

## **Otter Tail County Comparison**

To better interpret the demographic and housing data contained in the Otter Tail County report, a comparison section has been provided. Two levels of comparative data have been presented.

The first examines some basic demographic estimates and projections for the four quarters of Otter Tail County, so that a better understanding exists for the County's growth potential. The second level of comparison examines information at the individual city level, so that the 21 cities in the County can be placed in rank order.

### **Otter Tail County Regional Comparison**

Due to the large geographic area that is Otter Tail County, the demographic section had divided the County into four quarters. Each quarter contains 14 or more individual jurisdictions. The regional setting that is provided allows for a comparison of recent growth and projected growth in the future.

The source of the comparative information for the four quarters is from Esri, a demographic service that has been used for recent estimates and projections. There are some cases where Esri's data for an individual jurisdiction may not be reliable, but when spread over multiple jurisdictions, it does allow for a reasonable forecast of growth potential within different aggregated portions of the County.

### **City-level Comparisons**

Comparative data can also be presented for the individual cities in Otter Tail County, using standardized sources that exist. For demographic items such as population and household growth, the decennial U.S. Census, along with more recent estimates by the Minnesota State Demographer's Office have been used.

For information on household income and housing costs, the best source is the Census Bureau's American Community Survey, which collects sample data within each community and then generates estimates from these samples. There is a margin of error that exists in the American Community Survey estimates, depending upon the specific variable being examined. However, the same sample methodology would be used in each city, so a standardized data collection process does exist.

At the time the individual city studies were completed, the most recent release from the American Community Survey was for 2013. However, the 2014 estimates have since become available, and have been incorporated into this comparison section. It is therefore possible that some of the American Community Survey estimates provided previously may differ somewhat from the information in this section.

In each table, the cities have been ranked, to allow for easier comparison. The basis for the ranking is explained along with each table.

It is important to note that estimates contained in the American Community Survey are based on sampling that is completed in each community. The number of surveys conducted can be very limited. This is especially true in the smallest cities. As a result of the limited sampling, a calculated margin of error exists within each estimate. In some cases, no estimate may be generated, due to the sampling limitations.

## Recent Population Growth - Otter Tail County

Esri has issued population estimates for the year 2015. These can be aggregated to form the four quarters used as a regional basis for this Study. The following table compares population levels in 2010 to these 2015 estimates to rank the recent growth of each quarter in the County.

<b>Table 1 Comparison of Recent Population Growth: 2010 to 2015</b>					
City	2010 Census	2015 Estimated	Numeric Change	Percentage Change	Rank 1 = Largest numeric increase
NE Quarter	16,984	17,650	666	3.9%	1
SW Quarter	22,868	23,031	163	0.7%	2
SE Quarter	8,573	8,609	36	0.4%	3
NW Quarter	8,878	8,896	18	0.2%	4
Otter Tail County	57,303	58,186	883	1.5%	-

Source: Esri; Community Partners Research, Inc.

Esri’s estimates for 2015 show very limited recent growth in most portions of the County. Overall, Esri has tracked population growth of less than 900 people countywide from 2010 through 2015.

Most of the population growth has occurred in the Northeast Quarter of the County, an area that includes the Cities of Perham, New York Mills, Ottertail, Bluffton, Deer Creek, Dent, Richville and a small portion of Wadena. According to Esri, more than 75% of the recent population increase countywide has been within this portion of the County.

The Southwest Quarter of the County had the second greatest level of numeric population growth, but added fewer than 165 people over the previous five years. This portion of the County includes Fergus Falls, as well as Elizabeth, Dalton and Underwood.

Very limited recent growth has occurred in the Southeast Quarter of the County, which includes the Cities of Battle Lake, Clitherall, Henning, Parkers Prairie, Urbank and Vining. Even less growth has taken place in the Northwest Quarter, which contains the Cities of Erhard, Pelican Rapids, Vergas and the Otter Tail County portion of Rothsay.

## Projected Population Growth - Otter Tail County

Esri has issued population estimates for the year 2015 and projections to the year 2020 for the individual jurisdictions in the County. These can be aggregated to form the four quarters used as a regional basis for this Study. The following table uses the projected change in population over the five-year period to rank the growth potential of each quarter in the County.

