

Albert Lea Housing Study Addendum 2018



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Prepared for
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Completed in coordination with:



Albert Lea Housing & Redevelopment Authority,



The City of Albert Lea, and



WSB & Associates, Inc.

EXECUTIVE SUMMARY

Introduction

In 2014, WSB completed a Housing Needs Assessment for City of Albert Lea as commissioned by the Albert Lea Housing and Redevelopment Authority (The HRA). The purpose of this study was to review the housing stock and determine a demand for housing over the next 5 to 10 years. The report included data and trends showing the characteristics of Albert Lea and Freeborn County's demographics, housing market and economy.

The HRA has commissioned this as an update to the 2014 study. As an addendum to the 2014 study, this report builds upon the work of that document and is focused on updating of the data as well as expanding on specific topic areas within the City. This report provides a focus on the downtown area, reviewing its economic growth and the impact this has on the housing market in that part of the City. This update also provides feedback from employers within the community regarding their perceived need for housing relating to their ability to hire and retain staff.

Demographic & Needs Analysis

The 2014 Housing Study compiled and utilized data gathered from various sources, including primarily decennial census data, The American Community Survey, and ESRI Business Analyst. Where possible, the data contained within this update utilizes the same sources of data so that an "apples to apples" comparison can be made to provide an understanding of changes occurring over time. Where information from additional or different sources were warranted, those are noted within the report. Most notably are the estimates and projections for population changes within Albert Lea over the past several years. The current estimates for the number of people in the City vary by source. It is important to remember that only the Decennial Census seeks to count and record the actual total number of population within the City. The other sources are all estimates based on the census and other available data and utilize different methodologies in their calculations. (See Appendix A for information on data sources)

The 2014 Study indicated a general decrease in population historically and anticipated zero growth. We believe that this trend will continue. Most, but not all sources for demographic data continue to show the trend of declining population in the City of Albert Lea. Because there is some variation in the data, this report assumes a trend of no growth in terms of population. However, the number of people living in a community is only one indicator of housing needs. Along with quantity, the quality of housing and appropriate housing for different types of households must be and are considered within the following chapters.

This study focus' on the provision of full life-cycle housing needs and the gaps that may exist now or in the future as the community's population changes. In this, the focus is to obtain the correct alignment between people who live in the community (both now and into the future), not as much with the number of people changing but their characteristics, the households they live within and the type of housing that fits their needs.

Housing Supply & Future Demand

As with the 2014 Study, this considers the existing supply of housing, the amount, type, and the condition of the housing existing within the community.

Based on the current and projected community demographics, we see that there is a plentiful stock of housing both in the rental and owner-occupied market at the entry level. While there is a plentiful supply of “first-time owner” homes, based on projected population, these are limited to primarily detached homes. And, the age of these entry level homes reflect a housing stock with is generally out of date. As household types continue to shift, we see the need for additional types of housing for first time home buyers, including townhome and condominium developments. For the move up buyers, existing housing stock and currently available vacant lots will provide adequate levels of stock for these households for the next 10 years. For the “move-up” buyers too, the available stock is solid. This supply will be provided through both existing homes and through new construction on available developable lots. For the “empty nester/young seniors” market, there has a need for additional housing. As with the “first-time buyers”, there continues to be a need to expand on the options available for this segment, although some of the demand for this cited in the 2014 study has been filled.

Based on the American Community Survey, from the U.S. Census Bureau, the vacancy rate for rental units in the City, though somewhat high at 6.6%, has continued to decrease annually since the last study. Perhaps even more than quantity however, quality of available housing is an issue within the City. Albert Lea is a historic community and the age of its housing stock is reflective of this. In particular, units available in the rental market seem to lack the quality expected.

Housing Development Opportunities

Based on Freeborn County’s Beacon web site, there are currently around 400 vacant lots in the community. These are scattered throughout town, but there are several clusters where undeveloped lots are available. These include: approximately 50 lots in Wedgwood Cove, which are all larger providing for the “move up” housing market. There are 22 lots in the Tiger Hills development which a mix of lot sizes include narrow lots aimed at semi-detached housing. There are an additional 15 lots in Chapeau shores, which are of a similar nature to Tiger Hills, mixed is size to all for both detached and semi-detached homes.

There is a growing opportunity for housing development in the downtown area of the City. This study looks at both the downtown core (the historic district centered on Broadway Avenue) and the broader downtown area which roughly followed the DCD (Diversified Central District). This broader downtown neighborhood has an estimated population of 834 individuals and over 250 businesses. It attracts over 2,300 people every day in employment in a broad array of occupations. There is an opportunity to develop additional housing and improve the quality of housing within the downtown area.

Conclusions & Recommendations

- Population and number of households (which fluctuate somewhat) have remained statistically stable over the past 30 years and is expected to continue as such within the City of Albert Lea into the future.
- There is a higher than average rate of non-family households in the community comprised primarily of individuals living alone. Many of these are older individuals..
- The population is aging, in particular those in 65+ cohort. Continued development of smaller housing units providing lower maintenance lifestyles such as condominiums, townhomes, duplexes or semi-detached homes is recommended to meet the needs of the changing population. Housing stock is old and not being replaced at any substantive level.
- There is a higher than state average owner to renter ratio in Albert Lea which is reflected in the large number of single-family detached homes as the prevalent housing style in the community.
- Owner occupied vacancy rates have fluctuated somewhat but remained relatively low.
- Rental occupied vacancy rates are higher but have seen a continued decrease in the past 3 years, from 9.5 in 2014 to 6.6 in 2017 (according to American Community Survey)
- While the vacancy rates for rental units has been somewhat high, there is a lack in adequate *variety* of rental product in the local market.
- There is a continued need for up to date rental options for the empty nest/young senior household segment, both because of the generally aging population, as well as to provide room within the market for movement of households between housing units and to allow for new households moving into the City.
- Median value of owner occupied housing in Albert Lea is less than that of both the County and the state.
- The age of the housing stock along with limited maintenance in many neighborhoods mean that there continues to be a need for housing programs that provide assistance to owners of homes that need updating and renovations.

Disclaimer

This study represents a compilation of data gathered from various sources, including Census data, the American Community Survey, ESRI Business Analysis, Freeborn County's Beacon website, and surveys of employers and landlords in the City. While all sources are considered reliable, data herein has not been authenticated. Data was drawn for this report November 2017 – June 2018.

WSB & Associates, Inc. (WSB) does not guarantee the data and assumes no liability for any errors in fact, analysis, or judgement. The objective of this report is to gather, analyze, and present as many market components as reasonably possible within the constraints agreed upon. The conclusions contained in this report are based on the best judgements of WSB and the people producing the work and makes no guarantees or assurances that the projections or conclusions will be realized as stated. The findings presented in this report should not be used to determine the market feasibility of any single development or project. The study is designed to be a broad analysis of the entire housing market and it intended to guide planning efforts.

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COMMUNITY CHARACTERISTICS

DEMOGRAPHIC ANALYSIS

This section looks at the demographic characteristics that underlie the need for various types of housing in Albert Lea. The U.S. Census, the Minnesota State Demographers Office and ESRI's Business Analyst served as the primary sources for the demographic overview. Additional resources were also consulted and have been noted when used.

While population projections are an effective planning tool, their accuracy is dependent on several factors including assumptions for birth rates, death rates, migration and economic conditions. Assumptions are based on past trends and the best information available at the time. However, assumptions do not always remain true and unexpected changes can occur. Additionally, there are several sources for estimates and projections available from both government and private sector organizations that use differing methodologies, which provide differing results. (See Appendix A for more information on the sources used in this study). Only the U.S. Decennial Census seeks to do an accurate and complete count of each individual in the country by local jurisdiction. The census, last conducted in 2010, provides the baseline data for the different estimates. Although a full count is attempted, it is acknowledged that this does not always happen; procedures for appeals and corrections are therefore in place. As a result, the population projections presented in this study should be viewed as a general guide and not as an absolute certainty. Population and other demographic data in this study serve to provide broad patterns of understanding, not the final reason for making policy decisions in the City. Moreover, the City should periodically review and update the population projections based upon new conditions.

While this study focusses on the City of Albert Lea, it is understood that the economy of the City is related to that of the region, including for both housing and employment which are greatly interrelated to each other. As such, we determined an overall Study Area to include the cities of Owatonna, Austin and Waseca. In addition, Freeborn County and the State of Minnesota are also included as part of the analysis in the report. These surrounding communities' populations and available housing stock affect Albert Lea's housing market.

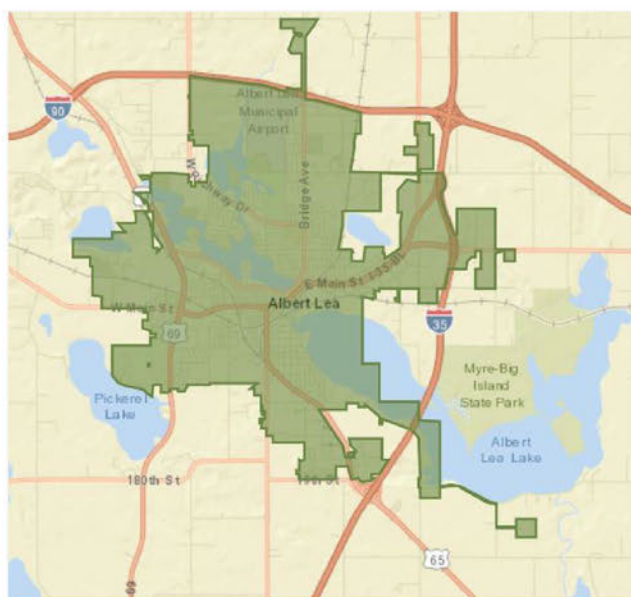


Figure 1 – City of Albert Lea

Source: ESRI Business Analyst

HISTORIC POPULATION CHANGE

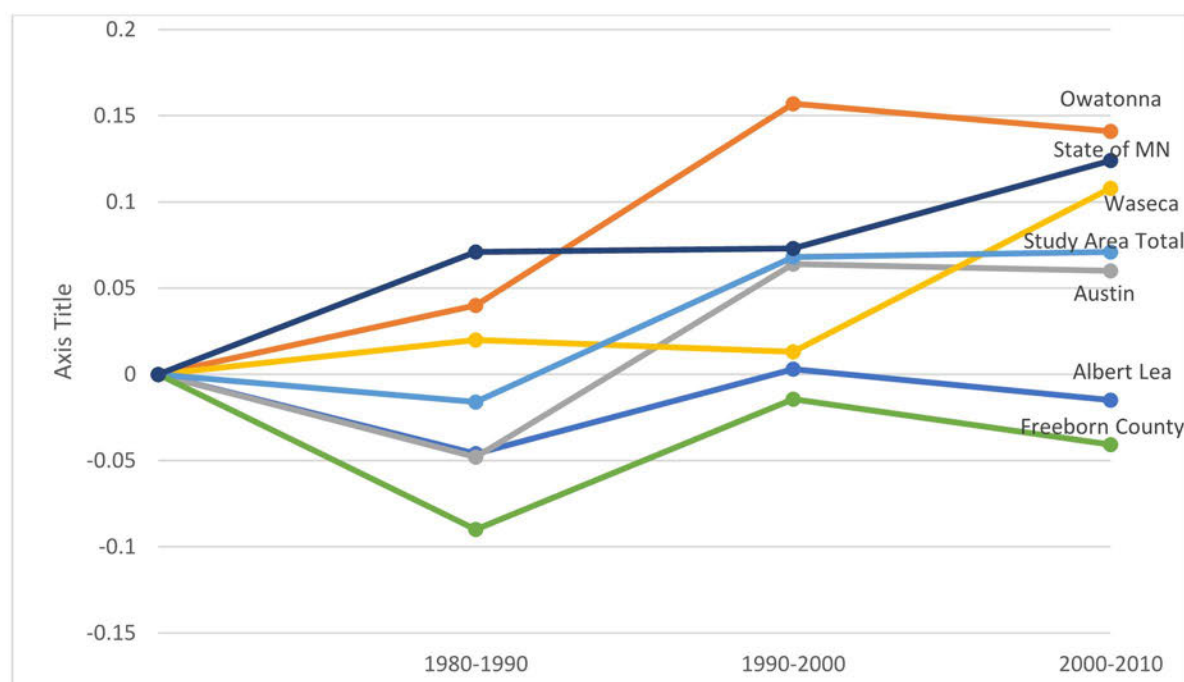
US Census data indicates the population of Albert Lea declining since the 1980s. Between 1980 and 2010 the City lost 1,152 residents, though most the decrease occurred in the period from 1980 to 1990. A similar decrease occurred in Austin, MN. Over this same period. This decline stabilized in the period between 1990 and 2000, with a 1.7% population decline occurring between 2000 and 2010 with the loss of 308 residents. *Table 1 and Figure 2* illustrate these trends.

