



2021 ANNUAL DEVELOPMENT REPORT

CITYOFMOORHEAD.COM



2021 in Review

2021 – the COVID-19 global pandemic continues to impact businesses, education and our way of life. Despite all these challenges, we continue to find the positives in Moorhead including:

- Establishing the MoorHeart Award that celebrates residents, businesses and organizations that make outstanding contributions to our community
- Tank of the Year Award for the Southside Water Tower, and as we look forward to 2022 we anticipate support for the new art on the I-94 Water Tower.

Construction of the new Moorhead High School contributed to the near doubling of permit values in 2021 with more than \$194 million compared to \$97 million in 2020. Moorhead added over \$34 million in new commercial and institutional building value in 2021, resulting in 17 new commercial and institutional buildings.



PHOTO: Southside Water Tower

PERMITS & INVESTMENT



PHOTO: EastTen Starbucks



Annual Building Investment



Residential Permit Values



Commercial Permit Values





PHOTO: Block 37 Flats

RESIDENTIAL

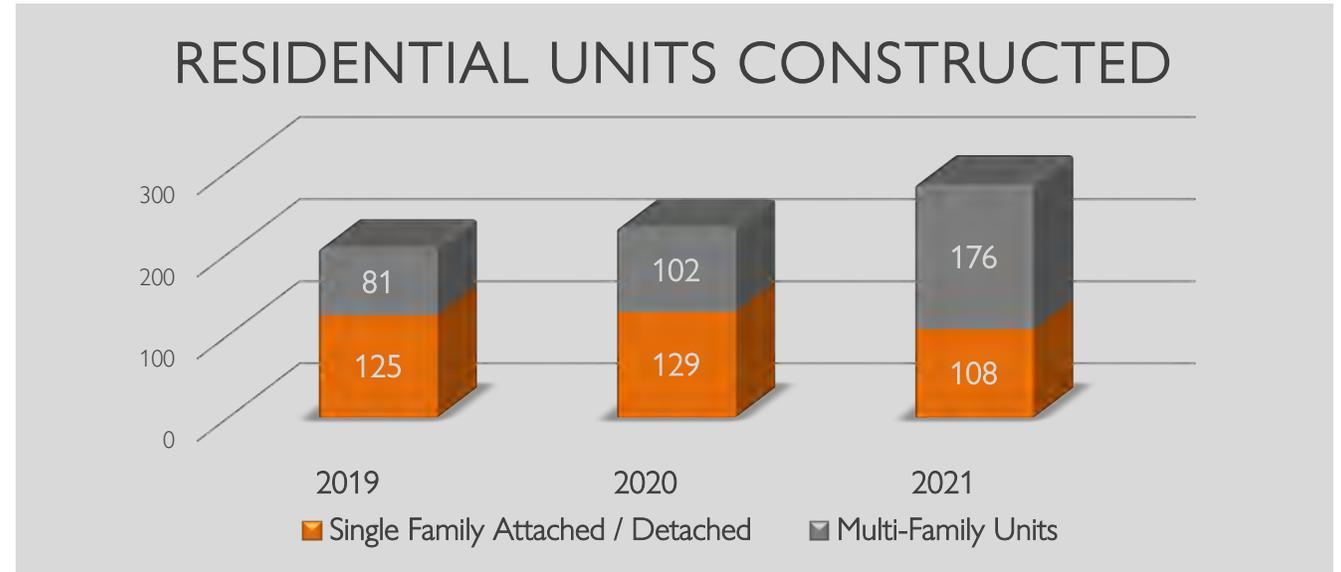
A look at housing development
within the city of Moorhead

RESIDENTIAL DEVELOPMENT



PHOTO: Emery Apartments

• BUILDING PERMITS



• HOUSING MARKET

	2019		2020		2021	
	Closed Sales*	Median Sales Price	Closed Sales*	Median Sales Price	Closed Sales*	Median Sales Price
Fargo	1,529	\$224,633	1,850	\$231,630	1,961	\$250,000
Moorhead	643	\$202,585	770	\$218,000	784	\$229,900
West Fargo	735	\$246,000	872	\$253,988	847	\$292,500
Dilworth	63	\$185,500	89	\$211,000	88	\$217,000
TOTAL	2,970		3,581		3,680	