<b>Table 2 Comparison of Projected Population Growth: 2015 to 2020</b>					
City	Estimated 2015	Projected 2020	Numeric Change	Percentage Change	Rank 1 = Largest numeric increase
NE Quarter	17,650	18,281	631	3.6%	1
SW Quarter	23,031	23,353	322	1.4%	2
SE Quarter	8,609	8,713	104	1.2%	3
NW Quarter	8,896	8,966	70	0.8%	4
Otter Tail County	58182	59315	1,133	1.9%	-

Source: Esri; Community Partners Research, Inc.

Esri’s projections to the year 2020 do not show a lot of growth Countywide, with the expectation that the population will increase by approximately 1,130 people, or less than 2%, over a five-year time period.

Most of the population growth is projected to occur in the Northeast Quarter of the County, an area that includes the Cities of Perham, New York Mills, Ottertail, Bluffton, Deer Creek, Dent, Richville and a small portion of Wadena. According to Esri’s forecast, more than half of the projected population increase Countywide will be within this portion of the County.

The Southwest Quarter of the County is projected to have the second greatest level of numeric population growth. This portion of the County includes Fergus Falls, as well as Elizabeth, Dalton and Underwood. In the opinion of the analysts’, Esri has tended to understate the growth potential for the City of Fergus Falls. Given the amount of new housing construction in recent years, including some larger-scale apartment projects, it is probable that Fergus Falls will experience more growth than projected. This would directly impact the growth potential for this quarter of Otter Tail County.

Very limited growth is projected in the Southeast Quarter of the County, which includes the Cities of Battle Lake, Clitherall, Henning, Parkers Prairie, Urbank and Vining. Even less growth is projected for the Northwest Quarter, which contains the Cities of Erhard, Pelican Rapids, Vergas and the Otter Tail County portion of Rothsay.

## Recent Household Growth - Otter Tail County

Esri has also issued household estimates for the year 2015. These can be aggregated to form the four quarters used as a regional basis for this Study. The following table compares household levels in 2010 to these 2015 estimates to rank the recent growth of each quarter in the County.

<b>Table 3 Comparison of Recent Population Growth: 2010 to 2015</b>					
City	2010 Census	2015 Estimated	Numeric Change	Percentage Change	Rank 1 = Largest numeric increase
NE Quarter	6,949	7,259	310	4.5%	1
SW Quarter	9,699	9,822	123	1.3%	2
SE Quarter	3,644	3,671	27	0.7%	3
NW Quarter	3,763	3,786	23	0.6%	4
Otter Tail County	24,055	24,542	487	2.0%	-

Source: Esri; Community Partners Research, Inc.

Esri’s household estimates for 2015 show very limited recent growth in most portions of the County. Overall, Esri has tracked growth of less than 500 households countywide from 2010 through 2015.

Most of the household growth has occurred in the Northeast Quarter of the County, an area that includes the Cities of Perham, New York Mills, Ottertail, Bluffton, Deer Creek, Dent, Richville and a small portion of Wadena. According to Esri, nearly 64% of the recent household increase countywide has been within this portion of the County.

The Southwest Quarter of the County had the second greatest level of numeric growth, but added fewer than 125 households over the previous five years. This portion of the County includes Fergus Falls, as well as Elizabeth, Dalton and Underwood.

Very limited recent growth has occurred in the Southeast Quarter of the County, which includes the Cities of Battle Lake, Clitherall, Henning, Parkers Prairie, Urbank and Vining. Even less growth has taken place in the Northwest Quarter, which contains the Cities of Erhard, Pelican Rapids, Vergas and the Otter Tail County portion of Rothsay.

## Projected Household Growth - Otter Tail County

Esri has also issued household estimates for the year 2015 and projections to the year 2020 for the individual jurisdictions in the County. These can be aggregated to form the four quarters used as a regional basis for this Study.

<b>Table 4 Comparison of Projected Household Growth: 2015 to 2020</b>					
City	Estimated 2015	Projected 2020	Numeric Change	Percentage Change	Rank 1 = Largest numeric increase
NE Quarter	7,259	7,559	300	4.1%	1
SW Quarter	9,822	10,010	188	1.9%	2
SE Quarter	3,671	3,728	57	1.6%	3
NW Quarter	3,786	3,841	55	1.5%	4
Otter Tail County	24,542	25,142	600	2.4%	-

Source: Esri; Community Partners Research, Inc.