Table 1: POPULATION CHANGE 1980-2010										
Place	Population				Change					
	US Census				1980-1990		1990-2000		2000-2010	
	1980	1990	2000	2010	No.	%	No.	%	No.	%
Albert Lea	19,200	18,310	18,356	18,074	-890	-4.6%	46	0.3%	-282	-1.5%
Owatonna	18,632	19,386	22,434	25,599	754	4.0%	3,048	15.7%	3,165	14.1%
Austin	23,020	21,907	23,314	24,718	-1,113	-4.8%	1,407	6.4%	1,404	6.0%
Waseca	8,219	8,385	8,493	9,410	166	2.0%	108	1.3%	917	10.8%
Study Area Total	69,071	67,988	72,597	77,775	-1,083	-1.6%	4,609	6.8%	5,178	7.1%
Freeborn County	36,329	33,060	32,584	31,255	-3,269	-9.00%	-476	-1.44%	-1,329	-4.08%
State of Minnesota	3,806,103	4,075,907	4,375,099	4,919,479	269,804	7.10%	299,192	7.30%	544,380	12.40%

Source: U.S. Census Bureau

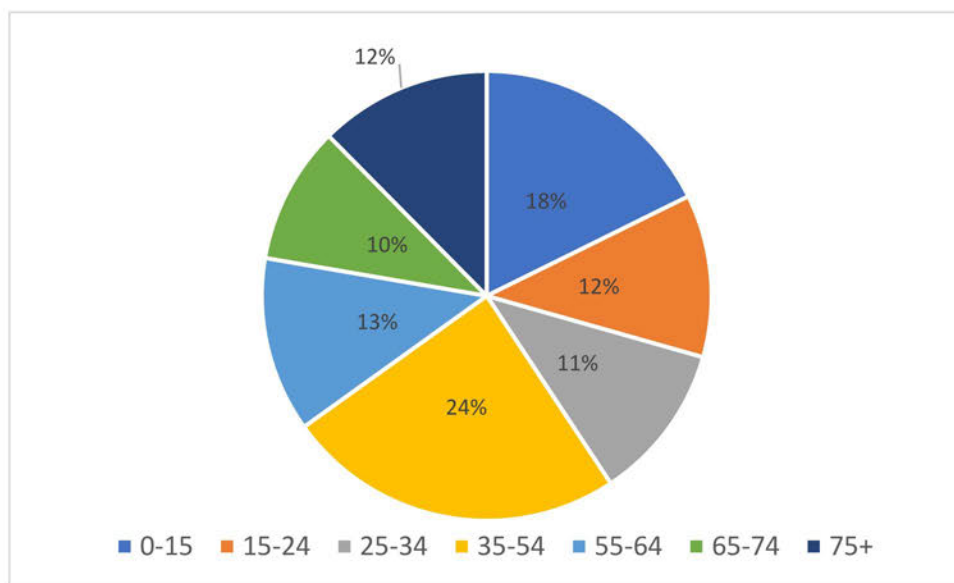
The following chart illustrates the comparable changes as shown in the table above

Figure 2 – Regional Population Changes 1980-2010



Albert Lea's age distribution remained relatively constant from 2000 to 2010 with the largest age group being 35 to 54 years in both census periods. The percentage of people 19 years and younger decreased from 25.4% to 23.8%, while the percentage of those 65 and older increased slightly from 21.3% to 22.4% consistent with the aging population trends seen across the nation.

Figure 3 – Albert Lea Ages -2010



In keeping with national trends, the median age in Albert Lea increased from 41 to 44 for the period of 2000 to 2010, which is higher than the US median of 37.2 in 2010. Most communities in Minnesota are seeing an increase to their median age. *Table 2* shows changes in the ages of Albert Lea residents over a ten-year period.

Table 2: ALBERT LEA HISTORIC AGE DEMOGRAPHICS 2000-2010				
	2000		2010	
	Number	%	Number	%
Total Population	18,356	100.0	18,016	100%
Under 5 years	1,101	6.0%	1,159	6.4%
5 to 9 years	1,089	5.9%	1,037	5.8%
10 to 14 years	1,233	6.7%	996	5.5%
15 to 19 years	1,241	6.8%	1,101	6.1%
20 to 24 years	1,000	5.4%	1,007	5.6%
25 to 34 years	1,998	10.9%	2,033	11.3%
35 to 44 years	2,518	13.7%	1,921	10.7%
45 to 54 years	2,365	12.9%	2,462	13.7%
55 to 59 years	976	5.3%	1,156	6.4%
60 to 64 years	917	5.0%	1,117	6.2%
65 to 74 years	1,675	9.1%	1,781	9.9%
75 to 84 years	1,492	8.1%	1,400	7.8%
85 years and over	751	4.1%	846	4.7%
Median age (years)	41.0	(X)	44.0	(X)
Source: U.S. Census Bureau				

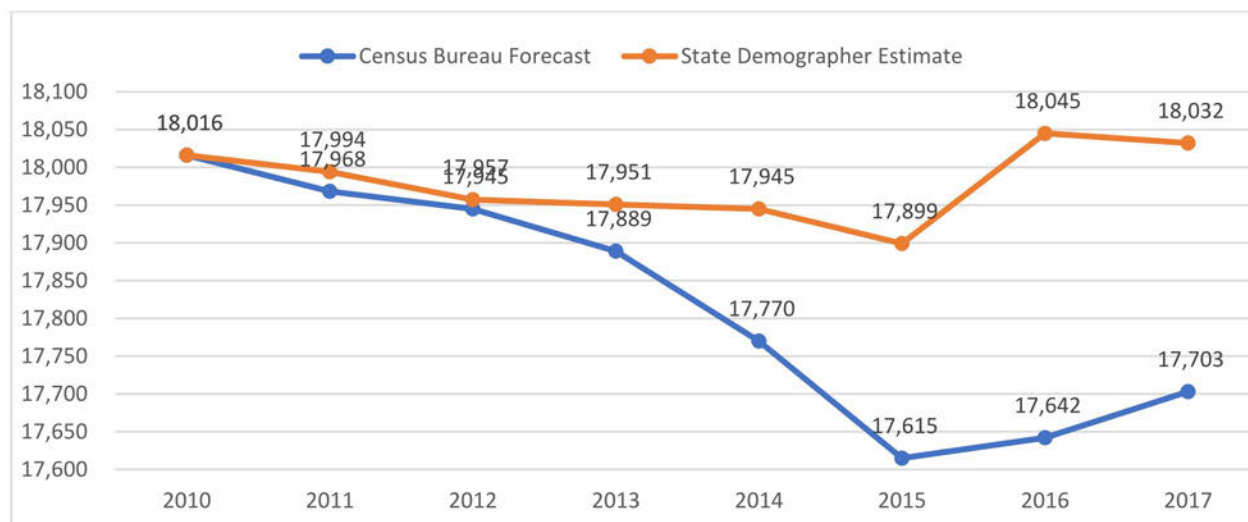
POPULATION ESTIMATES AND PROJECTIONS

There is some indication that population trends are now shifting. In 2010, the U.S. Census reported Albert Lea's population as 18,016. In the following years, this base population number was increased through the Census Bureau's Count Question Resolution program. The estimated base population from the U.S. Census for the year 2010, is now¹ 18,047. The U.S. Census Bureau's ongoing estimates, however, do continue to show population decrease as a general trend for the City. Estimated population was 17,769 in 2017 and is projected to decrease to 17,479 by 2022. The Minnesota State Demographer indicates otherwise with an increase of 146 individuals in population in their most recent estimate for Albert Lea bringing the population to a total of 18,045 for 2016 (released July 2017). The State Demographer's Office does not provide projections for cities. They do provide projections for Counties; Freeborn County shows a declining population trend of 2% every five years between 2015 and 2050. The Demographer's Office estimates that the City's population was approximately 59% of Freeborn County's in 2016.²

Year	U.S. Census Bureau Forecast	MN State Demographer Estimate
2010	18,016	18,016
2011	17,968	17,994
2012	17,945	17,957
2013	17,889	17,951
2014	17,770	17,945
2015	17,615	17,899
2016	17,642	18,045
2017	17,703	18,032

Source: U.S. Census Bureau & MN State Demographers Office

Figure 4, Albert Lea Population Estimates & Forecasts



¹ As of July 2017

² Email from Megan Dayton of the MN State Demographers Office 6-4-18

While these numbers are just estimates and projections, the general pattern shows slow to no growth of population for the City. Overall, projections for the region show that growth will be sluggish, with an overall growth of .3% compared to the State growth rate of 3.9%. Albert Lea's projected decrease of 1.6% by 2022 is also mirrored by a similar decline in Freeborn County, which projected to decrease by 1.5%. *Table 4 shows these regional comparisons.*

TABLE4: PROJECTED POPULATION CHANGE: 2010-2022							
Place	U.S. Census Bureau			Change			
	2010	2017	2022	2010-2017		2017-2022	
				No.	%	No.	%
Albert Lea	18,088	17,769	17,479	-319	-1.8%	-290	-1.6%
Owatonna	25,599	26,018	26,433	419	1.6%	415	1.6%
Austin	24,718	24,930	25,061	212	0.9%	131	0.5%
Waseca	9,410	9,178	9,165	-232	-2.5%	-13	-0.1%
Study Area Total	77,815	77,895	78,138	80	0.1%	243	0.3%
Freeborn County	31,255	30,836	30,369	-419	-1.3%	-467	-1.5%
Minnesota	5,303,925	5,604,047	5,821,336	300,122	5.7%	217,289	3.9%

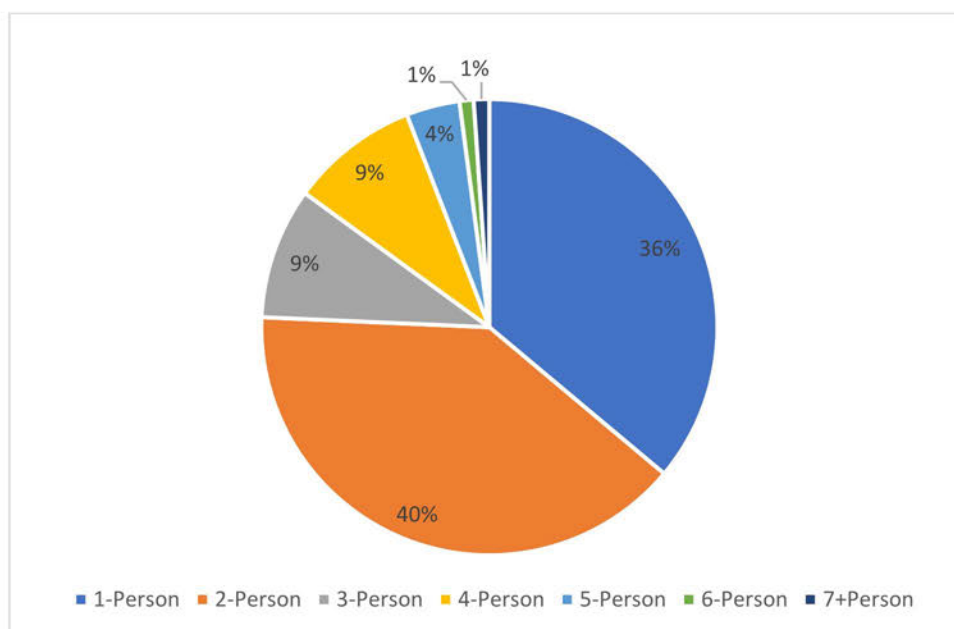
Source: U.S. Census Bureau, ESRI forecasts

OCCUPANCY CHARACTERISTICS AND FORECASTS

In 2010, the US Census reported 7,774 households in Albert Lea. The number of families in the City were 4,719, making up 60.7% of the total households. A household refers to all the people occupying a housing unit, including individuals living alone. A household can involve a family living in a housing unit or unrelated people sharing an apartment or housing unit. A family refers to a household consisting of a householder and one or more other people related to the householder by birth, marriage, or adoption.

Albert Lea has a higher rate of non-family households than other cities in the region and the state as a whole. Estimates for this decreased to 42% most recently (ACS 2011-2015) but was still higher than in Austin, Waseca and Owatonna which ranged from 32% to 38% in that same period. Non-family households in the state are estimated to be at 35% of all households. Non-family households in Albert Lea are predominantly made up of individuals living alone. These individuals living alone make up 36%, more than 1/3, of the households in Albert Lea. Two-person households are the largest category at 40% and those households with three or more individuals living together are under 25% of all households in the City.

Figure 5 – Households by Numbers Residing There



In Albert Lea, 17% of individuals living alone are age 65 or older. That is almost twice the average for the state of Minnesota as whole. 65 and older individuals living alone make up 10% of the households throughout the state.

In contrast, family households with children under the age of 18 have been decreasing (see Table 5) as the number of two-person households has gone up. Albert Lea has seen some fluctuation in the percentage of family households ranging from a low of 56.2% to 60.7% in total households in the period from 2010 to 2016, and the number of households with children under the age of 18 has been consistently decreasing from 28.2% in 2010 to 23.7% in 2016. This may be due both to the aging population and the general trend of individuals waiting longer to have children. By 2035, the state's population of individuals over the age of 65 will, for the first time in state history be more than those under the age of 18³. The percentage of single-parent households is estimated to have gone down since 2010. Family households with no spouse present accounted for approximately 12.8% of the family households in Albert Lea in 2010 and 10.6% in 2015.

The average household size in Albert Lea in 2000 was 2.28 persons compared to 2.24 in 2010, according to the U.S. Census Bureau. The State Demographer estimates persons per household in 2016 at 2.20. According to ESRI's projections, the household size will increase to 2.26 by year 2022.

According to the American Community Survey 5-Year Estimates (Table 5), if household occupancy trends continue, the City will see an increase in demand for 2-person and 4-or-more-person housing units, and a decrease in 1-person and 3-person housing units.

³ <https://mn.gov/admin/demography/data-by-topic/population-data/our-projections/>

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TABLE 5: HOUSEHOLD OCCUPANCY CHARACTERISTICS 2011-2016

	Family	Family with Children Under Age 18	Occupied Housing Units	1-person	2-person	3-person	4-or-more-person
2010	60.7%	28.2%	7,774	36.1%	34.3%	13.0%	16.6%
2011	58.7%	27.5%	7,904	37.9%	32.9%	13.9%	15.3%
2012	57.4%	25.9%	8,043	38.9%	33.6%	12.9%	14.5%
2013	56.9%	24.8%	8,031	39.3%	34.5%	12.1%	14.1%
2014	56.2%	23.3%	8,041	38.3%	37.4%	11.4%	12.9%
2015	57.5%	23.1%	7,925	36.1%	39.6%	9.3%	15.1%
2016	58.6%	23.7%	7,862	34.4%	40.9%	8.6%	16.1%

Source: American Community Survey 5-year Estimates

The City has issued housing permits for a total of 93 housing units during the 2010-2017 time-frame (through December 2017). This equals an average of 11.5 permits per year. 88 permits were for single-family detached or semi-detached units and 5 permits were issued for multifamily units.

