockers, off-st. pkg w/ plug-ins, wall-unit A/C. Waiting list w/ 3 names.
Mendoza Apts. 1210, 1220 12th St. N. 1320, 1340 12th St. N.	1976	48	48 2BR \$400-425	0	23 couples or room-mates, 12 families, 8 single persons 5 seniors	Com. coin-op. Indry., wall-unit A/C, dispsls., Dtchd. garages incl. in rent.
Westwood Estates 1207, 1209, 1211 3rd Av. N.	1976	36	3 1BR \$290 33 2BR \$340-380	0	13 singles, 13 couples, 4 families, 3 students, 1 senior	Com. coin-op. Indry. ea. bldg., wall-unit A/C, dishwashers disposals, balconies (most units), 15 dtchd. gar. (\$25/mo.), off-st. pkg.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
Meide Apts. 1101 Westmore	mid-1970's	12	4 1+DEN 8 2+DEN	1 0	8 seniors (all in lrg. units) rest are yng. couples (1 w/child)	All of the 1+Den units are in bsmt., dens do not have windows., Dtchd. gar incl. in 2+Den units only, off-st. pkg. w/ plug-ins for 1+Den units . Com. coin-op. Indry., wall-unit A/C, balconies on upper units, storage rm., 1.75 BA in 2+Den units.
Village Apartments 1621 8th St. N.	mid-1970's	24	24 2BR	0	Mix; seniors, yng. couples, a few families, a few students.	Com. coin-op. Indry., dtchd garages \$35/mo., wall-unit A/C (2nd & 3rd flrs.)
Meide Apts. 1311 11th St. N.	1975	16	1 1BR 15 2BR	0 0	yng. couples & singles 4 seniors	Com. coin-op. Indry., wall-unit A/C, dtchd. gar. incl. in rent
1201 3rd Av. N.	1975	18	1 1BR 17 2BR	0 0	Mix; mostly young couples, families and students.	Com. coin-op. Indry., dtchd garages \$25/mo., wall-unit A/C, dishwashers, disposals.
Southview Apts.	mid-1970's	32	32 2BR	3	15 roomates,(many students), 10 families, 4 couples w/o children	Com. coin-op Indry., off-st. pkg w/ plug-ins
1652 8th St. N.	mid-1970's	12	1 1BR 11 2BR	0 1		Com. coin-op. Indry., dtchd garages incl. in rent, prvt. entrances, wall-unit A/C, balconies, dishwashers, disposals.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
1702 9th St. N/ mid-1970's		12	1 1BR 11 2BR	0 1		Com. coin-op. Indry., dtchd. garages incl. in rent, prvt. entrances, wall-unit A/C, balconies, dishwashers, disposals.
520 9th Av. S. mid-1970's		8	8 2BR	1	50% couples (some w/ child.), 50% Pro Gold const. workers.	Com. coin-op. Indry, Off-st. pkg. w/plug-ins.
1706 9th St. N. mid-1970's		4	4 2BR	0		Off-st. pkg. w/plug-ins, use of Indry. at 1702 bldg.
Meide Apts. 1307,1409 11th St. N. 1974		12	8 2BR 4 2+DEN	1 0	yng. couples, & singles, 2 seniors	Townhome-style units w/prvt. entrances. Dtchd. gar. incl. in rent. In-unit W/D, dishwashers, disposals, wall-unit A/C (2 units), 1.5 BA. Some units also have fireplaces .
1012 2nd St. S. 1974		8	8 2BR	0	4 units occ. by srs. (3 are couples), 2 couples w/o child. 2 mid-aged singles	Com. coin-op. Indry., Wall-unit A/C, dishwashers, disp., bal./patio, dtchd. gar. incl. in rent.
526 4th Av. N. early-1970's		6	6 1BR	0	2 seniors, 2 singles, 2 couples (1 w/child.	Com. coin-op Indry., private entrances, off-street parking.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
415 6th St. N.	early-1970's	6	6 1BR \$200-275	0	Mix of yng. singles couples, students.	Com. coin-op Indry., private entrances, off-street parking.
Grist Apts. 802 16th Av. N.	1972	33	4 OBR 29 1BR	0 0	2/3 yng. & mid-aged singles (6 Pro Gold workers), 6 couples, 4 students	Com. coin-op. Indry., wall-unit A/C, off-street parking.
Western Road Apts. 909, 911 Western Road	1972	23	1 0BR 21 2BR 1 3BR	0 0 0	mostly working class couples (2 w/ child), singles, roomates, a few students, 5 units occpd. by Pro Gold const. workers	Com. coin-op. Indry., wall-unit A/C, 16 detached garages avail. f/\$30/mo.
1676 9th St. N.	1972	12	1 1BR 11 2BR	0 0	6 families, 4 units w/ roomates, 2 singles	Com. coin-op. Indry., wall-unit A/C, dish-washers, dtchd. gar. incl. in rent.
10 Dakota Av.	1970	12	12 2BR	0	10 seniors, 1 yng. single person and 1 yng. couple.	Com. coin-op. Indry., 3 dtchd. garages \$30/mo. & off-street parking w/ plug-ins.
403 3rd St. N.	1969	18	18 2BR \$420-455	0	50% seniors, 50% yng. to mid-aged singles and couples.	Com. coin-op Indry., dtch gargaes incl. in rent for 2nd & 3rd flr. units, off-st. pkg. w/ plug-ins for 1st flr units.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
621 3rd Av. N.	1969	6	1 1BR	\$425	0	Lndry hk-ups. prvt. entrances, wall-unit A/C. detached garage included in rent.
			4 2BR	\$475	0	
			1 3BR	\$495	0	
Meide Apts. 1205, 1305 11th St. N.	1968	24	8 1BR	\$320-325	4	20 dtchd. gar. incl. in rent also off-st. pkg. w/ plug-ins. 1BR units garden level, 2+Den units have balconies. Wall-unit A/C, stor. lockers.
			16 2+Den	\$535	0	
701 4th St. S.	early-1960's	9	9 2BR	\$320	0	Lndry. hk-ups, atchd. garages incl. in rent, Prvt. entrances.
225-227 Dakota Av.	1950's (C)	22	15 OBR	\$175-200	0	Converted old creamery bldg. Com. coin-op. lndry., 3 dtchd. garages \$20/mo., off-st. pkg. w/ plug-ins.
			7 1BR	\$250	0	
503 6th St. N.	1950's (C)	11	6 1BR	\$250	0	Converted old house. Com. coin-op. lndry., off-st. pkg. w/ plug-ins.
			5 2BR	\$300		
					1 single-parent 1 couple w/o child	
Lillegard Apts	early-1950's	12	12 2BR	\$285	0	Two-story units w/ basements & prvt. entrances. Lndry. hk.-ups, off-st. pkg. w/ plug-ins.