Esri’s household projections to the year 2020 once again do not show a lot of growth Countywide, with the expectation that the number of households will increase by 2.4%, or approximately 600 total households over the five-year time period.

Consistent with the expected change in population, half of the County’s total household growth is projected to occur in the Northeast Quarter. While a number of the individuals cities in this portion of the County, including Perham, have been growing, the townships also include some attractive lake shore areas that are desirable places to live.

The Southwest Quarter of the County is projected to have the second greatest level of numeric household growth. As stated previously, Esri’ projections for this portion of the County are probably too conservative, especially for the City of Fergus Falls.

Very limited household growth is projected in the Southeast Quarter of the County and in the Northeast Quarter. If reduced to an annual average, these portions of the County are expected to add only 10 to 12 additional households in a typical year.

## Population in 2014

The most recent official population estimates are from the Minnesota Demographer’s Office and are effective for the year 2014. This provides for a comparison of the relative size of each community.

<b>Table 5 Comparison of Population in 2014</b>		
City	Estimated Population in 2014	Rank 1 = Largest population
Fergus Falls	13,280	1
Perham	3,204	2
Pelican Rapids	2,498	3
New York Mills	1,227	4
Parkers Prairie	1,016	5
Battle Lake	888	6
Henning	805	7
Ottertail	603	8
Rothsay	493*	9
Vergas	347	10
Underwood	341	11
Deer Creek	324	12
Dalton	249	13
Bluffton	209	14
Dent	190	15
Elizabeth	170	16
Erhard	142	17
Clitherall	113	18
Richville	91	19
Vining	73	20
Urbank	50	21

Source: State Demographer; Community Partners Research, Inc.

\* Total population including portion in Wilkin County

Fergus Falls is by far the largest community in Otter Tail County, and is more than four times larger than Perham, the second largest City.

Otter Tail County had only five cities with a population above 1,000 people in 2014. In addition to Fergus Falls and Perham, the next largest cities are Pelican Rapids, New York Mills and Parkers Prairie.

The County also has a number of very small cities, with a population below 250 people. In total there were nine cities with a population of 249 or fewer people in 2014.



## Household Estimate in 2014

<b>Table 6 Comparison of Households in 2014</b>		
City	Estimated Households in 2014	Rank 1 = Most households
Fergus Falls	5,912	1
Perham	1,406	2
Pelican Rapids	916	3
New York Mills	547	4
Parkers Prairie	430	5
Battle Lake	390	6
Henning	366	7
Ottertail	258	8
Rothsay	212*	9
Vergas	185	10
Underwood	160	11
Deer Creek	148	12
Dalton	113	13
Bluffton	80	14
Dent	77	15
Elizabeth	65	16
Erhard	62	17
Clitherall	53	18
Richville	41	19
Vining	32	20
Urbank	25	21

Source: State Demographer; Community Partners Research, Inc.

\* Total including portion in Wilkin County

Consistent with total population, Fergus Falls is much larger than any other city in the County for total households. In 2014, more than 24% of all households countywide were living in Fergus Falls.

Perham was second largest city for households, and was the only other city outside of Fergus Falls that had more than 1,000 resident households.

There were eight cities with fewer than 100 households in 2014.

It is important to note that many of the permanent residents of Otter Tail County live in the rural townships. In 2014, nearly 53% of all households in the County were living outside of the cities. The County has a large number of lakes and attractive residential opportunities in the township areas.

## Household Change: 2010 to 2014

<b>Table 7 Comparison of Household Change - 2010 to 2014</b>			
City	Numeric Change	Percentage Change	Rank 1 = Highest # Growth
Perham	+102	7.8%	1
Fergus Falls	+98	1.7%	2
New York Mills	+14	2.6%	3
Ottertail	+13	5.3%	4
Pelican Rapids	+12	1.3%	5
Vergas	+9	5.1%	6
Battle Lake	+4	1.0%	7
Parkers Prairie	+2	0.5%	8
Clitherall	+1	1.9%	9
Bluffton	+1	1.3%	10
Deer Creek	+1	0.7%	11
Underwood	+1	0.6%	12
Rothsay*	+1	0.5%	13
Dent	-1	-1.3%	14
Elizabeth	-1	-1.5%	15
Dalton	-2	-1.7%	16
Richville	-2	-4.7%	17
Vining	-2	-5.9%	18
Urbank	-2	-7.4%	19
Erhard	-3	-4.6%	20
Henning	-6	-5.8%	21

Source: U.S. Census; Community Partners Research, Inc.