TABLE 6: BUILDING PERMITS 2010-2017

Year:	Single-Family 1 and 2 Unit	Multifamily	Total	
2010	20	0	20	
2011	6	0	6	
2012	11	0	11	
2013	12	0	12	
2014	9	0	9	
2015	8	5 (30 d.u.)	38	
2016	9	0	9	
2017	13	0	12	Average d.u.
Total	88	5 (30 d.u.)	117	14.5 per year

d.u. = dwelling units

Source: City of Albert Lea Inspections Web Site

Between 2010 and 2017, the number of new households (7,774 and 7,642 respectively) has declined proportionally with the decrease in population (18,088 and 17,769) which is reflective of the minimal change in household size (see Table 7). The number of households in Albert Lea is projected to decrease by 1.8% by 2022.

TABLE 7: HISTORIC AND PROJECTED HOUSEHOLDS: 2010-2022

Place	Population			Change			
	US Census			2010-2017		2017-2022	
	2010	2017	2022	No.	%	No.	%
Albert Lea	7,774	7,642	7,507	-132	-1.7%	-135	-1.8%
Owatonna	10,068	10,252	10,429	184	1.8%	177	1.7%
Austin	10,131	10,146	10,147	15	0.1%	1	0.0%
Waseca	3,504	3,531	3,534	27	0.8%	3	0.1%
Study Area Total	31,477	31,571	31,617	94	0.3%	46	0.1%
Freeborn County	13,177	12,967	12,754	-210	-1.6%	-213	-1.6%

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Minnesota	2,087,227	2,176,475	2,258,733	89,248	4.3%	82,258	3.8%
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Note: There is potential for household growth to exceed these projections based on the housing market's recovery from the Great Recession. Sources: U.S. Census Bureau, ESRI forecasts

AGE COMPOSITION & IMPACT ON HOUSING

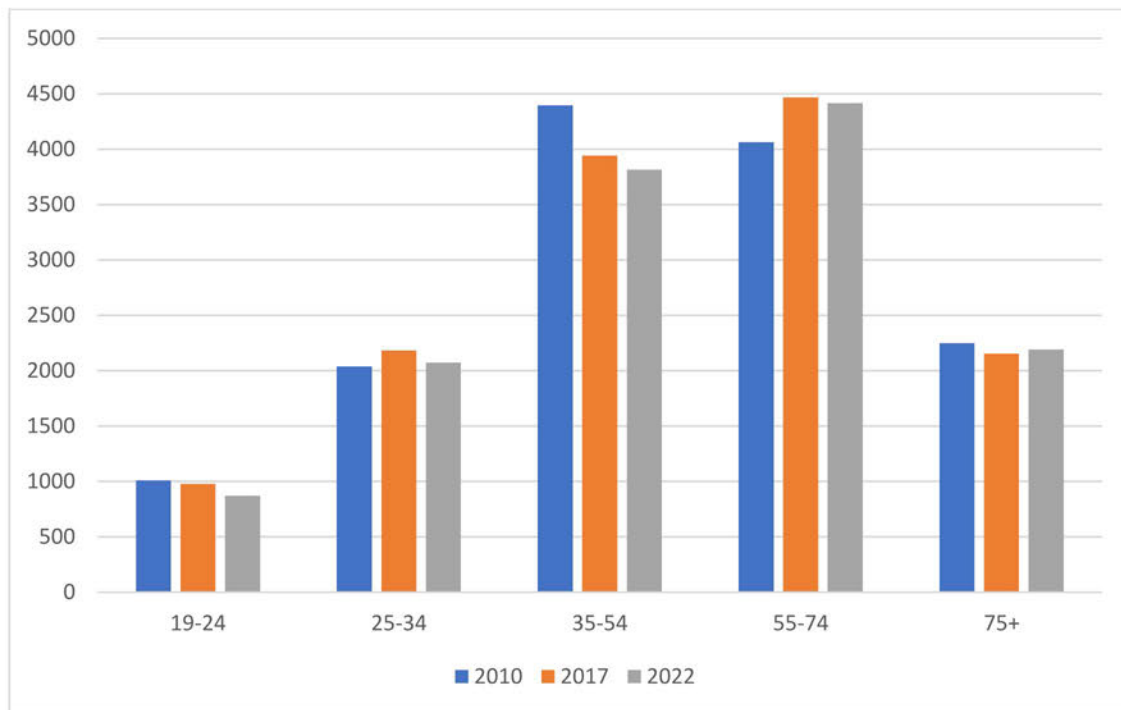
In addition to knowing how many people currently live and are projected to live in Albert Lea, an understanding of the population's age composition can help the City plan for and the community provide necessary and desired types of housing and related services for its residents. The following table provides an overview of the existing age composition of Albert Lea's residents and the anticipated changes in age composition that will occur through the year 2022 (see *Table 8*). While the overall composition will remain relatively consistent as a percentage of population, there is a 3.2% decrease in the 45-54 years age category and 2.6% increase in the 65 years and older age category, which reflects aging baby boomers and a smaller succeeding generation. The age cohort closest to 65 years typically begins to downsize their living situation, which will cause the demand in housing types to change in Albert Lea for future years.

Table 8: PROJECTED AGE TRENDS						
Age	2010		2017		2022	
	Number	%	Number	%	Number	%
Age 0 - 4	1,161	6.4%	1,065	6.0%	1,045	6.0%
Age 5 - 9	1,038	5.8%	1,026	5.8%	1,047	6.0%
Age 10 - 14	996	5.5%	1,004	5.7%	1,056	6.0%
Age 15 - 19	1102	6.1%	952	5.4%	973	5.6%
Age 20 - 24	1008	5.6%	977	5.5%	869	5.0%
Age 25 - 34	2,038	11.3%	2,182	12.3%	2,072	11.9%
Age 35 - 44	1,927	10.7%	1,830	10.3%	1,980	11.3%
Age 45 - 54	2,467	13.7%	2,112	11.9%	1,833	10.5%
Age 55 - 64	2,278	12.6%	2,388	13.4%	2,246	12.8%
Age 65 - 74	1,786	9.9%	2,079	11.7%	2,169	12.4%
Age 75 - 84	1,398	7.7%	1,339	7.5%	1,431	8.2%
Age 85+	849	4.7%	815	4.6%	759	4.3%
Median Age	43.8		44.1		43.4	

Source: US Census Bureau, ESRI Forecasts

The following chart, Figure 6, illustrates age trends over a 12-year period with ages grouped roughly by lifecycle housing profile as referred to in the following section.

Figure 6 – Projected Age Trends



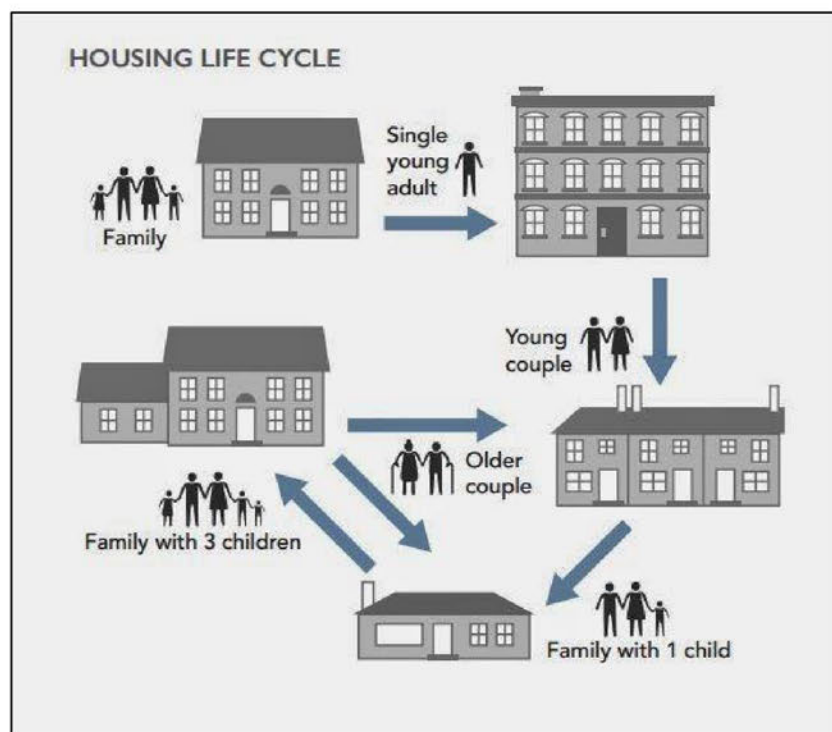
Source: US Census Bureau, ESRI Forecasts

NEEDS ANALYSIS

LIFE-CYCLE HOUSING AND PROFILE OF HOUSEHOLDS

The housing needs of a community relate to the demographic profile of the household. Typically, households move through several life-cycle stages; including entry-level households, first time homeowners, move-up buyers, empty nesters/young seniors, and senior citizens. While the rate and sequence of steps has changed with the generations, the stops at each housing type have remained very stable.

Figure 7 – Life-Cycle Housing



Source: breakfastonbikes.blogspot.com, "Economic Opportunities and Housing Needs Analysis Meets Today", 2014

The following describes each of these household types and the effect that they have on housing demands in Albert Lea.

Entry-Level Households

People in the 18-24-year age group typically leave their childhood home and establish their own household, though this trend varies as depending availability of affordable housing options. When they leave home, they often rent a house or an apartment because they generally do not have the income and savings needed to buy a home. In addition, many people in this age group move frequently, so they are hesitant to buy a house. They are also more likely to share housing with other unrelated people of similar age.

The entry-level household population in Albert Lea will fluctuate, though the projections indicate a slight decrease. A portion of Albert Lea residents that graduate from high school will move to

other communities to attend a university or to pursue other job opportunities, while others will take advantage of local educational and employment opportunities. In the long term, unless current conditions and trends change, Albert Lea is projected to see a 0.3% decrease in the 15 to 24-year-old age group by year 2022 (*Table 8*). Job opportunities aimed at retaining this age cohort exist in Albert Lea, so there will always be a strong need to provide affordable housing for people of this age and in this stage of life. However, the existing stock will fill this need into the next five years or more.

First-Time Homeowners

First time homeowners are typically in their 20s and 30s. They are usually “move-up” renters, meaning they “move up” from a rental apartment to an owner-occupied home. They are often couples, some with young children, but increasingly, first time homeowners are single. They are prone to moving within several years of buying their first home for several reasons,, including increased salaries that allow them to move to more expensive housing. Additional children in the family may require larger housing and job opportunities may require that they move to another community. Albert Lea is projected to have little change (0.1%) in the 20-44 year⁴ age group by year 2022. The housing styles typically sought by first timer buyers are consistent with much of the housing stock in the City, older (therefore less expansive) single family homes. This housing stock is not dissimilar to those needed by the Empty Nester/Young Senior cohort in size and arrangement.

Move-Up Buyers

Move-up buyers are typically in their 30s and 40s. They move up from the smaller, less expensive house that they had previously purchased. From an economic growth perspective, this is an important age group of people. Typically, move-up buyers have children in school and an established career. They are less likely to move to another community and start over. Also, professionals who are moving to a community to advance their career are generally looking to move to a more expensive house than what they had in their previous community. Anecdotal evidence indicates that associated with this is the need for adequate temporary housing (rentals) to allow for movement of these households. Albert Lea is projected to see a 1% decrease in the 25-54 year⁵ age group by the year 2022 (*Table 8*). This is a continuation of a trend which occurred at the same time as new housing was added to the City (see Table 65 above) This may be an indicator that there is a shortage of available units for move-up buyers in the City, and so they choose to look elsewhere for those units. Albert Lea must continue to ensure that it has adequate choices for those who are looking for move-up housing that will satisfy their needs until they are in their 50s and beyond.

Empty Nesters and Young Seniors

Empty nesters and young seniors generally belong to the Baby Boomer generation. Often, their children have moved out and left them with a larger house than needed. Empty nesters and young seniors often want to live in a smaller home, like a townhouse, patio home, or higher-end apartment or condominium that has less maintenance and quality amenities.

⁴ People in their 40s were included due to U.S. Census age groups.

⁵ People in their 20s and 50s were included due to U.S. Census age groups.

Albert Lea is actually projected to see a slight (0.6%) decrease in residents in their 50s, tot 70s by the year 2022. This is uncommon compared to other cities and may be an indication that these individuals are not able to find appropriate housing that fits their needs and desires. The City needs to consider increasing the stock of high-amenity, smaller homes so these valuable residents can be retained. Adequate levels of housing stock for this and the following segment of households helps to allow for aging population to move out of their single-family homes, providing stock in those categories for first time and move up home owners. As mentioned previously, the housing stock sought by this cohort often times can also accommodate the first-time home buyer with housing styles such as semi-detached/twin homes, townhomes, condominiums and higher amenity multi-family rental units.

Senior Citizens

This age group is generally in their late 70s and older and are often looking for low maintenance or assisted living housing. As the population ages, Albert Lea must continually ensure that it has adequate housing to meet the needs of seniors. The City is projected to see a 0.4% increase in the 75 year and older age group by the year 2022.