TABLE 23
 MARKET RATE RENTAL PROJECTS
 CITY OF WAHPETON
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
General Occupancy Projects (Continued)						
Johnson Apts. 307 5th St. N.	1940's	6	4 1BR \$225-260	1	3 couples (1 w/child)	Com. coin-op Indry., dtchd garage \$25/mo.
			2 2BR \$310	0	3 Pro Gold const. workers	
216 4th St. N.	1940	6	2 OBR \$235	0	1 mid-aged couple,	Com. coin-op. Indry., window A/C, off-st. pkg. w/ plug-ins.
			4 1BR \$265	0	2 singles, 2 Pro Gold const. workers.	
Siefert Apts. 306 6th St. N	1940	5	5 1BR \$200	0	all mid-aged singles	Off-st. pkg.
			4 1BR \$220-270	0	1 yng. couple, 3 singles.	Off-st. pkg w/ plug-ins.
Total		756	22 0BR	0	0.0%	
			127 BR	12	9.4%	
			4 1+Den	1	25.0%	
			541 2BR	29	5.4%	
			33 2+Den	0	0.0%	
			29 3BR	4	13.8%	
				46	(6.1 % vacancy rate)	

Source: Maxfield Research Group

TABLE 24
 MARKET RATE RENTAL PROJECTS
 CITY OF BRECKENRIDGE
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
Breck Apts. 411 4th St. S.	1986	6	1 1BR 5 2BR	0 1	Mix, singles, couples, families	Com. coin-op laundry, dtchd. garage incl. in rent. First vacancy in a few years.
Wilkin Properties 419 Wilkin Ave.	1976	23	2 OBR 9 1BR 12 2BR	0 0 0	Mix, families, seniors, students singles, couples	Tenants pay heat, Common coin-op laundry, detached garages \$25/mo. extra Waiting list w/ 5 names
Catherine Apts. 730, 736 5th St. N.	1976	24	2 1BR 22 2BR	0 0	12 seniors, 10 mid-aged singles, 2 young singles.	Tenants pay heat, com. coin-op. laundry, wall-unit A/C, dishwashers, disposals, balconies/patios. 12 detached garages \$25/mo. Short waiting list.
Greenquist Apts. 502 1/2 Minnesota Av.	1960's (C)	11	5 OBR 4 1BR 2 2BR	0 0 0	3 units occpd. by students, 4 singles 1 single parent 1 family, 1 senior 1 ProGold const. wkr.	Located above com. space. Com. coin-op. Indry., pkg. lot, some window unit A/C.
Hoff Apts. 404,416 14th St. N. 823 Andrews Av.	1960's	15	8 1BR 7 2BR	0 0	Mostly yng. to mid-age singles and couples, also a few seniors	Com. coin-op. Indry., dtchd. gar. incl. in rent, Wall-unit A/C.
325 5th St. N.	1930's	6	6 OBR	0	5 of 6 units leased to Pro Gold workers	Poor condition, expected to be torn down soon, open only until Pro Gold construction is completed.

TABLE 24
 MARKET RATE RENTAL PROJECTS
 CITY OF BRECKENRIDGE
 June/July 1996

Building Name	Year Built	No. of Units	Unit Mix/Rents	Vacant Units	Tenant Profile	Comments
Harty Apts 119 1/2 5th St. N. 115 7th St. N.	1920's/30's	13	3 OBR 7 1BR 3 2BR	0 1 0	11 singles, 1 couple w/ children. Nealy all are younger. 1 Pro Gold const. worker	Consists of a 6-plex, 4-plex and 3-plex. 6- and 4-plex have com. coin-op. Indry., 3-plex has Indry hk-ups., 3 ditchd. gar. incl. in rent at 4-plex, off-st. pkg. w/ plug-ins at other 2 bldgs.
Total		98	16 OBR 31 1BR 51 2BR	0 1 1 2		(0.0%) (5.2%) (2.0%) (1.9 % vacancy rate)