\* Total including portion in Wilkin County

Based on the State Demographer's estimates for 2014, the City of Perham added more households between 2010 and 2014 than any of the other cities in the County. Fergus Falls had the second greatest numeric household growth, adding 98 households.

If Perham and Fergus Falls are combined, more than 83% of the household growth that occurred countywide between 2010 and 2014 was attributed to the County's two largest cities.

Based on the State Demographer's estimates, no other city in the County had added more than 15 households after 2010. There were eight cities that had lost one or more households between 2010 and 2014. The largest estimated loss was in Henning, where the State Demographer estimated that there were six fewer households by 2014.

Although more than 50% of all households in the County live outside of the city limits of the incorporated communities, the State Demographer has tracked almost no recent household growth within the aggregated township areas. The potential exists that more permanent households have been added in the rural areas, but this can be difficult to accurately estimate. Otter Tail County has a large number of seasonal/recreational housing units that are not occupied year-round. Over time, some of these may be converted to permanent resident use, but the addition of a permanent household does not require the construction of a new house. Estimating sources, including the State Demographer's Office, can have a difficult time accurately assessing the occupancy status of existing housing units from year to year.

## Average Household Size in 2014

The Minnesota State demographer’s Office has issued estimates of average household size. The most recent estimates at the city level are for 2014. A small average household size generally indicates an aging population, with many people living alone, as well as fewer children in the community.

<b>Table 8 Comparison of Average Household Size in 2014</b>		
City	Average Household Size 2014 MN State Demographer	Rank 1 = Highest Median Size
Pelican Rapids	2.66	1
Elizabeth	2.62	2
Bluffton	2.61	3
Dent	2.47	4
Ottertail	2.34	5
Rothsay*	2.33	6
Erhard	2.29	7
Vining	2.28	8
Richville	2.22	9
Parkers Prairie	2.20	10T
Dalton	2.20	10T
Perham	2.19	12T
Deer Creek	2.19	12T
Battle Lake	2.14	14
Underwood	2.13	15T
Fergus Falls	2.13	15T
New York Mills	2.12	17
Henning	2.10	18
Clitherall	2.02	19
Urbank	2.00	20
Vergas	1.88	21

Source: U.S. Census; Community Partners Research, Inc.

\* Total including portion in Wilkin County

There is wide variation between communities for the average number of people per household. The largest average household size is in Pelican Rapids, at 2.66 people in 2014. In response to employment opportunities, Pelican Rapids has attracted an in-migration of families in recent years, including international immigrants that have often formed larger households.

The Cities of Elizabeth and Bluffton also had an estimated household size above 2.6 persons in 2014. However, these were the only three cities in the County had an average household size of 2.5 persons or more.

There were 10 cities in 2014 that had an estimated average household size that was less than 2.2 persons. This generally implies more senior households and fewer young families with children. One of these cities, Vergas, had a very small average household size of only 1.88 persons.

The County's two largest cities, Fergus Falls and Perham, had relatively small average household sizes of 2.13 persons and 2.19 persons, respectively. As the largest communities, both have a high percentage of renter households, including senior renters, that tend to form smaller households.

## Estimated Median Age in 2014

The 2014 American Community Survey contains an estimate of the median age for all residents in each city. A higher median age is typically an indicator of both an older population, and fewer children within a community.

<b>Table 9 Comparison of Median Age in 2010</b>		
City	Median Age - 2010 Census	Rank 1 = Lowest Median Age
Dalton	29.8	1
Urbank	35.5	2
Underwood	35.8	3
New York Mills	36.4	4
Elizabeth	36.5	5
Bluffton	37.6	6
Pelican Rapids	37.8	7
Richville	39.0	8
Fergus Falls	40.4	9
Parkers Prairie	40.5	10
Perham	41.9	11
Vining	45.6	12
Battle Lake	47.7	13
Rothsay*	48.4	14
Dent	49.0	15
Deer Creek	50.7	16
Ottertail	52.7	17
Henning	53.4	18
Vergas	54.1	19
Erhard	54.4	20
Clitherall	70.3	21

Source: American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

The estimates of the median age for residents can show a somewhat similar pattern to average household size. Cities with a large number of seniors, or fewer young families with children, will tend to have a smaller average household size, and an older median age level.