Senior citizens are not as mobile as other cohorts and therefore not as able to search for housing in other communities. Albert Lea should continue to strive to be a senior-friendly community that values the contributions of seniors, promotes positive intergenerational interactions, considers the needs of seniors in community planning, supports the efforts of seniors to live independently and acknowledges the role that family, friends, and neighbors play in the life of seniors and the role that the seniors play in a strong community. Assuring adequate housing for this cohort not only provides for them, it allows seniors to move out of their family homes, opening those units up for first time or move up buyers.

Special Needs

Special needs housing is for those with mental and/or physical disabilities, with health issues, and with a need for temporary/ transitional housing. The number of people with special housing needs is expected to increase as the population of Albert Lea continues to age and grow.

HOUSING AND ECONOMIC DEVELOPMENT

Housing plays a role in attracting and retaining individual households to a community and the need for adequate housing for a community's workforce is an important part of attracting new business to the City. With this in mind, several local employers were contacted to provide insight to the role housing plays in the attraction and retention of their employees. In consultation with the Albert Lea EDA, ten local businesses were selected based on the number and variety of positions they employ, to answer a short questioner (See Appendix B). All indicated that they did not have a problem recruiting or keeping employees due to the lack of housing in the community. While none of them currently have programs to provide assistance to employees looking for housing, two indicated their companies may be interested in finding out about programs they could offer for improved employee housing. Three would be potentially be interested in collaborating with other companies and community organizations to find solutions to housing issues in the community.

HOUSING SUPPLY

Number and Types of Housing Units

The US Census indicates that there were 8,410 housing units in Albert Lea in 2010: 277 more units than identified in 2000 (8,133). Data describing the household type, as shown below in *Table 9*, is an estimate from the 2016 American Community Survey.

Roughly, 71.3% of the housing units in 2016 were single-family houses (detached and attached): this is lower than Freeborn County's percentage of single-family units (80.4%) as well as the State of Minnesota's percentage (74.7%). The City had a higher percentage of multi-family housing (26.5%) than Freeborn County (16.7%) and the State of Minnesota (21.9%). The lower rate in Freeborn County is due primarily to the rural nature of the county, reducing the areas that have the necessary public infrastructure to support multi-family development. The efficiencies of service provision and lower per unit costs mean that multi-family housing is typically more affordable than single-family detached housing. *Table 9* provides the details on types of housing units.

TABLE 9: HOUSING SUPPLY BY TYPE - 2016				
Housing Type	Albert Lea Units	Albert Lea %	Freeborn County %	State %
Single-Family Detached	5,759	65.9%	76.8%	67.2%
Single-Family Attached	468	5.4%	3.6%	7.5%
2-4 Unit Multi-Family	559	6.4%	4.6%	4.3%
5+ Unit Multi-Family	1,760	20.1%	12.1%	17.6%
Mobile Home or Other	197	2.3%	2.9%	3.4%
Total Units	8,743	100%	100%	100%

Source: 2012-2016 American Community Survey 5-Year Estimates

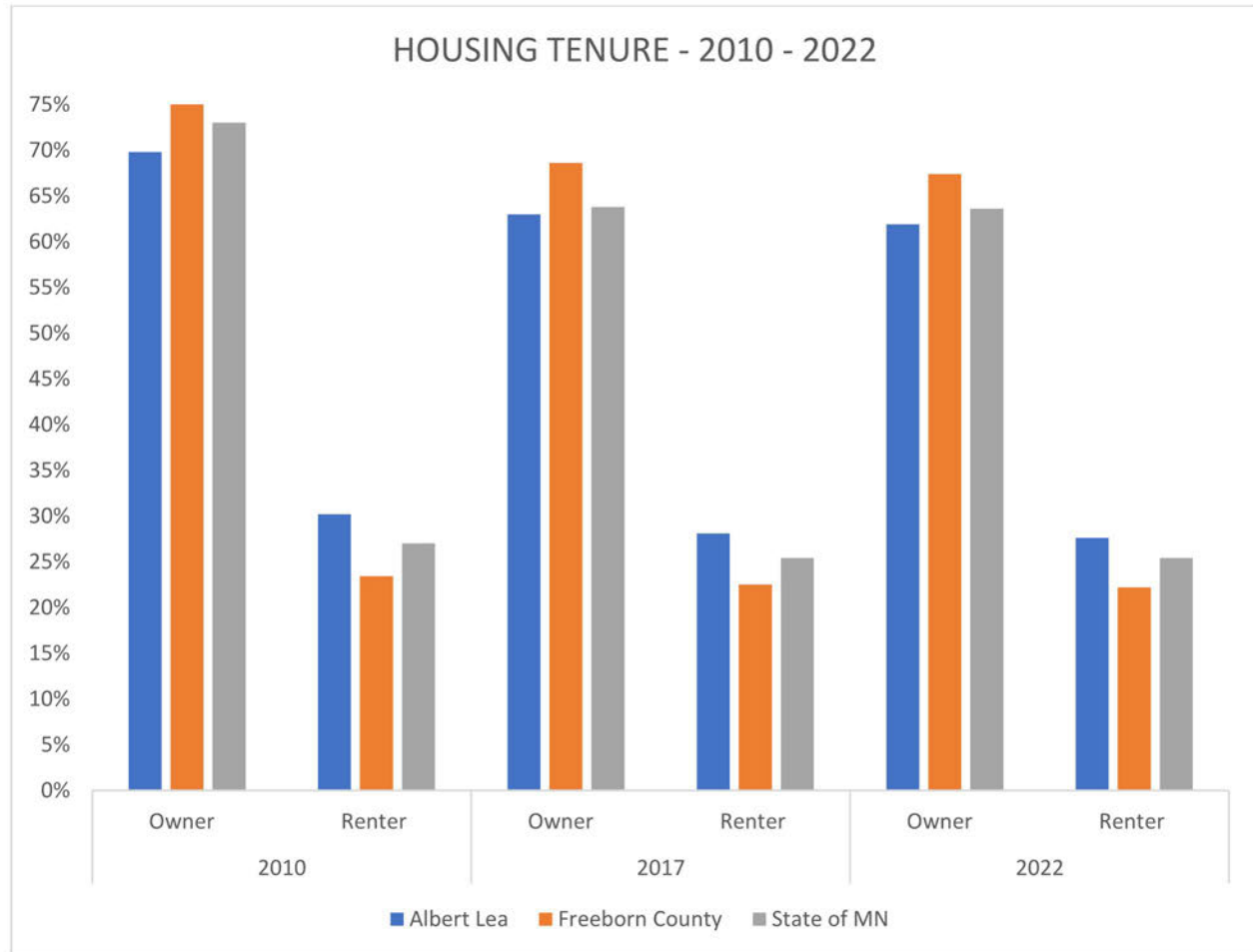
Comparison and Forecast of Owner-Occupied and Renter-Occupied Units

It is important to have a balance of owner-occupied and renter-occupied units. Along with differing housing styles and price points, the presences of both rental and owner-occupied housing help to provide for the full spectrum of needs of housing in the community. Adequate amounts of short-term housing (typically rental) allow for movement of households between different units including new households moving in to the community. The vacancy rate for rental applies to all types of rental housing and insufficient supply of a particular type of housing will not appear from that data alone. Additional tracking within the community will be required to determine where (for what types of housing) the bulk of vacancies occur and in what sector there may be shortages.

In general, many communities strive to have roughly 65-70% of their housing units owner-occupied and 30-35% renter occupied. In 2010, approximately 69.8% of the housing units in Albert Lea were owner-occupied; this is lower than Freeborn County (76.6%), and slightly lower than the State of Minnesota (73%). This unusual ratio may be an indication that there is a lack of adequate rental options in the community.

During 2017, the City of Albert Lea's housing occupancy ratio (owner/renter) has changed slightly, with 63% of the housing units being owner occupied and 28.1% being renter occupied. In 2022, the housing occupancy ratio is forecasted to shift to 61.9% owner occupied and 27.6% renter occupied. Note that there is roughly a 9% gap between owner occupied housing units and renter occupied housing units in 2017 and a 10.5% gap in 2022; this gap is due to vacancies and will be addressed in the following section.

Figure 8 – Housing Tenure (2010 – 2022)



Source: U.S. Census Bureau, ESRI forecasts

Vacancies

U.S. Census Bureau data (A.C.S.) shows the vacancy rate of rental units in the City decreasing since 2014, even as vacancy in owner occupied units has remained fairly stable (increasing slightly). Table 109, which follows, shows the increased percentage of vacant units over all within the City while the rental vacancy rate decreased.

TABLE 10: VACANT HOUSING BY TENURE

	2014	2015	2016	2017
Owner Occupancy Vacancy Rate	.7	.6	.6	1.3
Rental Occupied Vacancy Rate	9.5	9.4	8.9	6.6
Total Percent of Units Vacant	7.6%	7.7%	8.5%	9.7%

Source: A.C.S.

Other sources (Table 1110) show Albert Lea facing an overall housing vacancy rate of 8.9%, which is equal to the vacancy rate for Freeborn County, and 1.9% lower than that of the State. Albert Lea's vacancy rate has increased by 1.3% since 2010 and is projected to increase by an additional 1.6% in 2022. These increases are forecast to be mirrored by increased vacancies in Freeborn County and will bring the rate closer to the State vacancy rate of 11%.

While the State vacancy rates are projected to remain consistent through year 2022, Freeborn County's rate will increase to 10.5% from 8.9%. This projected increase of vacant housing units in Albert Lea is attributable to the projected decrease in population that is forecast by some sources through 2022. If the population does not decrease, it is assumed that the vacancy rates will not increase at the rate projected above.

TABLE 11: VACANT HOUSING FORECAST & COMPARISON – 2010-2022

Year	Albert Lea Vacant Units	Total Housing Units	Albert Lea Percent Vacant	County Percent Vacant	State Percent Vacant
2010	637	8,425	7.6%	7.4%	11.1%
2017	743	8,385	8.9%	8.9%	10.8%
2022	881	8,388	10.5%	10.5%	11.0%

Source: ESRI

In 2016, the City approached several landlords of rental property to determine up to date vacancy information. The only question posed in that sampling was the question of vacancy. Out of those who responded, 15 were found to provide workforce housing (as opposed to income qualified), and a 4% vacancy rate was found amongst them. In early 2018, the City took the opportunity to survey landlords at a rental housing seminar to ask about vacancy and additional questions about their rental units (see section on Quality of Housing Stock which follows and Appendix C for the survey form). Fifteen landlords responded. While not enough to provide statistically relevant data, their responses do give some insight into the rental market in the community. The following shows the response to the question on vacancy rate.

TABLE 12: VACANCIES – LANDLORD SURVEY 2018

What is your average vacancy rate?	Respondents
0%	6
3%	1
10%	3
30%	1
No response indicated	4

Value of Housing

The majority of the housing (84.4%) in Albert Lea is valued less than \$200,000 with 58.4% falling within the \$50,000 to \$150,000 range. Housing values in the County are similar, with 77.5% valued at less than \$200,000 and 52.6% falling within the \$50,000 to \$150,000 range. At the State level, values are more spread out between the \$100,000 to \$400,000 range. In comparison to low and moderate valued housing, there is a relatively limited choice of higher valued housing units in Albert Lea. Only 9.8% of owner-occupied housing units have a value of \$250,000 or greater compared to 14.4% in the County and 39.1% in the State.

The median value of owner-occupied housing in Freeborn County is \$122,434 and \$213,894 in the State of Minnesota compared to \$100,169 in Albert Lea. Part of the overall lower housing values can be attributed to the overall age of the housing stock and the fact that in many cases this older housing has had limited maintenance. Housing age will be discussed in the next section.

TABLE 13: OWNER-OCCUPIED HOUSING BY VALUE - 2017

Value	City Units	City %	County %	State %
Less than \$50,000	585	11.1%	8.8%	4.4%
\$50,000 to \$99,999	2053	38.9%	32.0%	8.7%
\$100,000 to \$149,999	1033	19.6%	20.6%	14.1%
\$150,000 to \$199,999	789	14.9%	16.1%	18.7%
\$200,000 to \$249,999	303	5.7%	8.3%	14.9%
\$250,000 to \$299,999	249	4.7%	5.3%	12.0%
\$300,000 to \$399,999	152	2.9%	5.0%	13.5%
\$400,000 to \$499,999	46	0.9%	1.4%	6.3%
\$500,000 to \$749,999	50	0.9%	1.8%	4.6%
\$750,000 to \$999,999	8	0.2%	0.4%	1.4%
\$1,000,000 or More	15	0.3%	0.5%	1.3%
Median Value	\$100,169		\$122,434	\$213,894

Source: US Census Bureau, ESRI Forecasts

Age of Housing Stock

In 2016, roughly 95.2% (8,323) of the City's units were constructed before 2000, with 54.8% being built before 1960. Albert Lea's older housing stock is similar when compared to the age of housing in Freeborn County, though approximately 5% of Albert Lea's housing has been built since 2000 compared to 6.7% in Freeborn County. At the State level, 16.6% of housing was built after 2000. We know from the building permit data in *Table 6* that there have been 92 housing units built since 2010 (not recorded in the American Community Survey). Even with these additional units, Albert Lea has a limited supply of newly constructed homes. Following, *Table 14* shows further details.

TABLE 14: YEAR STRUCTURE BUILT

Year Structure Built	Albert Lea	Freeborn County	State
2014 or later	0.00%	0.10%	0.40%
2010 to 2013	0.20%	0.70%	1.60%

2000 to 2009	4.80%	5.90%	14.60%
1980 to 1999	13.90%	12.70%	26.70%
1960 to 1979	26.50%	25.80%	25.00%
1940 to 1959	31.10%	27.10%	14.90%
1939 or earlier	23.70%	27.60%	16.80%

Source: 2012-2016 American Community Survey

Quality of Housing Stock

While property values and age of structure provide some indication of the quality of housing, it is difficult to capture this issue in a quantifiable manner. Individual standards and expectation vary amongst households. Home ownership allows for residents to improve their homes. In four rounds of funding, 74 low to moderate income households have been able to take advantage of rehab funding through the small cities development program. (see page 24 for additional information on Small Cities Program).