Source: Maxfield Research Group

- The average rents for two-bedroom plus dens and three-bedroom units was roughly \$490 per month. The monthly rents for these units ranged from \$425 to \$585, however, there are 24 three-bedroom units at the Prairiewood complex that have income restrictions, with rents set according to NDHFA guidelines. When these units are subtracted, the average rent for two-bedroom plus den and three-bedroom units increased to nearly \$530 per month. We have included two-bedroom plus den units with three bedroom units in calculating average rents because the dens are essentially bedrooms without a window or without a closet, and in most cases are used as an extra bedroom. All of these units were located in Wahpeton.
- The higher average rents in Wahpeton are due to the higher proportion of newer rental product (built during the 1970's) compared to Breckenridge.
- The level of amenities at the projects varied considerably, and was primarily dependent on the age of the building. Centrally located coin-operated laundries, wall-unit air conditioning and off-street parking with plug-ins or detached garages are the most common features of the older projects. It wasn't until the 1970's that amenities such as dishwashers, balconies/patios, walk-in closets, fireplaces and in-unit washers and dryers appeared in few projects, even so, most of these amenities are found only in select projects.
- There have been two rental projects built in the PMA since 1995, both in Wahpeton. The two projects are geared to two distinct markets.
- The largest of the two newer projects, the 60-unit Prairiewood complex (which includes both Prairiewood and Prairiewood North), was financed through NDHFA's tax-credit program which targets modest-income households. In order to live at the project, households must have incomes under the agencies guidelines (from \$14,520 for a one-person household to \$20,700 for a four-person household) and rents must be kept modest. The project consists of four 15-unit buildings. Three of the building were built in 1995 and a fourth building (Prairiewood North) just opened for occupancy in June of 1996. The first three building had just reached stabilized occupancy at the time of research and the fourth building had filled three units.
- Conversations with Prairiewood's developer and management firm, indicated that lease-up has been much slower than anticipated. The biggest problem mentioned was that a large portion of the traffic has come from persons with incomes too high to qualify for the project, or incomes were too low to afford the rents.
- The Sierra Apartments in Wahpeton is a conventional market rate project that opened for occupancy in June 1996. The project is positioned at the top of the market in the PMA with rents roughly \$100 to \$200 higher than the next highest rents in the market. The project offers a wide range of amenities (i.e., in-unit washers and dryers, dishwashers, disposals, microwave ovens, one and one-half bathrooms, and double-car garages), found in only a few other projects in the market. Six units were leased within the first month of opening. The project has appealed to young to middle-aged professionals and seniors.

- There are no market rate senior rental projects in the PMA. The only alternative housing option for seniors in the market currently is the Leach Home, a residential care facility located in Wahpeton. The facility is positioned between an assisted living facility and a nursing home. The Leach Home was not included in the market rate rental tables, because demand for this type of product is need driven, but will be discussed further later in this section.

A vacancy rate of 5.0 percent among market rate projects is considered normal in healthy rental market to allow for consumer choice and unit turnover. A vacancy rate of below 5.0 percent usually represents pent-up demand or a mismatch between the supply and the demand. However, it is unusual for subsidized projects to have units available because demand for these types of units is need-driven. The survey of the rental market revealed that the market for subsidized housing appears to be satisfied if not saturated, while the market for market rate rental housing is currently stable with the potential for further development in the future as the community continues to grow.

As previously mentioned, there is no market rate senior housing alternative in the study area with the exception of the Leach Home, a residential care facility located in Wahpeton. The Leach Home is similar to an assisted living facility, in that the residents are still independent (do not need the skilled care of a nursing home), need 24-hour supervision, but are not institutionalized (they are free to come and go as they please). However, the facility is set up more like a nursing home facility in that the residents live in rooms, not apartments, and do not have access to cooking facilities. The facility is licensed for up to 61-beds, but the facility purposely maintains only 39 beds. All 61 beds were occupied up until three years ago, but because of residents preferences for private rooms, the facility now serves this demand. Currently the facility has 29 private rooms and 10 semi-private rooms. The semi-private rooms are reserved for individuals that are on medical assistance, while the 29 private rooms are for private pay residents. All 39 beds are currently occupied. The private pay residents pay a daily rate of between \$34.12 and \$37.00 (or roughly \$1,025 to \$1,110 per month, based on a 30 day month), depending on the room. All residents receive the same level of care. The average age of the residents is 90 years old, and while there are no non-seniors currently residing at the facility, there has been a few in the past. The majority of the residents come from within a 30-mile radius.

Because of the lack of market rate senior rental housing options in the study area (other than the Leach Home), Maxfield Research Group surveyed existing senior rental projects in the nearby Fargo-Moorhead area as well as one project, Mill Street Residence, currently under construction in Fergus Falls. These projects are listed in Tables 25 and 26. Table 25 displays general information about the projects such as location, occupancy date, the number of units, and number of vacancies, as well as a comparison of unit features. Table 26 presents information on building amenities and the availability of services. Of the total 745 units, 40 units were vacant at the time of the survey, for an overall vacancy rate of 5.4 percent. However, all but one of these vacancies occurred in the assisted living facilities.