Dalton was the only city in the County that had an estimated median age for residents that was lower than 35 years old. It is possible that the American Community Survey, the source used for this estimate, is flawed based on the small size of Dalton. However, some of the other small communities around Fergus Falls, including Underwood and Elizabeth, also had a relatively young median age. It is therefore possible that some younger households have located outside of Fergus Falls and into the smaller surrounding communities, possibly due to more affordable housing options.

The estimated median ages in Fergus Falls and Perham, at 40.4 years and 41.9 years, respectively, are near the middle of the comparison group. In Fergus Falls, a student population would contribute to a younger median age, but this would be offset by a larger concentration of senior housing options.

According to the American Community Survey, there were six cities with a median age above 50 years old in 2014. Clitherall was the oldest community, although the City's small size would have resulted in limited Census Bureau sampling, and could have resulted in a flawed estimate.



## Rental Tenure Rate

The 2010 Census provided information on home owner and renter housing tenure within each community. Although this information is somewhat dated, tenure distribution tends to experience only limited change from year to year.

<b>Table 10 Comparison of Rental Tenure in 2010</b>		
City	Percent Renters - 2010 Census	Rank 1 = Highest Rental Percentage
Perham	43.9%	1
New York Mills	41.5%	2
Pelican Rapids	38.4%	3
Henning	37.1%	4
Fergus Falls	36.2%	5
Battle Lake	32.9%	6
Vergas	31.3%	7
Underwood	29.6%	8
Parkers Prairie	28.3%	9
Richville	25.6%	10
Dalton	25.2%	11
Deer Creek	23.1%	12
Ottertail	19.6%	13
Dent	19.2%	14T
Clitherall	19.2%	14T
Elizabeth	16.7%	16
Rothsay*	16.6%	17
Bluffton	15.2%	18
Vining	14.7%	19
Erhard	7.7%	20
Urbank	0%	21

Source: U.S. Census; Community Partners Research, Inc.

\* Total including portion in Wilkin County

While most communities prefer to see higher rates of home ownership, rental housing often represents the option used by more moderate and lower income households, and tends to better serve “work force” housing needs. Larger cities often have a higher rental rate than small cities, as multifamily rental projects are generally constructed within regional centers.

Perham and New York Mills had the highest rates of renter-occupied housing of the cities in Otter Tail County, both having a rental tenure rate above 41% in 2010. These two communities are both major employment centers, and workers that have been attracted to this part of the County have often looked for rental options. After 2010, both of these cities have had more multifamily rental units constructed than single family houses, and it is probable that the renter tenure rate has grown even higher.

Both Pelican Rapids and Fergus Falls also had relatively high renter-occupancy rates, as the largest cities in the County have attracted most of the past development of multifamily rental housing.

Conversely, owner-occupancy rates have remained high in most of the smallest cities in the County. However, home values in many of the smaller cities are relatively low, which does potentially result in some conversion of houses from owner to rental use.

## Median Household Income in 2014

The American Community Survey issues estimates for the median income for all households in each City. The most recent estimates are for 2014.

<b>Table 11 Comparison of Estimated Median Household Income in 2014</b>		
City	Median Income - 2014 ACS	Rank (1 = Highest Median Income)
Ottertail	\$52,917	1
Underwood	\$51,058	2
Perham	\$50,548	3
Richville	\$46,250	4
Elizabeth	\$44,844	5
Rothsay*	\$43,611	6
Fergus Falls	\$41,977	7
Bluffton	\$41,250	8
Erhard	\$40,000	9
New York Mills	\$38,864	10
Vergas	\$38,125	11
Battle Lake	\$35,714	12
Dalton	\$34,861	13
Pelican Rapids	\$34,489	14
Parkers Prairie	\$33,859	15
Vining	\$33,750	16
Dent	\$32,500	17
Henning	\$31,964	18
Deer Creek	\$31,250	19
Urbank	\$30,625	20
Clitherall	\$16,607	21

Source: 2014 American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

According to the American Community Survey estimates, the Cities of Ottertail, Underwood and Perham each had a median household income level that was greater than \$50,000 in 2014. Fergus Falls had a median income of nearly \$42,000.

There were nine cities that had a median income below \$35,000 in 2014. The lowest estimated median was in Clitherall. However, due to the small size of that community, only a limited number of surveys would have been completed, and the potential exists that this estimate is flawed.