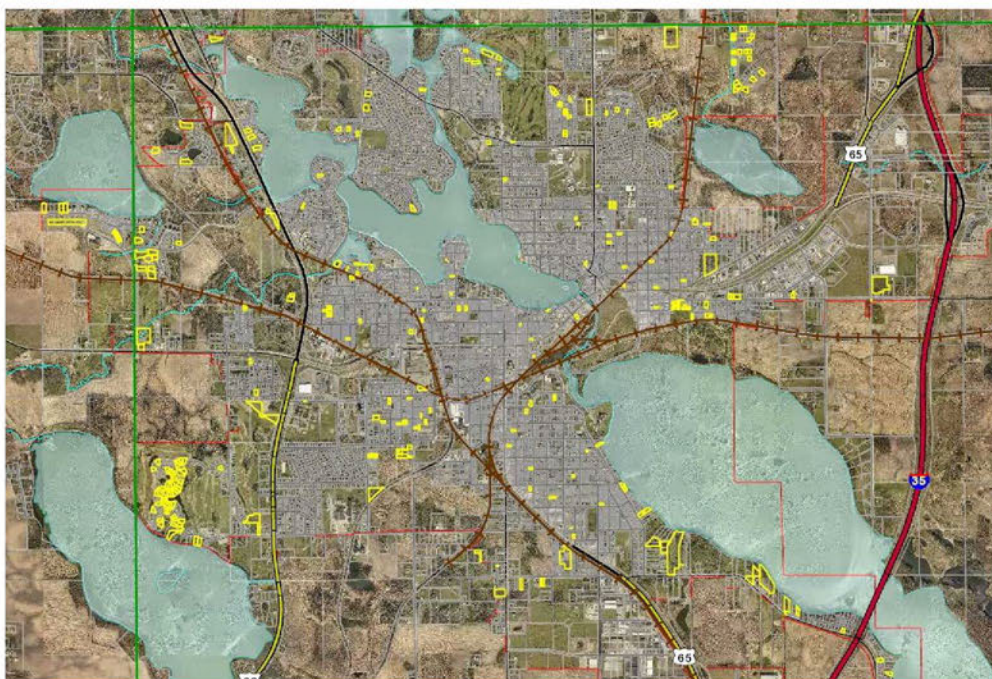
For those who rent, improving one's home environment is more difficult, both because of lack of control and due to the income levels (see Table 16, Albert Lea Burdened Households) and anecdotally, there is the perception that the City has a shortage of rental housing which meets the expectations and needs to provide for the full housing cycle spectrum for all types of households present in the community. Reports indicate the particular shortage of rentals in a good condition and with higher end amenities. The City has both minimum housing standards and a rental housing permit program. These provide a foundation for the City to work with property owners and residents to assist in improving the quality of housing available in the City.

In the previously mentioned landlord survey (See section on Vacancies preceding), several questions were asked about amenities at the properties and also about recent property improvements to ascertain some level of information about the quality of the rental stock. Twelve respondents indicated that garages were available (at least for some of the units) and the same for laundry (all but one within the unit itself). Nine respondents indicated they had made upgrades to their rental property(s) at a value of \$1,000 or more in the past year on a single project. Ten respondents indicated they had Single Family rentals and six had Multi-family (Eleven indicated they owned more than one rental property in Albert Lea). A wide variety of rents were indicated on the survey responses, with a low of \$300/month (for a duplex). The high end of rents indicated was for several larger multi-family properties (30 plus units) where rents ranged from \$1,250 to \$2,750. Average rental indicated was \$817.00 a month.

Vacant Lots

There is a variety of vacant residential lots available throughout the City. Freeborn County's web-based mapping application, Beacon, provides the ability to search properties within the County with certain criteria through the "Residential Comparable" feature. A search of vacant lots within the Albert Lea taxing district yielded just over 400 parcels. While some of these are unplatted land or otherwise not ready for development, a map of the results provides a general overview of where available building sites are clustered.

Figure 9– Vacant Lots



Source: <https://beacon.schneidercorp.com> June 28, 2018

The Wedgewood Cove Subdivision accounts for approximately 50 of these with another 20 plus located at Tiger Hills. An additional 20 parcels for semi-detached homes are vacant at Parkview Hills Subdivision, with another dozen (mixed detached and semi-detached) platted lots at Chapeau Shores. The remaining vacant lots are scattered throughout the city, some within the older sections of town. Some of these lots may not be currently available for sale as they are being utilized as yard space by the adjacent home.

AFFORDABLE HOUSING

Affordable housing is important to a strong economy and a healthy community. Increasingly, housing is not affordable for many working families and the lack of affordable housing for people of all ages and incomes causes families stress, dampens productivity and stifles job growth. Housing organizations define “affordable housing” in many ways. The Department of Housing and Urban Development (HUD) generally defines housing as affordable if costs (taxes, insurance, principal, interest, etc.) are less than 30% of a household’s income; if costs are greater than 30%, the household is considered burdened.

Most housing affordability programs and data place emphasis on creating owner-occupied units affordable to households making 80% of the area median family income (moderate income) and rental units affordable to households making 50% of the area median family income (low income). This study identifies “affordable owner-occupied units” as those affordable for moderate income families, or families making 80% of the area median income

It is very important to note that the definition of “affordable” in terms of a dollar amount will continue to change as the cost of living increases and interest rates change. Therefore, the City should periodically review income/housing statistics and update the definition as warranted.

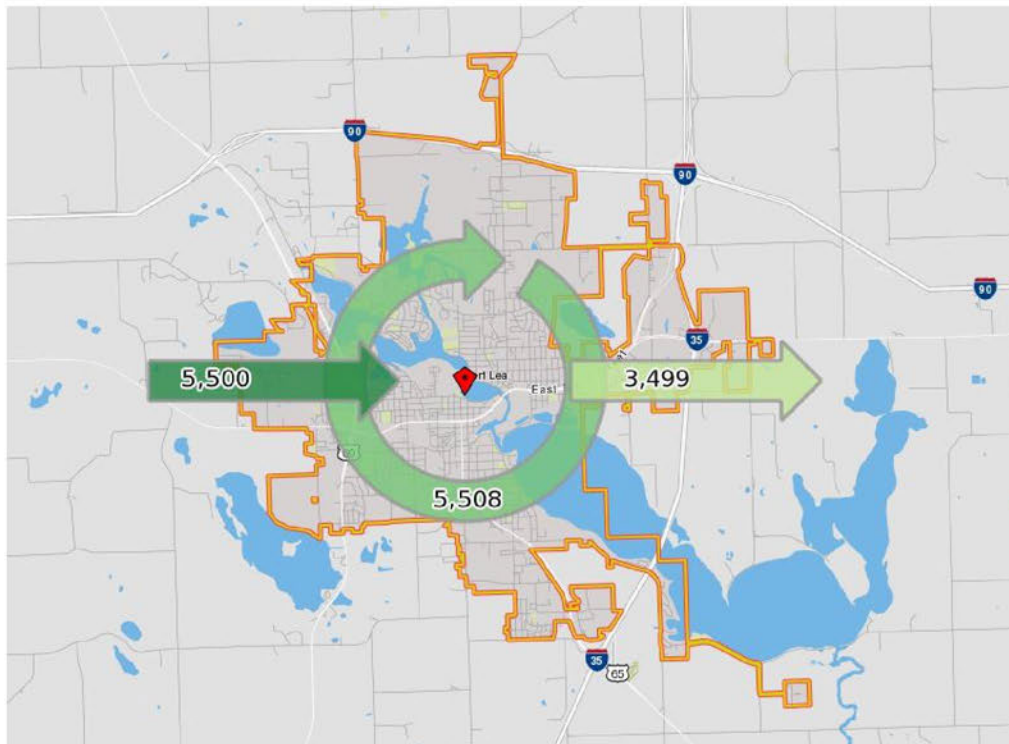
Factors such as interest rates can impact housing affordability in both a positive and negative manner, depending on the direction and magnitude of their change.

New building construction costs are estimated to start between \$118 to \$149 per square foot (according to the International Code Council and The City Building Official). Mean average housing size in the Midwest was 2,665 square feet (U.S. Census). This calculates to new housing costs at over \$300,000 which is outside the affordability of most households in the City of Albert Lea. (see Figure 11, Household Incomes). In discussions with local real-estate professions, they confirm that the market does generally not support the sale of homes that exceed \$300,000)

Employment, Household Income, and Monthly Costs

Looking at income data is an important factor when predicting future housing demands in the City of Albert Lea. *Figure 11* illustrates household incomes in the City, County, and State. Median household income was \$42,128 in 2016 and major employment industries included services, retail trade, and manufacturing. As shown in the graphic and table below, Albert Lea offers employment to 5,500 individuals and 31% of people live and work in the city. On average, Albert Lea has a comparable retention rate with the other communities in the study area. This may indicate that the existing housing options for the city's working class are sufficiently affordable to accommodate employees.

Figure 10 – Employment Inflow and Outflow Job Counts - 2015



Source: ESRI Business Analyst

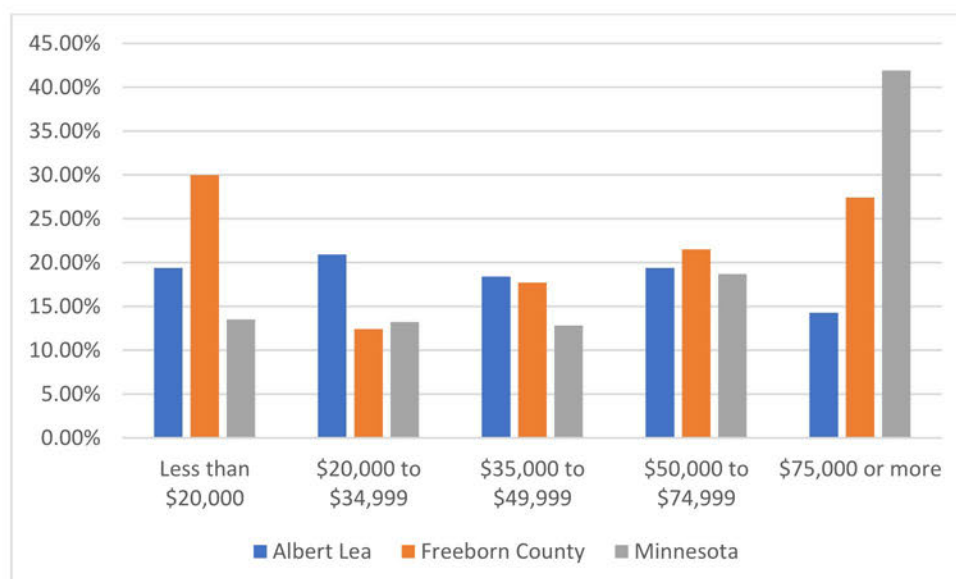
ALBERT LEA HRA HOUSING STUDY ADDENDUM 2018

City	Work in City, Live Outside	Live in City, Work Outside	Work and Live in City	Retention
Albert Lea	5,500	3,499	5,508	61.2%
Owatonna	10,729	4,829	8,279	63.20%
Austin	5,977	4,323	8,244	65.60%
Waseca	3,252	2,205	2,269	50.70%
Freeborn County	3,505	6,066	9,116	60.00%
Minnesota	99,707	95,062	2,678,989	96.40%

Source: ESRI Business Analyst, US Census

Albert Lea's median household income is projected to increase to \$48,482 (12%) by 2022 according to ESRI Business Analyst. In 2016, Albert Lea had a significantly higher percentage of households making less than \$20,000/year (19.4%) than the State (13.5%), though not nearly as high as in the County (29.97%). The City also had a notably lower percentage (14.28%) than both County (27.4%) and State (41.9%) of households making over \$75,000/year. Median household income in the City (\$42,128) was also 13.7% lower than the County (\$48,827) and 33.4% lower than the State (\$63,217).

Figure 11 – Household Income in the Past 12 Months (in 2016 Inflation-Adjusted Dollars)



Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

In 2016, 23.4% of households in Albert Lea had monthly housing costs that were more than 30% of their household income, compared to 21% in Freeborn County and 27% in the State of Minnesota. As seen in *Table 16*, burdened household equates to roughly 23% of Albert Lea's population. Approximately 23% of households making less than \$50,000/year are burdened by their housing costs compared to 19% in Freeborn County and 21% in Minnesota overall. This indicates that lower-income residents are having a slightly more difficult time affording their housing.

While the provision of affordable housing is one side of the issue, the City should also continue to encourage the development and attraction of additional livable wage employment opportunities in the City.