Maxfield Research Group, Inc., classifies market rate senior projects into five categories; rental projects are divided into four categories based on the level of services provided to residents and

TABLE 25
UNIT COMPARISON
MARKET RATE SENIOR RENTAL HOUSING
July 1996

Project Name/ Address/Sponsor	Occup. Date	No. of Units	No. Vacant	Construction Type	Unit Sizes/Rents			Unit Features						
					No.	Type	Size	Monthly Rent	Rent Per Sq. Ft.	Utilities	Emer. Call	A/C	Balcony	Other
<u>Adult/Few Services</u>														
Heritage House 401 6th Av. N. Fargo	1989	62	0	High-rise, elevator bldg.	44	1BR	650	\$530	\$.82	Tenant pays electric & phone	BR, Ba	Wall unit	Yes	Dishwasher, disposal, laundry hook-ups, storage room
West Fargo Cooperative Living Center 14th Av. E. & 16th St. West Fargo	1985	24	0	Two-story, elevator bldg. conv. to	6	1BR	650	\$540-550	\$.85-.87	Tenant pays electric & phone	BR, Ba	Wall unit	Yes	Dishwasher, disposal, laundry hook-ups, storage room
Carriage House 3412 Village Green Blvd. Moorhead	4/85	36	0	Three-story wood frame	21	1BR	508-603	\$400-495	\$.78-.82	Tenant pays electric & phone	BR, Ba	Wall unit	No	Disposal, bay windows
Subtotal		122	0 (0.0%)											
<u>Congregate/Services Optional</u>														
Trollwood Village Apts. 3105 N. Broadway Fargo	1988	147	0	Three bldgs. of 3 stories ea.	29	EFF	312-468	\$360	\$.77	Tenant pays electric & phone	No	Wall unit	Yes	Dishwasher, disposal, walk-in closet, washer/dryer, bkfst. bar, linen closet
Subtotal		147	0 (0.0%)											

TABLE 25
 UNIT COMPARISON
 MARKET RATE SENIOR RENTAL HOUSING
 July 1996

Project Name/ Address/Sponsor	Occup. Date	No. of Units	No. Vacant	Construction Type	Unit Sizes/Rents			Unit Features						
					No.	Type	Size	Monthly Rent	Rent Per Sq. Ft.	Utilities	Emer. Call	A/C	Balcony	Other
<u>Congregate/Intensive Services</u>														
Riverview Place 55300 12th St. Fargo	1987	150	0	One 4-story & four 2-3 story bldgs. connected	3	EFF	450	\$785	\$1.74	Tenant	BR, Ba	Wall	Some	Dishwasher, disposal, utility rm. (some units)
					74	IBR	550-700	\$950-1,100	\$1.57-1.73	pays	(new bldgs.)	unit	units	
					73	2BR	650-900	\$1,060-1,450	\$1.61-1.63	phone				
Subtotal		150	0 (0.0%)											
<u>Assisted Living/Board & Lodging</u>														
Mill St. Residence 802 South Mill St. Fergus Falls	10/96	66	Not Open	3-story elevator bldg.	45	EFF	363	\$1325	\$3.65	All incl.	BR,	Unit	Some	Kitchette with microwave refrigerator
					15	IBR	541	\$1545	\$2.86	except	Ba			
					3	IBR/De	713	\$1760	\$2.47	phone/ca				
					3	2BR	838	\$1950	\$2.32	ble				
Eventide-The Fairmont/ Creamery Moorhead	1993	92	17 (15 - IBR, 2 - 1/2 units)	Renovated creamery & 3-story new bldg.	81	1BR	350-550	\$895-1,035	\$1.88-2.56	All incl.	BR,	Bldg.	No	Bedroom, living rm., bathroom, no kitchen
					11	2BR	603-798	\$695/person	\$1.74-2.30	except	Ba	cent.		
										phone				
Eventide Catered Living 1500 7th St. S. Moorhead	11/92	51	0	3-story elevator bldg.	43	IBR	516-600	\$1,320-1,395	\$2.33-2.59	All	BR,	Wall	No	Refrigerator, range, walk-in shower, window coverings, some walk-in closets
					8	2BR	740-775	\$1,625-1,765	\$2.19-2.28	utilities included	Ba	unit		

TABLE 25
UNIT COMPARISON
MARKET RATE SENIOR RENTAL HOUSING
July 1996

Project Name/ Address/Sponsor	Occup. Date	No. of Units	No. Vacant	Construction Type	Unit Sizes/Rents			Unit Features											
					No. Type	Size	Monthly Rent	Rent Per Sq. Ft.	Utilities	Emer. Call	A/C	Balcony	Other						
<u>Assisted Living/Board & Lodging (Continued)</u>																			
Evergreens 502 3rd Av. S. Moorhead	1992	39	17 (special needs)	Two single- story bldgs. of 15 units each	24 Suites (special needs)	---	\$1,295-1,995	---	Tenant pays phone	BR, Ba			Bldg.	No					
Evergreens 1401 W. Gateway Circle Fargo	1989	60	5	Four single- story bldgs. of 15 units each	60 Suites	---	\$1,295-1,995	---	Tenant pays phone	BR, Ba			Bldg.	No					
Subtotal (does not include Mill St. Residence)		242	39 (16.1%)																
<u>For-Sale Senior Housing</u>																			
West Fargo Cooperative Living Ctr.-Condos 14th Av. E. & 16th St. West Fargo	1985	24	1 (1BR)	Two-story elevator bldg. connected to rental bldg.	3 1BR 18 2BR 3 3BR	728 900 1,400	\$47,900 ² \$55,900 ² \$83,900 ²	\$127 \$133 \$166	Resident pays electric & phone	BR, Ba			Wall unit	Yes					Dishwasher, disposal, laundry hook-ups, utility room