## Median Home Value in 2014

The 2014 American Community Survey contains an estimated median value for owner-occupied houses in each city.

<b>Table 12 Comparison of Estimated Median Home Values in 2014</b>		
City	Median Owner-Occupied Home Value - 2012 ACS	Rank 1 = Highest Median Value
Ottertail	\$245,800	1
Perham	\$143,500	2
Fergus Falls	\$116,000	3
Battle Lake	\$113,100	4
Bluffton	\$105,400	5
Vergas	\$102,500	6
Underwood	\$98,600	7
Richville	\$92,500	8
Pelican Rapids	\$91,300	9T
Parkers Prairie	\$91,300	9T
New York Mills	\$90,000	11
Erhard	\$85,000	12
Rothsay*	\$80,300	13
Dent	\$76,700	14
Elizabeth	\$73,000	15
Deer Creek	\$71,500	16
Henning	\$71,000	17
Dalton	\$70,000	18
Vining	\$65,000	19
Urbank	\$53,500	20
Clitherall	\$38,500	21

Source: 2014 American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

The estimated median value for owner-occupied houses varies greatly from city to city. According to the American Community Survey, the highest median existed in the City of Ottertail, with a median value above \$245,000 in 2014. This estimated median was more than \$100,000 greater than in Perham, which had the second highest median value for all cities. Ottertail does contain a number of lake shore properties, which presumably has an impact on home values.

In addition to Perham, the Cities of Fergus Falls, Battle Lake, Bluffton and Vergas each had a median home value that was between \$100,000 and \$150,000 in 2014.

The remaining cities each had a median value that was less than \$100,000. There were seven cities with a median value below \$75,000, according to the American Community Survey. As highlighted in the specific city sections of this Study, the median age of owner-occupied housing units in many of the small cities is relatively old, and the lower estimated values are often a reflection of the age of the housing stock.

## Percentage of Income Required for Home Ownership

The American Community Survey collects information on household incomes as well as housing costs. An estimate is then made of the percentage of household income that is required for ownership costs. This includes households with and without a mortgage.

**Table 13 Comparison of Estimated Median Ownership Costs in 2014**

City	Median Percentage of Household Income for Home Ownership	Rank 1 = Lowest Median Percentage
Clitherall	12.0%	1
Perham	15.9%	2T
Elizabeth	15.9%	2T
Erhard	16.3%	4
Dalton	16.4%	5
New York Mills	16.5%	6
Vergas	16.8%	7
Fergus Falls	17.0%	8T
Urbank	17.0%	8T
Ottertail	17.7%	10T
Bluffton	17.7%	10T
Pelican Rapids	18.3%	12
Henning	18.5%	13
Underwood	18.8%	14
Richville	18.9%	15
Dent	19.2%	16
Deer Creek	19.3%	17
Rothsay*	19.8%	18
Parkers Prairie	21.8%	19
Battle Lake	22.9%	20
Vining	23.0%	21

Source: 2014 American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

The analysis of the percentage of income required for housing is impacted by both home values and household income levels. The most affordable ownership option exists in Clitherall, which had the lowest estimated home value according to the American Community Survey. Clitherall also had a low estimated median household income, but with a median home value of \$38,500, only 12% of income was required to achieve home ownership.

Perham and Elizabeth had the second lowest percentage of income required. Home values in Perham were relatively high for Otter Tail County, but the City also had a relatively high median income level, above \$50,000. In Elizabeth, the estimated median home value was only \$73,000, contributing to a lower required percentage of income.

Fergus Falls was in the middle of the comparison communities, with 17% of household income required for home ownership.

There were only three cities, Parkers Prairie, Battle Lake and Vining, where more than 20% of income was required for home ownership. However, the highest percentage, in Vining, was still at only 23% of income, due in large part to relatively low home values in most communities.



## Percentage of Household Income Required for Gross Rent

The American Community Survey also compared rental housing costs to renter household incomes. The following table provides the median percentage of household income required for housing costs in 2014.