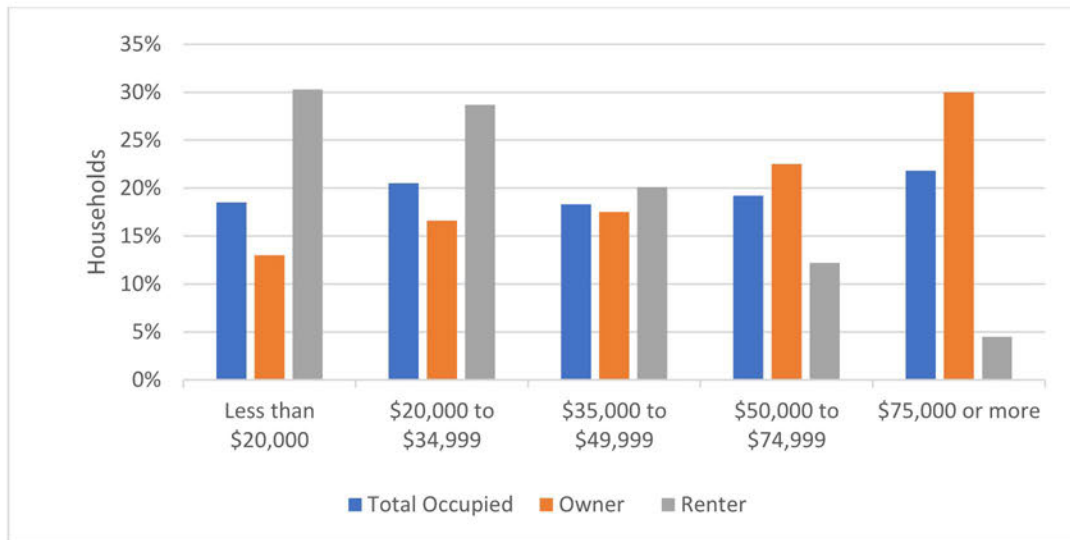
In 2016, 38.6% of Albert Lea renters paid over 30% of their household income in rent. This number is higher than the County (36%) but lower than the State (44.6%). As shown in *Table 16* and *Figure 12*, the less than \$20,000 household income bracket has the highest percentage of burdened households, which indicates there is a shortage in units charging \$500/month or less in rent (which is also shown below in *Table 17*). *Table 16* also indicates the shortage of units charging \$500/month or less in rent that impacts households making less than \$20,000/year, 26% of which are burdened. More broadly, these figures suggest that there is somewhat of a shortage of affordable rental units in Albert Lea that target this income range.

TABLE 16: ALBERT LEA BURDENED HOUSEHOLDS - 2016			
	Occupied Units	Owner-Occupied Units	Renter-Occupied Units
Number of Households	7862	5339	2523
Burdened by Housing Costs	23.40%	16.20%	38.60%
Residents (2.24 /household)	4,121 (23% of city population)	1,937 (11%)	2,181 (12%)
Monthly Housing Costs as a Percentage of Household Income in the Past 12 Months			
	Occupied Units	Owner-Occupied Units	Renter-Occupied Units
Less than \$20,000	1454 (18.5%)	694 (13.0%)	764 (30.3%)
Less than 20 %	1.5%	2.2%	0.0%
20 to 29 %	3.4%	3.0%	4.2%
30 % or more	13.6%	7.8%	26.1%
\$20,000 to \$34,999	1612 (20.5%)	886 (16.6%)	724 (28.7%)
Less than 20 %	7.3%	7.60%	6.6%
20 to 29 %	6.4%	3.50%	12.6%
30 % or more	6.8%	5.50%	9.6%
\$35,000 to \$49,999	1439 (18.3%)	934 (17.5%)	507 (20.1%)
Less than 20 %	9.9%	9.90%	9.8%
20 to 29 %	6.2%	5.00%	8.6%
30 % or more	2.3%	2.50%	1.7%
\$50,000 to \$74,999	1510 (19.2%)	1201 (22.5%)	308 (12.2%)
Less than 20 %	15.3%	18.20%	9.1%
20 to 29 %	3.5%	4.10%	2.3%
30 % or more	0.4%	0.10%	0.8%
\$75,000 or more	1714 (21.8%)	1602 (30%)	114 (4.5%)
Less than 20 %	18.8%	25.80%	4.1%
20 to 29 %	2.7%	3.90%	0.0%
30 % or more	0.3%	0.30%	0.4%

Note: Red rows indicate burdened households, and are also illustrated in Figure 12.

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Figure 12 – Percentage of Households Paying Greater Than 30% of Income on Housing Costs - 2016



Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Workforce Housing

Level of affordability is based on income, as previously indicated; if more than 30% of a family's income is used for housing it be deemed unaffordable. The same housing option that is affordable for one household is not affordable to another, based on their differing levels of income. Workforce housing, on the other hand is based on a percentage of the area's median income.

The term was initially coined to refer to housing suitable and affordable specifically for public employees who are integral to a community (teachers, police officers, firefighters). It also is considered to extend to young professionals, workers in the construction trades, retail salespeople, office workers and service workers and applies to the housing located within the communities they serve. The Urban Land Institute defines Workforce housing as housing affordable to households earning between 60 and 120 percent of area median income.



Workforce housing is housing that is affordable to workers and close to their jobs. It is homeownership, as well as rental housing, that can be reasonably afforded by a moderate to middle income, critical workforce and located in acceptable proximity to workforce centers.

National Association of Realtors

In 2015, 30 new rental units configured in a two-story townhome style were built near the Wedgewood Cove golf course. This was the first development of new rental housing in a townhome configuration in almost 20 years. These feature in-unit laundry and single car attached garages and rent for \$1,200 month. According to the manager, the units have been popular, mostly with individuals who are new to the community. Vacancy rates of the units have been running at approximately 3.5%.

Contract Rent

In 2016, rental housing units accounted for roughly 32% of the occupied housing units in Albert Lea. As shown in *Table 17*, the city has a relatively low median rent. This can be partially attributed to the overall age of the housing stock in Albert Lea, where 95% of housing was built before 2000 and 81% is 40 years older or older. A similar condition exists in Freeborn County, which has similarly low median rents.

As stated above, the City has a demand for rental units charging in the \$500/month range (only 30% of rental units). *Table 16* above indicated that there is a need for rental properties affordable to households making less than \$20,000. The table below shows that Albert Lea and Freeborn County have a significantly greater percentage of rental units charging less than \$1000/month (88% and 84% respectively) compared to the State (60%). Once again, the number of rental units that fall within this price range is an indication of the aging housing stock in the community, but also point to a shortage of housing options for those who can afford higher monthly rent, desire more amenities where they live, and want to live in the community.

TABLE 17: MONTHLY HOUSING COSTS FOR RENTER-OCCUPIED UNITS - 2016			
	Albert Lea	Freeborn County	State
Housing Costs	%	%	%
Less than \$300	9.50%	8.80%	6.30%
\$300 to \$499	21.80%	21.80%	8.30%
\$500 to \$799	44.80%	41.70%	25.10%
\$800 to \$999	11.70%	11.30%	20.40%
\$1,000 to \$1,499	3.00%	4.10%	24.20%
\$1,500 to \$1,999	2.90%	2.80%	8.20%
\$2,000 to \$2,499	2.40%	2.00%	1.90%
\$2,500 to \$2,999	0.00%	0.10%	0.60%
\$3,000 or more	1.30%	1.00%	0.50%
No cash rent	2.70%	6.40%	4.50%
Median Rent Paid	\$621	\$616	\$873

Source: U.S. Census Bureau, 2012-2016 American Community Survey 5-Year Estimates

Future Affordable Housing Requirements

Income distributions as reported by the U.S. Census Bureau can be compared to affordability standards to determine how many households and families in Albert Lea may require affordable housing. *Table 16* depicts the number of households (renter and owner) that may require affordable housing based on family income. The gray shaded area indicates household incomes of 80% or less of the median household income (\$34,166 in 2017 and \$38,786 in 2022). The red box indicates household incomes of 50% or less of the median household income (\$21,354 in 2017 and \$24,241 in 2022). By 2022, 2,601 owner households may require affordable housing (60% of households within the gray area), and 1,229 renter households may require affordable housing (49% of households within the red box).⁶

⁶ This assumes that percentages of owner/renter remain the same as shown *Table 17*, and that the majority of low income households are rental units.

ALBERT LEA HRA HOUSING STUDY ADDENDUM 2018

TABLE 18: ALBERT LEA AFFORDABLE HOUSING REQUIREMENTS – 2017 & 2022

Annual Household Income	2017		2022	
	Number of Households	% of Total	Number of Households	% of Total
Less than \$15,000	1152	15.1%	1099	14.6%
\$15,000 to \$24,999	1173	15.3%	1053	14.0%
\$25,000 to \$34,999	797	10.4%	683	9.1%
\$35,000 to \$49,999	1175	15.4%	996	13.3%
\$50,000 to \$74,999	1419	18.6%	1352	18.0%
\$75,000 to \$99,999	818	10.7%	905	12.1%
\$100,000 to \$149,999	725	9.5%	885	11.8%
\$150,000 to \$199,999	217	2.8%	310	4.1%
\$200,000 and over	166	2.2%	225	3.0%
Total Households	7,642	100%	7,508	100%

Source: U.S. Census Bureau, ESRI forecasts, 2012-2016 American Community Survey 5-Year Estimates

The following table illustrates the maximum affordable housing costs for renters and owners based on median income.

TABLE 19: MAXIMUM AFFORDABLE HOUSING COSTS (RENTER & OWNER) - 2017 & 2022

Year	Renter		Owner	
	2017	2022	2017	2022
Median Household Income	\$42,708	\$48,482	\$42,708	\$48,482
Affordable Income: 50% Renter, 80% Owner	\$21,354	\$24,241	\$34,166	\$38,786
30% of Affordable Income	\$6,406	\$7,272	\$10,250	\$11,636
Monthly Housing Cost	\$534	\$606	\$854	\$970

Source: U.S. Census Bureau, ESRI forecasts, 2012-2016 American Community Survey 5-Year Estimates

The lower monthly, affordable housing costs for renters and owners shows the importance of providing housing for those that fall into these income brackets, but the age of the housing must be considered as well. Since much of the existing housing stock that would be affordable is also very old and energy inefficient, the trend of households falling into the \$20,000 and below spending more than 30% of their income on housing will likely increase, and the percentage of burdened households in the \$20,000 to \$34,999 will probably increase as well, especially for renters.

Housing Programs

The Albert Lea Housing and Redevelopment Authority is responsible for administering a number of housing programs in the community. The HRA manages and maintains 176 units of public housing, provides 155 units of Section 8 Housing Choice Voucher (HCV) assistance, 8 units of Rural Development Housing, and administers or co-administers the Small Cities Development Program and Minnesota Cities Participation Program. In addition to these programs, developers have taken advantage of the Section 42 Low Income Housing Tax Credit (LIHTC) to help subsidize rent for multi-family projects. Overall, the city has approximately 1,400 units that are targeted towards low income individuals or that provide rental assistance.

The Small Cities Development Program provides federal funds on a competitive basis to cities under 50,000 in population through HUD's Community Development Block Grant. The housing grants in this program allow local units of government to lend funds for rehabilitating local housing stock. Loans may be used for owner-occupied, rental, single-family or multiple-family housing rehabilitation. In all cases, housing funds must benefit low- and moderate-income persons. In past years, the City and HRA have partnered on two types of projects through this program. One is the rehabilitation of owner-occupied single-family homes. Target areas for this have grown over time to include much of the area surrounding the core of the downtown. The other small cities project is currently ongoing and is a comprehensive grant project aimed at downtown revitalization. This project includes rehabilitation of both residential apartments and of commercial components of the downtown core, the National Register District.

OWNER-OCCUPIED HOUSING MARKET

This section looks at Albert Lea's owner-occupied housing market, and is based on single-family home resale trends and home foreclosures. The following are key findings regarding the owner-occupied housing market.

Home Resale Trends

The average resale price of single-family homes in Albert Lea from March 2017 to March 2018 was \$110,362 and there were 310 sales. *Table 20* shows the number of home sales during this period by the decade the homes were built. In 2017, 222 of the 310 (71.6%) single-family homes sold were built before 1970. This is in keeping with the data from *Table 14*, which showed that approximately 80% of Albert Lea's owner-occupied single-family homes were built before 1979. Only 6.1% of the sales in 2017 were homes built after 2000. This once again highlights the low supply of newer homes available to potential new residents moving to the community.

Table 20 also highlights how the median sale price decreases as the homes get older aside from the homes sold that were built in the 1970's. Most homes sold in Albert Lea in 2017 for under \$180,000 were built before 2000. Homes priced above \$180,000 were generally built since 2000.

Year	Number of Sales	Percentage	Median Sales Price	Average Sale Price
1970 & older	222	71.6%	\$74,950	\$88,175
1971-1980	33	10.6%	\$128,900	\$132,532
1981-1990	20	6.5%	\$91,500	\$146,505
1991-2000	16	5.2%	\$171,000	\$177,531
2001-2010	12	3.9%	\$205,000	\$219,096
2011-2017	7	2.3%	\$270,000	\$266,309
Total:	310	100.0%		

Source: Freeborn County Assessors Office

One noticeable trend is the development of single-family semi-detached homes. Over 40 units of these have been built since 2000 in the Summerdale Subdivision which is adjacent to Green Lea golf course. These custom designed single-level living units are being built on smaller lots marketed to the senior population providing a lower maintenance living option over what has

been built locally in the past. 24 units were built between 2000 and 2010 and an additional 20 units since that time. The valuation of the homes is in the low to mid \$200,000's.

Foreclosures

Beginning in the middle of the last decade, home foreclosures began to have a significant impact on housing markets across the nation. Initially, most foreclosures occurred among buyers with lower credit ratings who had sub-prime mortgages. Gradually, foreclosure activity increased as unemployment increased and home prices sank precipitously. Foreclosures have gradually decreased over the past few years as housing markets have stabilized. *Table 21* presents foreclosure data for Freeborn County and Minnesota. The data are considered "Sheriff's Sales Foreclosures" and were compiled by the Minnesota Homeownership Center and published on their website. There were 5,306 foreclosures in Minnesota in 2016. This was down from 7,212 in 2015 and significantly lower than 8,313 in 2014. Freeborn County had 55 foreclosures in 2016, 56 in 2015 and 60 in 2014.