TABLE 25
 UNIT COMPARISON
 MARKET RATE SENIOR RENTAL HOUSING
 July 1996

Project Name/ Address/Sponsor	Occup. Date	No. of Units	No. Vacant	Construction Type	Unit Sizes/Rents			Unit Features							
					No.	Type	Size	Monthly Rent	Rent Per Sq. Ft.	Utilities	Emer. Call	A/C	Balcony	Other	
Homestead 1904 30th Av. S. Moorhead	1985	18	0	Three-story, wood frame bldg. connected to rental bldg.	18	2BR	912-1,100	\$68,900 \$95,000	\$190-230	Resident pays electric	BR, Ba	Wall unit	Yes	Dishwasher, disposal, bay window	
Subtotal		42	1 (2.4%)												
Total		703	40 (5.7%)												

¹ Manager did not know square footage

² Prices begin at these levels

Source: Maxfield Research Group

TABLE 26
 DEVELOPMENT SERVICES/AMENITIES COMPARISON
 MARKET RATE SENIOR HOUSING
 July 1996

Project Name	Services							Amenities			
	Transportation	Activities	Meal Program	Housekeeping	Health/Miscellaneous	Parking	Security	Laundry	Storage	Other	
<u>*Adult*/Few Services</u>											
Heritage House	No	Mgr. schedules activities	No (Opt. catered eve. meal, 2/month)	No	Avail. from outside agencies; a few residents contract on their own	One garage stall incl. in rent	Intercom entry	Washer/dryer hook-up in unit	Incl. (in bsmt.)	Comm., dining rm., & craft/hobby rm., library	
West Fargo Cooperative Living Center West Fargo	Will subsidize (40% of) cab fare & contribute to Fargo Sr. van	Mgr. schedules activities	Noon meal avail. for \$2/meal	No	Avail. from outside agencies; will assist residents in arranging; a few residents contract on their own for services	18 attach. stalls avail, \$30/mo.	Intercom entry	Hook-ups in unit, common coin-op also avail.	No	Comm., craft/hobby, billiard, & woodworking rms., greenhouse, walking paths, exercise rm., chapel, guest suite (\$5/night); all are shared with condo units	
Carriage Shores	No	None	Evening meal on Wed. only, \$3.50	No	Home health avail. through Eventide	One garage stall incl. in rent	Intercom entry	Common, coin-op	Incl.	Dining/comm. rm., woodworking shop, greenhouse	
<u>Congregate/Optional Services</u>											
Trollwood Village Apts. Fargo	No	Mgr. schedules activities & sr. ctr. is on-site	Noon meal avail. weekdays at sr. ctr. (connected), \$2/meal	Weekly "maid service," incl., laundry service avail. for \$8.50/hr.	Midwest Home Health Care, Inc., located on site, many residents contract for services	Garage stalls avail, \$25/mo.	Intercom, video entry system	Washer/dryer in unit	No	Comm./dining rm., craft/hobby rm., library, terrace, 2 guest suites (\$20/night), barber/beauty shop, travel agent, insurance co., gift shop & florist, coffee shop/restaurant	

TABLE 26
DEVELOPMENT SERVICES/AMENITIES COMPARISON
MARKET RATE SENIOR HOUSING
July 1996

Project Name	Services					Amenities				
	Transportation	Activities	Meal Program	Housekeeping	Health/Miscellaneous	Parking	Security	Laundry	Storage	Other
<u>Congregate/Intensive Services</u>										
Riverview Place Fargo	Yes	Full-time director	Coffee shop open 24 hrs., opt. eve. meal	Optional	Midwest Home Health Care, Inc., located on-site; wellness program	Heated garage, \$45/mo.; unheated garage, \$40/mo.		Common, free	No	Chapel, mini-store, indoor pool, whirlpool, dining rm., rec. area, several lounges, greenhouse, barber/beauty shop, library, multi-purpose activities rm.
<u>Assisted Living/Board & Lodging</u>										
Mill St. Residence 802 South Mill St. Fergus Falls	Incl., to shopping & med. appts.	Full-time director	2 meals/day & snacks incl. in rent. Optional 3rd meal \$5.75	Weekly housekeeping & linen services incl.	Personal care services avail. for extra charge	Surface parking only	24-hr. security	Common, free on each floor	Yes, may have addl. charge	Comm. & private dining, exercise, comm., craft/hobby, & woodworking rms., library, beauty shop, elevated garden plots, walking paths, guest suite
Eventide-The Fairmont Creamery Moorhead	No	Full-time staff	3 meals/day incl. in fee	Weekly, incl. in fee	Optional personal care services avail. incl. med. administration	Off-street, free	24-hour	Free, on ea. fl.; optional services	No	Dining rm., several lounges, library, pool table
Eventide Catered Living Moorhead	Van for shopping for a fee	Share activities dir. w/3 Eventide bldgs.	2 meals/day incl. (bkfst. k& choice of lunch or dinner); 3rd meal optional	Up to one hr./day incl.; bed linen & towel service weekly, incl.	Home health service avail. contracted for by ind. residents; med. set-up by RN incl. in rent	Off-street parking w/plug-ins avail.	Intercom entry	On 2 fl., free	In bsmt., incl. in rent	Comm./dining rm., library, terrace, two guest suites (\$20/night); adult day care on-site also