<b>Table 14 Comparison of Estimated Median Rental Costs in 2014</b>		
City	Median Percentage of Income Applied to Rental Costs	Rank 1 = Lowest Median Percentage
Bluffton	18.8%	1
Richville	21.3%	2
Rothsay*	21.5%	3
Underwood	21.9%	4
Vergas	23.5%	5
Ottertail	23.9%	6
Deer Creek	24.0%	7
New York Mills	29.0%	8
Fergus Falls	29.1%	9
Pelican Rapids	32.0%	10
Perham	33.1%	11
Battle Lake	34.0%	12T
Dent	34.0%	12T
Henning	35.2%	14
Parkers Prairie	38.9%	15
Dalton	50.0%+	16
Clitherall	N/A	N/A
Elizabeth	N/A	N/A
Erhard	N/A	N/A
Urbank	N/A	N/A
Vining	N/A	N/A

Source: 2014 American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

The City of Bluffton was the only Otter Tail County community where less than 20% of household income was required to rent the median-priced unit in 2014. However, Bluffton has only a small number of rental units and renter households.

For a number of the smaller cities, no median cost percentage was provided, due to the limited data available.

Most rental assistance programs attempt to keep rental costs at or below 30% of household income. When more than 30% of income is needed, this is generally referred to as a housing cost burden. According to the American Community Survey, there were seven cities where a median income renter household had to apply more than 30% of income to monthly housing costs. This included both Perham and Pelican Rapids, which are two of the larger rental centers outside of Fergus Falls.

In Fergus Falls, where much of the County's rental housing is located, the median percentage applied to housing costs in 2014 was 29.1% of income.

## Median Year Built: Owner-Occupancy Housing

The American Community Survey issues estimates for the median year of construction for owned and rented housing units.

<b>Table 15 Median Year of Construction for Owner-Occupied Housing</b>		
City	Median Year Built - 2012 ACS	Rank 1 = Newest Median
Ottertail	1983	1
Perham	1976	2T
Elizabeth	1976	2T
Battle Lake	1972	4
Bluffton	1971	5
New York Mills	1968	6
Pelican Rapids	1961	7T
Underwood	1961	7T
Fergus Falls	1959	9
Dalton	1958	10T
Richville	1958	10T
Parkers Prairie	1958	10T
Dent	1954	13
Rothsay*	1953	14
Vergas	1951	15
Vining	1947	16
Urbank	1945	17
Deer Creek	1944	18
Erhard	1941	19
Henning	1941	20
Clitherall	1939	21

Source: 2014 American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

While there was wide variation in the estimated median year of construction for owner-occupied housing, most of the cities have an older housing stock. Ottetail was the only city in the County that had a median year of construction that was after 1980. Four additional cities, including Perham, Elizabeth, Battle Lake and Bluffton had a median year of construction in the 1970s.

In Fergus Falls, the estimated year of construction is 1959.

Six of the small cities, including Henning, had a median year of construction before 1950.

## Median Year Built: Renter-Occupancy Housing

The American Community Survey issues estimates for the median year of construction for rented housing units.

<b>Table 16 Median Year of Construction for Renter-Occupied Housing</b>		
City	Median Year Built - 2012 ACS	Rank 1 = Newest Median
New York Mills	1992	31
Richville	1991	2
Vergas	1990	3
Perham	1985	4T
Bluffton	1985	4T
Ottertail	1983	6
Battle Lake	1977	7T
Henning	1977	7T
Parkers Prairie	1977	7T
Deer Creek	1976	10
Rothsay*	1974	11
Pelican Rapids	1973	12
Underwood	1972	13
Fergus Falls	1970	14
Dalton	1968	15
Elizabeth	1964	16
Erhard	1943	17
Dent	1942	18
Vining	N/A	N/A
Urbank	N/A	N/A
Clitherall	N/A	N/A

Source: 2014 American Community Survey; Community Partners Research, Inc.

\* Total including portion in Wilkin County

The median year of construction for rental housing tends to be newer than owner-occupancy housing in most communities, reflecting the larger multifamily rental projects that have been constructed over the past few decades.

The newest median year of construction for rental housing was identified in New York Mills, according to the 2014 American Community Survey. The estimated year of construction was 1992. In addition to New York Mills, both Richville and Vergas also had a median year of construction in the 1990s.

The median year of construction in Fergus Falls was 1970, and the median year in Perham was 1985. Both of these communities have had some larger-scale rental development over the past three or four years, and these newer units are probably not yet reflected in the American Community Survey estimates.

In many of the smallest cities, much of the rental housing is provided in single family houses that have been converted to rental use. These are often older houses with lower values.