Freeborn County's foreclosure rate was largely in line with the State's until 2016. The foreclosure rate, as shown in *Table 21*, is defined as the number of foreclosed mortgages as a percent of total residential parcels. In 2016, Freeborn County's foreclosure rate was 0.41% compared to 0.29% in Minnesota.

TABLE 21: HOME FORECLOSURES 2014 to 2017				
Year	Freeborn County		Minnesota	
	Number of Foreclosures	Foreclosure Rate	Number of Foreclosures	Foreclosure Rate
2014	60	0.44%	8,313	0.46%
2015	56	0.41%	7,212	0.40%
2016	55	0.41%	5,306	0.29%

Sources: Minnesota Homeownership Center, HousingLink

Housing Market Environment

Review of local real estate listings showed that existing sales largely follow past trends, where there are a number of newer (after 2000) houses that are listed in the \$300-\$450,000 price range, but the majority are priced around the \$150 - \$200,000 range for better maintained older homes and then less than \$100,00 for those older homes where maintenance has been neglected.⁷

⁷ Based on real-estate searches in February 2018.

HOUSING DEVELOPMENT OPPORTUNITIES

Downtown Housing

The City of Albert Lea has recognized for some time the importance and relevance of the historic core of the community in attracting, visitors, new businesses and new residents. The current Comprehensive Plan for the community, adopted in 2008, identified that the neighborhood remained strong in providing government and financial services but saw an opportunity to return into a truly mixed-use environment that would include a broader range of employment and housing options along with entertainment and retail establishment. A systematic approach including the following efforts in this redevelopment began:

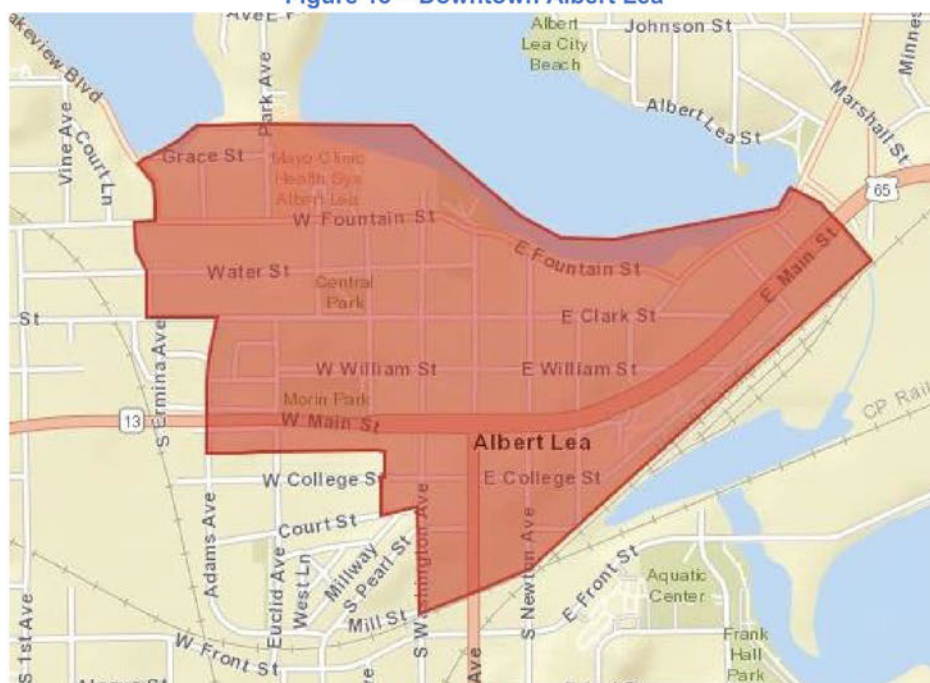
- Marion Ross Performing Arts Center rehabilitation
- Fountain Lake Park improvements providing access to the lake from downtown including a gazebo, amphitheater and location for weekly farmers market cost of \$438,000
- Street improvements including improved pedestrian, road and utility elements were completed in 2014 along Broadway Avenue.
- Diversified Central District (DCD) zoning created in 2014
- Small Cities Development Grant of over \$526,000 providing funds for both commercial and housing rehabilitation.
- Creation of the Splash Pad 2017
- Special events and celebrations including “Wind Down Wednesday” and “Thursdays on Fountain” summer music series.

The City's façade grant program and historic design requirements are encouraging a renewal of the neighborhood and new restaurants, bars, coffee shops, recreational and cultural businesses and organizations have been moving into the downtown in recent years (including arts organizations, yoga and dance studios). Special events and programmed activities help to populate the neighborhood beyond the need for goods or services and employment. Additional investment of the area (at the north terminus of Broadway Avenue) includes the rehabilitation of Fountain Lake Park. These are creating a vibrant mixed-use neighborhood that will provide a place where individuals in younger households can start out and have opportunities to grow professionally and personally. With these efforts, the city is achieving results and the vibrancy of downtown grows stronger. Not only have restaurants and retail returned to Broadway Avenue, new businesses, many with a creative bent have established themselves. The City and EDA are encouraging new businesses to locate here with entrepreneurship programs in the downtown; some have already located within the area and are providing new jobs here.

Various boundaries could be drawn to define Downtown as a unique and distinct neighborhood in the City, but generally, Fountain Lake provides the boundary to the north with the canal marking the eastern edge. The western “boundary” is more fluid but extends beyond the hospital and its parking lots roughly to the demarcation of the now vacated railroad line. To the South, a portion of the downtown dips below Main Street, though this is primarily centered along a one block width of Broadway Avenue which is the central spine to this central district. The downtown extends along Main Street from east to west with a mix of different types of

businesses and some areas now prime for redevelopment (one being Northeast of the County Law Enforcement Center). The boundaries as shown below are based on the type of development which characterizes the neighborhood; while there are single-family detached residences within, it is predominately commercial or mixed use. The neighborhood is approximately a 1/3 of an acre in area. At its core is the historic district which is zero lot line development of vertical mixed-use buildings with apartments on upper stories and commercial at the ground level. This district includes much of the retail activity within the City to this day.

Figure 13 – Downtown Albert Lea



Source: ESRI Business Analyst

Moving outward from the historic district, there are several of the larger employers in town including both the City and County government centers as well as the Mayo Clinic systems medical center. The US Post Office, several financial institutions and a multitude of smaller commercial retail and service providers are located here. Throughout the downtown neighborhood is housing, within historic apartment buildings and upper level apartments in commercial buildings toward the center and single-family homes towards its edges. The significance of this is that this neighborhood is a microcosm of the community itself. It truly can provide for the basic needs of living: housing, employment and necessary services within a concise, very walkable district.

Unlike the U.S. Census Bureau and MN State Demographer's Office, ESRI provides custom mapping options for data searches of demographic profiles. This source estimates the population living within the downtown (as defined on the map above) is 834 people. They are younger, with a lower per capita and household median income and lower educational attainment than the community as a whole. Current residents of downtown Albert Lea have a much smaller disposable income than the community as a whole. Median age for downtown residents is 32.5 compared to a City-wide median age of 44. ESRI estimates that there are 483

housing units within the downtown area and that 17% of these (a total of 84 units) are vacant. Freeborn County's on-line mapping program, Beacon shows the location of single-family rental properties within the downtown area.

Figure 14 – Single-family Rentals Downtown Albert Lea



Source: <https://beacon.schneidercorp.com> June 28, 2018

By contrast, the number of employees in this same area is over 2,300 in the 251 businesses. The following chart, Figure 15, shows downtown employees by their occupation.

Figure 15 – Labor Force by Occupation %

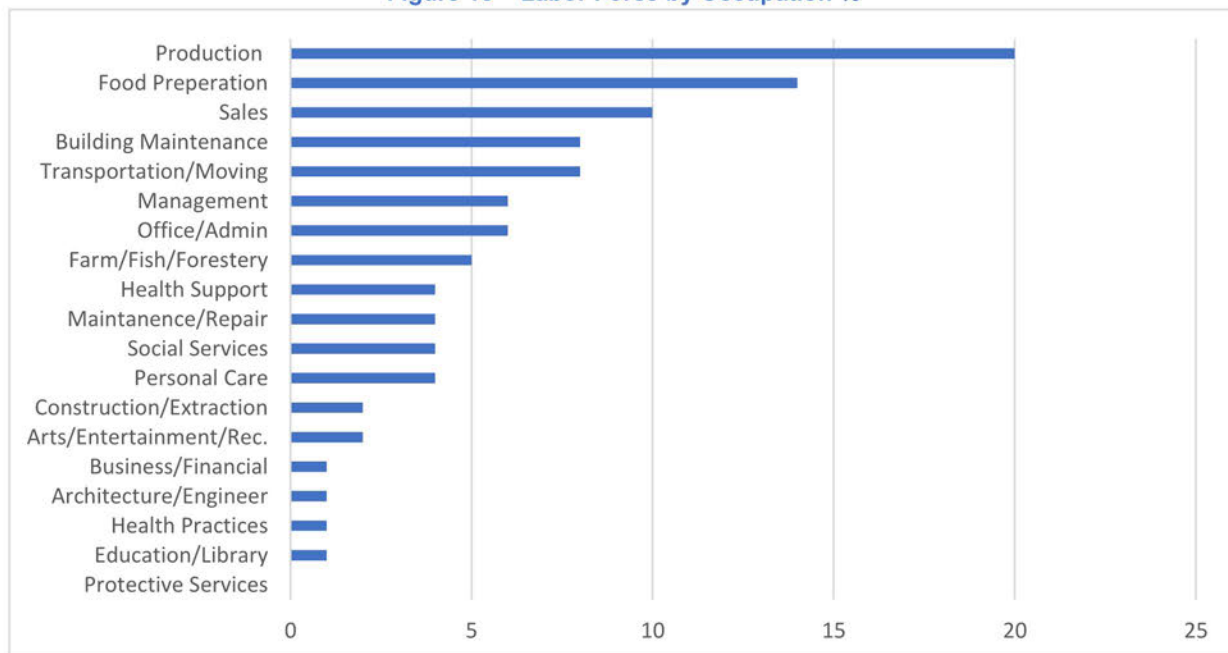
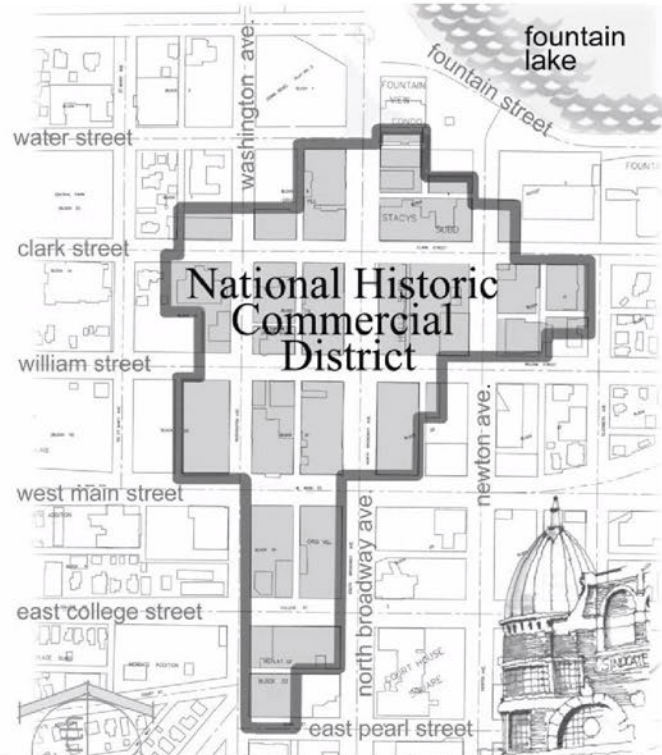


Figure 16 – Downtown Historic District

Focusing in on the center of the downtown, an area of about 9 blocks that roughly coincides with the National Register Historic District, a 13% percent vacancy rate is seen from ESRI data. City data indicates approximately the same number of apartments within that smaller core downtown area, just under 150 units located in 27 different properties (see Table 22 which follows). This



Source: City of Albert Lea National Historic Commercial District Architectural Guidelines

TABLE 22: DOWNTOWN RENTAL UNITS	
Address	Number of Apartments
139 William St E	37
133 W William St	26
214 Washington Ave S	10
206 Washington Ave S	7
140 Clark St W	6
121 Broadway Ave N	6
202 Clark St W	5
209-219 Washington Ave S	4
212 Broadway Ave S	4
134 William St W	4
119 Clark St E	4
218 Clark St W	4
130 Clark St W	4
115 Broadway Ave S	3
114 Broadway Ave S	3
126 William St W	3
119 Broadway Ave S	2
109 Clark St E	2
115 Clark St E	2
226 Clark St E	2
206 Clark St W	2
137 Broadway Ave N	2

208 Broadway Ave S	1
123 Broadway Ave S	1
136 Broadway Ave S	1
216 Washington Ave S	1
138 William St W	1

Working with downtown property owners in building restoration and rehabilitation (through historic design reviews and Small Cities Grant program) we know that there is an abundance of underused space in the downtown, much of which used to provide residential dwelling units. Many of these no longer provide even the most basic expectations for present day housing. It may be that the higher vacancy rates in this part of town are affecting the higher percentages throughout the city.

Currently the historic core of the downtown provides housing which is aged and in general poor quality. The walk-up apartments do not allow for aging in place and lack amenities such as off-street parking. Demographics indicating smaller disposable incomes and a young median age for (32.5 compared to a City wide of 44) indicate that the housing currently within this area provides primarily for entry level households. With the high vacancy rate (17%), number of jobs and increasing vitality of the downtown area, there are likely opportunities to attract other household cohorts to the in the neighborhood. This includes both first time home owners and empty nesters. In turn, development of additional housing types in the downtown will further promote the growth many types of commercial activity.