TABLE 26
 DEVELOPMENT SERVICES/AMENITIES COMPARISON
 MARKET RATE SENIOR HOUSING
 July 1996

Project Name	Services					Amenities				
	Transportation	Activities	Meal Program	Housekeeping	Health/Miscellaneous	Parking	Security	Laundry	Storage	Other
<u>Assisted Living/Board & Lodging (Continued)</u>										
Evergreens 502 3rd Av. S. Moorhead	Incl., to shopping & med. appts.	Full-time director	3 meals/day & 2 snacks/day incl. in rent	Daily housekeeping & weekly cleaning incl.	Personal care services avail. for extra charge; nearly all residents use some extra services	Surface parking only	24-hr. security	Common, free (also incl. in rent)	No	Atrium, comm./dining rm., chapel, beauty/barber shop
Evergreens 1401 W. Gateway Circle Fargo	Incl., to shopping & med. appts.	Full-time director	3 meals/day & 2 snacks/day incl. in rent	Daily housekeeping & weekly cleaning incl.	Personal care services avail. for extra charge; nearly all residents use some extra services	Surface parking only	24-hr. security	Common, free (also incl. in rent)	No	Atrium, comm./dining rm., chapel, beauty/barber shop
<u>For-Sale Senior Housing</u>										
West Fargo Cooperative Living Ctr.- Condos West Fargo	No	Mgr. schedules activities	Noon meal avail. daily for \$20/meal at rental bldg.	None	Avail. from outside agencies; will assist residents in arranging; a few residents contract on their own for services	24 attached stalls, incl. in unit price	Intercom entry	Hook-ups in unit, common coin-op also avail.	No	Comm. rm., craft/hobby rm., billiard & woodworking rm., greenhouse, walking paths, exercise rm., chapel, guest suite (\$5/night); all are shared with rental units
Homestead	No	Mgr. schedules activities	Evening meal on Wednesdays, \$3.50	None	Avail. from outside agencies; will assist residents in arranging; a few residents contract on their own for services	24 attached stalls, incl. in unit price				

Source: Maxfield Research Group

ownership projects have their own category and rarely provide any services. The four types of rental projects are: "Adult"/Few Services, where few if any services are provided and the rents tend to be modest; Congregate/Optional Services where support services (e.g., meals, housekeeping) are available but are optional; Congregate/Service Intensive, where some services are included in the rent; and Assisted Living which includes at least two meals per day in the rent and offers the availability of personal care and other supportive services such as housekeeping. The following are the key points derived from the survey of market rate seniors projects in Fargo-Moorhead and Fergus Falls.

- Three "Adult"/Few Services buildings were surveyed and had a total of 122 units. Rents at the projects ranged from \$400 to \$550 per month for a one-bedroom unit and from \$625 to \$750 per month for a two-bedroom unit. At the time of the survey, there were no vacant two-bedroom units.
- There was one Congregate/Optional Services project in Fargo, Trollwood Apartments. The project has 147 units, none of the units were vacant at the time of the survey. Rents at the project were comparable to those at the "Adult"/Few Services buildings and ranged from \$360 per month for an efficiency unit, \$400 to \$550 per month for a one-bedroom unit, \$600 to \$640 per month for a one-bedroom plus den unit and \$670 to \$730 per month for a two-bedroom unit. Housekeeping is included in the rents, while laundry service and home health services are offered for an additional charge.
- Riverview Place, which is considered the only Congregate/Service Intensive project in Fargo, has 152 units and was fully occupied at the time of research. Monthly rents, which do not include services, are in excess of \$1.50 per square foot ranging from \$735 per month for an efficiency to \$1,350 for a two-bedroom unit. While these are high rents for a congregate project, Riverview Place does offer a range of optional services and has variety of opportunities for socialization including extensive common space and first-class recreational amenities.
- Five assisted living/board and lodging projects in the Fargo-Moorhead area were surveyed. Together, they combined for a total of 242 units, and 39 vacant units, translating to a vacancy rate of 16.1 percent. Although the level of services included in the monthly fees varies depending on the project, typical services are: at least two meals a day, 24-hour supervision, activities, weekly housekeeping, and linen or laundry service. A wide range of other personal care services are generally available for an additional charge.
- In addition to market rate rental projects, two senior ownership projects in the Fargo area were also surveyed. These two projects had a combined 42 units, only one of these units was unoccupied at the time of the survey, a vacancy rate of 2.4 percent. The Homestead consisted of all two-bedroom units which had a selling price of between \$68,900 and \$95,000 and a monthly fee of between \$190 and \$230. West Fargo Cooperative had one-bedroom units with sales prices of \$47,900 and monthly fees of \$127, the two-bedroom units had sale prices of \$55,900 and monthly fees of \$133, and three-bedroom units with sales prices of \$83,900

and monthly fees of \$166. Neither project includes any services in the fees, although residents of the West Fargo Cooperative have the option of purchasing a noon meal for \$20 per month at the adjacent rental building.

While the market for senior housing in the Fargo area has little effect on the potential for senior housing locally, local seniors that desire this type of housing may move to the Fargo-Moorhead area or to Fergus Falls in the absence of any senior housing alternative in Breckenridge or Wahpeton. These projects are offered as an example of the different types of senior housing alternatives available in the region and could be used as a guideline for any development that might occur locally.

Potential Assisted Living Demand

In addition to examining the existing rental projects in PMA, Maxfield Research Group, interviewed staff and examined the care level of residents at local nursing homes for assisted living housing from current residents of the nursing homes. Both Minnesota and North Dakota currently have moratoriums on nursing construction and have adopted policies to attempt to place residents with low levels of care needs in other facilities such as an adult foster care facilities, board and lodging, board and care, or assisted living facilities, rather than nursing homes.

Case mix ratings provide a meaningful way of evaluating residential care needs (and for subsequent reimbursement). In Minnesota, persons are rated on their level of dependency for eight activities of daily living, (ADL's) such as bathing or dressing. In addition, special nursing, behavior issues, and neuromuscular conditions are taken into consideration. The State of Minnesota categorizes the level of nursing home care into 11 categories, A through K. The final score relates to a case mix rating of between A and K, with A being the lowest level of care. The State of North Dakota has similar rating system, but has 16 levels of care (from which persons are classified into major clinical groups). Unfortunately, the case mix ratings for the two states do not coincide with each other. In Minnesota, residents with a case mix ratings of A or B are generally regarded as a potential market for alternative care facilities. The State of North Dakota has a simplified version which divides individuals into two more generalized groups, basic care and skilled care, based on the level of care needed. Nearly all residents that qualify for basic care can generally be served by facilities other than nursing homes.

- All 124 beds at the St. Francis Home, in Breckenridge, were occupied at the time of the survey.
- St. Francis Home had nine residents with a case mix rating of A, and 11 with a case mix rating of B. Six of the nine residents with a case mix rating of A and three of the 11 residents with a case mix rating of B, pay privately.
- Fees at the St. Francis Home for case mix A residents are \$74 per day and case mix B residents are \$79 per day. These daily fees would translate into monthly fees of roughly \$2,220 and \$2,370 per month, based on a 30 day month.

- The occupancy rate was 95.0 percent (of the 180 beds) at Wahpeton Health Care Center at the time of the survey.
- There are currently 16 residents at the Wahpeton Health Care Center that are in basic care rooms, while the remainder of the residents are in skilled care rooms. According to conversations with staff members at the care center, in addition to the basic care residents, there are a few residents in the skilled care rooms that would be a market for assisted living housing. They estimated that between 15 and 20 percent of all care center residents could likely be served by an assisted living facility, this would represent a total between 25 and 34 residents. While the exact number of these residents that pay privately was unknown, we do know that 34 percent of all low-level care residents (which includes basic care as well as some skilled care residents) paid privately. Applying this figure to the estimated number of residents thought to be a potential market for assisted living housing results in a total potential market for between 9 and 12 market rate assisted living units, from current resident of the Wahpeton Care Center.

Fees for basic care residents at the Wahpeton Health Care Center are \$45 per day, which translate to a monthly fee of \$1,350, based on a 30-day month. Fees for skilled care residents ranged from \$69 to \$112 per day range, which translates to a monthly fees starting at \$2,070, based on a 30 day month.

In addition to the Leach Home in Wahpeton, there is also a subsidized assisted living services available at Park Manor, a subsidized senior rental project in Breckenridge which initiated an Assisted Living program on January 1, 1996. The program consists of skilled nursing and aid visits, homemaker services, meal preparation, congregate lunches 3 times per week, socialization, and medication set-ups. The price for these services range from \$500-800/month depending on the level of assistance needed. The resident can either pay for the assisted living services privately or apply for one of two government waivers that will completely or partially cover the expenses. The Elderly Waiver, a Federally funded grant which covers 100 percent of the assisted living costs, is available to persons 65 and over, who are on Medical Assistance. The Alternative Care/180 Day Eligibility Waiver, a State funded grant which partially covers the Assisted Living expenses, is available to persons 65 and over who are not on Medical Assistance and have assets below the cost of 180 days in a nursing home (currently between \$16,000-20,000). Both of these waivers are administered through the Wilkin County Public Health Department.

When the Assisted Living program at Park Manor began, it was expected that 20 seniors would be participating by the end of 1996. However, as of July 1996 only four seniors are using the services. Since enrollment is lower than expected, the new projections are to have a total of 10 seniors participating in the Assisted Living program at Park Manor. After speaking with people at Park Manor and Wilkin County Public Health it is believed that a number of factors are contributing to the lower than expected enrollment. The seniors in need of the Assisted Living services who can privately afford it may be choosing to stay at home longer and than going directly into nursing homes. Those seniors who cannot afford the services and need assistance

are forgoing this option. Since the program is advertised regularly there is no reason to believe awareness is a major issue.

Pending Rental Developments

We contacted developers, builders and city officials to gather information on any planned or proposed rental housing developments in Wahpeton and Breckenridge. The following summarizes information on these projects:

Breckenridge

Gerald Rick, a local landowner, is building a four-unit market rate rental building on a site just east of the Wilkin County Courthouse. The building is a two-story design, with four two-bedroom units priced from \$550 to \$650 per month. The units will all have 1,100 square feet, and the lower level units (\$650) will have gas fireplaces. All units will have washers/dryers, dishwashers, disposals, and attached single-car garages. All four units have been preleased according to the developer, and the renters are local residents in their 50's and above. The developer stated that the project will be rental for three years, and then the units will be converted to for-sale condominiums. The current renters are aware of this and will have an option to buy the units.

Southhill Group, L.C.C., based in Fargo, has city approval for two 6-plex rental townhome buildings, to be located on a site at 10th Street South and New York Avenue. The development will be done in partnership with the Port Authority of Breckenridge, who will provide tax increment financing and will be a financial partner in the project. The project will be developed with Minnesota State Housing Finance Agency Tax Credits, which have been awarded. The project will have eight two-bedroom units and four three-bedroom units, with rents ranging from approximately \$425 to \$485. Residents may have incomes up to 60 percent of the median income for Wilkin County in order to qualify. The project is scheduled for construction in late 1996.