Housing Demand & Affordability Gap

“Affordable” housing is that on which a household spends 30% or less of their income. From those households within the community who cannot find housing within their range of affordability, there is a demand for more affordable housing. In contrast, there are many households within the community who spend well under their level of affordability on housing. These households occupy units which could otherwise be utilized by those of lower income where there is demand. A lack of “move up” housing in the community which would allow for the movement and fluidity within the market locally represents a gap within the housing stock. This analysis is based on information contained throughout this study, but Table 13, “Owner Occupied Housing Value – 2017 and Table 16, “Albert Lea Burdened Households - 2016” provides a bulk of the data supporting the following.

Rental units (\$500/month or less) – 200 units

- 764 rental units in Albert Lea are occupied by households earning \$20,000 or less. Of these households, 26.1% (approximately 200) are paying more than 30% of their income on housing.
- Affordable rents for these households are \$500 per month or less. This indicates a need for additional housing options with rents under \$500.
- In Albert Lea, 17% of individuals living alone are age 65 or older and 25% of those who earn \$25,000 or less per year are 75 years or older (43% of these earners are 65 or older).
- Individuals living alone (non-family households) make up 36%, more than 1/3, of the households in Albert Lea.

- The type of housing to meet this demand may include rooming house or accessory dwelling types of units.

Rental units (\$500 - \$1,000 month) 45-60 units

- Over half (56.5%) of renters in Albert Lea, 1,425 households, pay rents in this price range (See Table 17).
- Anecdotally, there is evidence that the demand for rental units on the higher end of this price range are in demand, with realtors and employers reporting a lack of availability for households looking in this range.
- Rents between \$500 to \$875 per month are affordable for households earning \$20,000-\$34,999 annually. 724 rental units within the City are occupied by households in this income range.
- 6.6% of households in the income range of \$20,000- \$34,999 spend less than 20% of their income on housing. This equates to 47 households in this range who can afford rents higher than what they spend.
- An additional 12 rental housing units are occupied by households making \$35,000 to \$49,999 annually who spend more than 30% of their income on housing. Affordability for this income range is \$875 -\$1,250 indicating additional demand for rental units in this price range.
- There is a gap in this low to mid-range rental housing of approximately 60 units.

Rental units (\$1,000 – \$1,875 month) 15-25 units

- 422 rental units within the City are occupied by households earning \$50,000 or more. Over 13% of these households spend less than 20% of their income on their housing (representing 40 units).
- Affordable housing for individuals and families in this income range is \$1,200 to \$1,875 per month or higher.
- An additional 30 households making \$35,000 to \$49,999 annually spend less than 20% of their income on housing. The higher end of these earners can afford housing of around \$1,000 per month.
- 30 new units of rental housing, renting at \$1,200 per month (Wedgewood Townhomes) were added to the housing stock in 2015 and there is a vacancy rate of these units at 3.5%.
- There is a gap of this mid to high-range rental housing of approximately 70 units, however, with a median monthly rent of \$621 in the community, it is expected that many within this affordability range may choose lower rent option. A more conservative estimate of the demand for additional units of this type is 15 to 20.

Rehabilitation of Owner Occupied Housing – 150-200 units

- 886 owner occupied dwelling units provide homes to households which earn between \$20,000 and \$34,999 per year. Affordable monthly mortgage payments for these households are between \$500 and \$875. It is estimated that these households can afford homes in the \$64,000 and \$130,000 range. 7.6% (67) of these households spend less than 20% of their annual income on housing, indicating they could afford more than they are currently spending.
- An additional 934 owner occupied dwelling units provide homes to households which earn between \$35,000 and \$49,999 per year. These households can afford housing in the range of \$130,000 to \$197,000 homes. Just under 10% of these households spend

less than 20% of their income on housing, indicating an additional 92 households can afford more than they currently spend.

- Estimates are that the community has over 3,875 (73% of the city's) dwelling units which valued between \$50,000 and \$200,000.
- Many families within these income cohorts (depending on number of individuals in the family and their specific income) would qualify for housing financial assistance as low to moderate income households. Programs such as those offered through the Small Cities Development Program provide financing options for housing rehabilitation.
- There is demand for assistance from an estimated 159 households in rehabilitation of existing housing stock within the City.

New Owner Occupied (\$200,000 - \$300,000) – 100-150 units

- The community has an estimated 552 (10.4% of the city's) owner occupied dwelling units which are valued between \$200,000 and \$300,000.
- Housing ranging between \$196,00 to \$289,000 is affordable to households earning \$50,000 to \$75,000 annually (estimated monthly costs of \$1,200 to \$1,875). 1,201 households are within this earning category and over 18% of these (219 household) spend less than 20% of their income on housing, indicating there is affordability in the community for additional owner-occupied housing in this price range.
- While there is a gap of over 200 units of this category of housing, a more conservative estimated demand is 100 to 150 units (which based on availability and therefore expectations of lower cost housing in the City)
- 294 (41% of) householders in this earning category are aged 55-75. This indicates that there is affordability in the community for senior housing within this price range.

New Owner Occupied (\$300,000 or more) – 50 units

- 1,602 owner occupied dwelling units provide homes to households which earn \$75,000 or more per year. 26% of these (413) households spend less than 20% of their income on housing.
- Households in this earning range can afford homes upwards of \$300,000 (monthly costs of \$1,875 or more).
- The ages of householders within this income are widespread as follows: Ages 35-44 16%, 45-54 21%, 55-64 23%, 65-75 16%.
- Research conducted with local realtors during the period of this study found that homes for sale within this price range remain on the market much longer than those of \$200,000 or less
- While there is affordability for housing within this price range (including a variety of styles and configurations), the demand estimated at 50 or fewer units.

OBSERVATIONS & CONCLUSIONS

Projected demand for new housing products in Albert Lea through the remainder of the decade from current and anticipated future residents is outlined on the preceding pages. This section highlights key observations and subsequent recommendations.

- Population has decreased overall since the 1980's. This trend reversed in the 1990s census but then continued but at a slower pace between 2000 and 2010.
- Most sources estimate a continued decrease in population into the future which are reflected in projections.
- The population and number of households have remained stable over the past 30 years as indicated in the decennial census. Estimates more recent than the 2010 census indicate a continuation of this pattern.
- The changes in demographics indicate a continued aging of the population with the age 65+ cohort being stable in numbers over the next 5 years while other cohorts decrease in population.
- Owner occupied vacancy rates have fluctuated but remained relatively low.
- Rental occupied vacancy rates are higher but have seen a continued decrease in the past 3 years.
- When reviewed along with the higher than average owner to renter ratio, higher vacancy rates point toward a lack of adequate types of rental product in the local market.
- Albert Lea has a higher rate of non-family households than the state, and the region. These are predominantly comprised of individuals living alone.
- Housing stock is old and not being replaced at any substantive level. Anecdotal evidence indicates that housing conditions, in particular for rental housing is an issue which prohibits the provision of the full spectrum of housing to meet needs in the community.
- The age 55 to 74 cohort is projected to remain at virtually the same number (with a very slight 0.6% decrease). This age group has been the market for newer semi-detached homes in the community and there is no evidence that demand for these has yet been satisfied.
- Median income is projected to increase over the next five years, but it is still lower than the State median.
- More than 1/3 of renters are paying higher amounts than affordable for them in rent indicating a shortage of housing for this segment of the population (see Figure 12)
- There is opportunity for growth and redevelopment within the downtown, both in the core historic district and adjacent neighborhood. Redevelopment of underutilized sites for new types of housing and encouragement of historic preservation of the single-family homes in the adjacent neighborhood will encourage continued commercial redevelopment within the City Center.
- Employer responses showed an interest in collaborative programs to address housing issues in the community which indicates there likely is some need for this type of program.
- While home sale prices are generally low, the low cost is tied to older (potentially dilapidated structures) which may be skewing the overall data.

Appendix A – Demographic Data Sources

U.S. Decennial Census

The Decennial census is required in the US Constitution and seeks to accurately count all individuals within the Country along with the collection of other basic demographic information. While the information is considered highly accurate, it is only updated every ten years and is limited in the nature of information included. Data is broken down by political subdivisions (State, County, Municipal & Township) and by census blocks.

The Census Bureau also provides annual estimates of the population count. the Population Estimates Program utilizes current data on births, deaths, and migration to calculate population changes occurring since the most recent decennial census, and produces a time series of estimates of population.

Population for Albert Lea in the 2010 Census was originally counted at 18,016. The count was later amended to 18,074 through the Count Question Resolution program and geographic program revisions. The official US Census estimate of 2017 population for Albert Lea is 17,703.

American Community Survey (ACS)

Is a nationwide survey and part of the Decennial Census Program of the U.S. Census Bureau. The ACS provides more detailed information about the population of the US. The ACS collects information such as age, race, income, commute time to work, home value, veteran status, and other important data pertaining to community planning and housing.

Unlike the actual Census, ACS data are estimates based on survey questions which are conducted annually. Data from the ACS for areas under 65,000 or more residents are available in 5-year estimates. The most recent 5-year estimates available are from surveys conducted between 2012 and 2016 and represent average characteristics over those five years. The ACS data from the 2014 Housing Study was collected 2008 to 2012.

American Fact Finder

American Fact Finder is a searchable web site by geographic location. It brings data from The U.S. Census Bureau (including the ACS) for several periods of time and from other federal survey sources including

MN. State Demographers Office

the MN State Demographic Center produces population and household estimates for Minnesota and its counties and municipalities in between the decennial census years. Their latest estimates (for 2016) were released in July 2017.

The initial base for their estimates is the most recent decennial census. The first step of the estimation process is to update the most recent estimates with any boundary changes in the past year involving population and households. The primary input for their estimates is building permit data for the year preceding the estimate.

Population estimates at the local level are prepared only for total population and households and not for the more detailed census or ACS data. The State Demographers Office also provides population projections for the State and it's Counties but not for Municipalities.

Estimates and projections are determined though historical and recent patterns of birth, death, and migration. Vital statistics data are obtained from the MN Department of Health. and from the U.S. Census Bureau's Decennial Census, Population Estimates, and American Community Survey.

The most recent Albert Lea population estimate from the State Demographers Office is 18,045 for the year 2016 (release date of July 2017)

ESRI

ESRI is a private company and supplier of geographic information system software, web GIS (Geographic Information Systems) and geodatabase management applications. ESRI's business, consumer spending, and demographic data encompasses a wide variety of datasets that are updated quarterly, semiannually, annually, and decennially in the case of U.S. Census data. While not an official/government source of demographic data, ESRI allows for custom mapping queries of different parts of the community and the "Business Analyst" (used here) provide detailed estimates and projections of local economic data which is greatly related to housing markets. ESRI's estimated a population for the City of Albert Lea in 2017 was 17,769.

Appendix B –Employer Questionnaire

1. Do you have problems recruiting or keeping employees due to the lack of housing in the community?
 2. If you do have issues recruiting or keeping employees due to the lack of housing in the community, is there a particular pay range/level of employee that has the most trouble with this issue?
 3. If you do have issues recruiting or keeping employees due to the lack of housing in the community, is there a particular pay range/level of employee that has the most trouble with this issue?
 4. If you do have issues recruiting or keeping employees due to the lack of housing in the community, is there a particular type of housing that is most lacking?
 5. Do you as an employer help your employees find housing?
 6. Do you as an employer help your employees find housing?
 7. If you do help employees find housing, how do you provide references and informational sources?
 8. If you do help employees find housing, do you provide subsidy or other financial assistance programs?
 9. Do you provide employer owner short term housing?
 10. Do you provide employer owner short term housing?
 11. Would your company be interested in finding out about programs you could offer for improved employee housing?
 12. Would your company potentially be interested in collaborating with other companies and community organizations to find solutions to housing issues in the community?
-

Appendix C – Landlord Survey



The City of Albert Lea is conducting a housing study to determine what types of rental housing needs there are in the community. Answering the following questions is completely voluntary. This information will be used only for the purpose of determining the type and variety of rental housing available in the community and may allow the City/HRA to acquire funding to support housing rehab and/or new construction of housing in Albert Lea.

Property Owner/Manager _____
(Filling out this survey)

Contact Information _____
(Please provide for your preferred method of contact: phone number, e-mail or mailing address)

Rental Address _____ Tax Parcel Number (if known) _____

What type of units and how many of each type do you provide for rent at this location? (Check all that apply)

- ☐ Single Family detached
- ☐ Single Family attached/twin or townhome
- ☐ Multi-Family (more than two dwelling units per structure)
 - o What is the number of dwelling units in structure _____

Do you have rental units at other locations in the City? Y N
If yes, how many sites _____ How many units _____

Please provide the following for the rental unit(s) listed above

- Number bedrooms _____
 - Number of bathrooms _____
 - Monthly rent \$ _____
 - Are there garages available? Y N
 - Are there laundry facilities available? Y N
 - o If yes, are they in the unit? (as opposed to a common laundry room) Y N
 - Are there other amenities? (e.g. pool, outdoor recreation space, common room) Y N
-
- Are any of the dwelling units you offer income qualified? Y N
 - What is your average vacancy rate? (the percentage of units available over the past year) _____%
 - Have you made remodeling upgrades with a value of \$1,000 in the past year? (single project) Y N
 - If the City of Albert Lea pursues funding to support future housing projects, would you be interested in participating in such programs as a land developer, owner, or property manager? Y N

What types of rental housing do you think is most needed in the City of Albert Lea? (Check all that apply)

- ☐ Apartments/Condos
- ☐ Single Family Homes
- ☐ Townhomes
- ☐ Workforce Housing
- ☐ Income Qualified Housing
- ☐ Other: _____