St. Francis Hospital and Home has received a grant from HUD to develop a 20-unit assisted living facilities on its campus. The facility will be geared towards low income seniors and will have income restrictions. Both the rents and the services will be made available on a sliding scale based on income. The will be a mixture of one- and two-bedroom units. Construction is expected to start this fall with an occupancy date sometime next spring.

The medical center also anticipates the development of an additional 20 units of market rate assisted living next to the first building sometime in the near future.

Cliff Barth, a local landowner and member of the Port Authority, has nine acres of land located on the east side of Breckenridge, near the football field. There has been interest from a local developer in purchasing a few of the acres for development of 40 to 50 units of rental housing, however, the unnamed developer has not yet made this purchase, and there is no firm

development plan for the project at this time. Mr. Barth indicated that he would be willing to sell off additional acres to developers and is not interested in developing the property himself.

Wahpeton

Carlson Development of Sauk Rapids has applied for tax credits to build six 8-unit rental buildings in Wahpeton. The site is located in the southwest corner of the city. The buildings would have a mix of one, two and three-bedroom units. The site has the proper zoning, and the developer is waiting for the approval of the tax credits. If approved, the project could open in 1997. The developer also has some additional land adjacent to this site that could be developed with similar housing, but has no immediate plans for additional units.

Meide & Son, Inc., a local developer that has built a large proportion of the existing rental supply in Wahpeton, has tentative plans for a number of potential rental projects.

The developer mentioned that he is currently working on renovating the top floors of the Ben Franklin Building, located on the 400 block of Dakota Avenue in downtown Wahpeton, into 11 rental units. Seven of the units will have one bedroom, be 750 square feet in size, and rent for \$375 to \$400 per month. The remaining four units will have two bedrooms, be 900 square feet in size, and rent for between \$450 and \$475 per month. The building will have an elevator, central air conditioning, and a common coin-operated laundry. The units will have 9-foot ceilings, oversized windows, and dishwashers. Parking will be available in a city lot behind the building. The project is expected to open for occupancy around the first of the year.

In addition, the developer will be renovating the Casper Building (the former Wahpeton Opera House) into senior rental housing. The project is located on the corner of 4th Street and Dakota Avenue in downtown Wahpeton. Preliminary concept plans call for between 15 and 17 units with a mix of one-bedroom, one-bedroom plus den, and two-bedroom units, with rents ranging between \$575 and \$850 per month. According to the developer, he has city approval but is working out the financing. The project was originally going to be geared towards low- to moderate-income seniors, but financing from Rural Economic and Community Development (RECD), formerly known as the FmHA, dried up. The three-story building would have retail space on the street level, a security system, an elevator, off-street parking, a lounge and possibly a atrium and terrace, over the top of an adjacent building. The units would feature 9-foot ceilings, in-unit washers and dryers, dishwashers, and air conditioning. Construction is anticipated to start in the spring of 1997 with completion that fall.

Other possible developments from Meide & Sons, Inc. include the renovation of the Casey Hall (the former Armory) into 12 units of rental housing. Four of the units will likely have one bedroom and have rents of approximately \$400 per month. The remaining eight units will have two-bedrooms with rents of \$500 per month. According to the developer, he anticipates two-story units, possibly with lofts, and private entrances. The units would include washers and dryers, dishwashers, microwave ovens, air conditioning and two full bathrooms. Construction is expected to start in the spring of 1997 with completion in the fall.

The developer also has his sights set on developing an additional 30 units of senior housing on another site near downtown Wahpeton, along 2nd Avenue between 7th and 8th Streets. The developer currently owns about one-half of the block and is looking into purchasing a few existing homes on the site. While no development concept has been worked out yet, the developer mentioned that the project would consist of a three-story building with underground parking. He envisions the project being top-of-the line with rents somewhere in the \$800 to \$900 per month range.

Mr. Meide also mentioned the possibility of developing 48 units of upper-end general occupancy rental housing on a site he owns on the north end of town near the new Rosewood subdivision. The concept is still very tentative and rents have not yet been determined, he speculated that they would likely be similar to the rents at the recently built Sierra Apartments (in the \$700 per month range). He mentioned the units would include all of the amenities of the Sierra Apartments but the first floor units would have walk-out patios and there could be underground parking. Whether the development of this project moves ahead or not will be determined on whether the developer sells the site to Rothhouse Home Builders, out of Fargo, which has been contemplating developing condominium housing on the site. However, Mr. Meide mentioned that he and Mr. Rothhouse have just recently agreed on a purchase price on the land and the sale is subject to city's approval for rezoning.

Mr. Meide also mentioned that he has been contacted by an undisclosed non-profit agency that is has obtained funding from HUD's 202 program to develop subsidized assisted living units in Wahpeton. The non-profit agency has tentative plans for 16 to 20 units and is currently looking for a site. One of the sites currently under consideration is a former city park located directly across the street from the senior citizens center.

Wahpeton Health Care Center has discussed the possibility of developing an assisted living facility (in addition to adding home health services), but the plans are still very preliminary and no specific plans have been developed yet.

Maurie Lorenz, the new owner of the Century Apartments a subsidized general occupancy project in Wahpeton, is currently renovating the building. The building had 16 of its 24 units down at the time of research. The owner stated that he expects to have all of the down units available for occupancy in August in 1996.

According to the director of the senior citizens center, she has had some discussions with a principal of Comstock Construction Inc., a local developer, regarding the development of congregate senior housing on a site located across from the Wahpeton senior citizen center. The developer has had some discussions with area seniors regarding interest in senior housing on the site, but there are no firm plans for a development at this time.