*Source: FM Area Association of Realtors – Data for 2021 gathered 1/03/2022 Closed Sales Represents Single Family, Twinhomes, Townhomes and Condos

*Full Year 2021 Data (January 1 – December 31) Note: not all closed home sales may be represented as realtors may input sales data at a later date

SINGLE FAMILY

- ADAMS DEVELOPMENT (10)
- CENTURY BUILDERS (1)
- DABBERT CUSTOM HOMES (8)
- DESIGNER HOMES FM (1)
- DIAMONDROCK DEVELOPMENT LLC (2)
- DMC CORPORATION OF MOORHEAD (1)
- HERITAGE HOMES (5)
- HOHENSTEIN HOMES (5)
- ISR HOMES (9)
- J V HOUGH (16)
- JNS CONSTRUCTION (1)
- JORDAHL CUSTOM HOMES (27)
- JR CONSTRUCTION OF MENTOR (1)
- KRUEGER CONSTRUCTION (1)
- LAKE AGASSIZ HABITAT FOR HUMANITY (1)
- RED LEAF CUSTOM HOMES (1)
- SELF (6)
- SILVER LINE CUSTOM HOMES (1)
- SULLIVAN CONSTRUCTION INC ND (2)
- T & S CUSTOM HOMES INC (1)
- THOMSEN HOMES LLC (7)
- TITAN HOMES INC (1)

MULTI-FAMILY

- COMMONWEALTH CONSTRUCTION (46 UNITS)
- ENCLAVE CONSTRUCTION (130 UNITS)

2021 RESIDENTIAL CONTRACTORS



PHOTO: 12th & Main Apartments

AFFORDABLE HOUSING



NEW AND IMPROVED AFFORDABLE AND SUPPORTIVE HOUSING

- New construction of North Moorhead Village at 2751 8 Ave N - 46 affordable units by Commonwealth Development
- Affordable homeownership opportunity at Maple Court Townhomes
- Redevelopment of an existing building for Safe Haven, a new housing shelter at 1015 30 Ave S that provides housing for up to 27 women

ON THE HORIZON FOR 2022:

- Emery Apartments construction is underway at 900 30 Ave S – 130 units with 52 affordable units by Enclave Companies
- Fieldcrest Townhomes at 3301 18 St S - updates and addition of a new community center
- Silver Lining Apartments at 3305 3 Ave N - 36 units of permanent supportive housing for individuals 55+
- Micah's Mission improvements at 1901 1 Ave N - plans for expanding services and spaces in response to the pandemic

PHOTO: North Moorhead Village

INCENTIVES

SINGLE FAMILY

Make Moorhead Home Property Tax Rebates: All newly constructed homes qualify for a 2-year property tax rebate upon completion (without an application process). In 2021, 263 homeowners received the tax incentive. The program is available through December 31, 2022.

First & New Home Program: This citywide incentive is a loan that defers \$5,000 at 0% interest toward special assessments for first-time homebuyers buying newly constructed homes. Two new homebuyers utilized this program in 2021.

Affordable Mortgages and Downpayment Assistance: Programs available for income-eligible buyers in partnership with Minnesota Housing. 76 loans were provided in Clay County in 2021, representing over \$15.1 million in financing assistance.

Gate City Bank's Neighborhood Impact Program: This program is designed to keep mature neighborhoods strong and help local homeowners reinvest in their homes with low-interest loans. In 2021, Moorhead processed 13 applications.

MULTI-FAMILY

Multi-Family Residential Development projects with four units or more may be eligible for a property tax exemption for new construction, expansion or rehabilitation of existing facilities, excluding land and existing improvements.

Housing with Health-Related Services: Additional property tax exemption years and employee credits may be available for multi-family projects that meet criteria for health-related and supportive services facilities licensed by the state of Minnesota.

2021 multi-family projects scheduled to receive incentives include:

- Block 37 Flats – 113 10 St S
- 12th & Main apartments – 1205 Main Ave

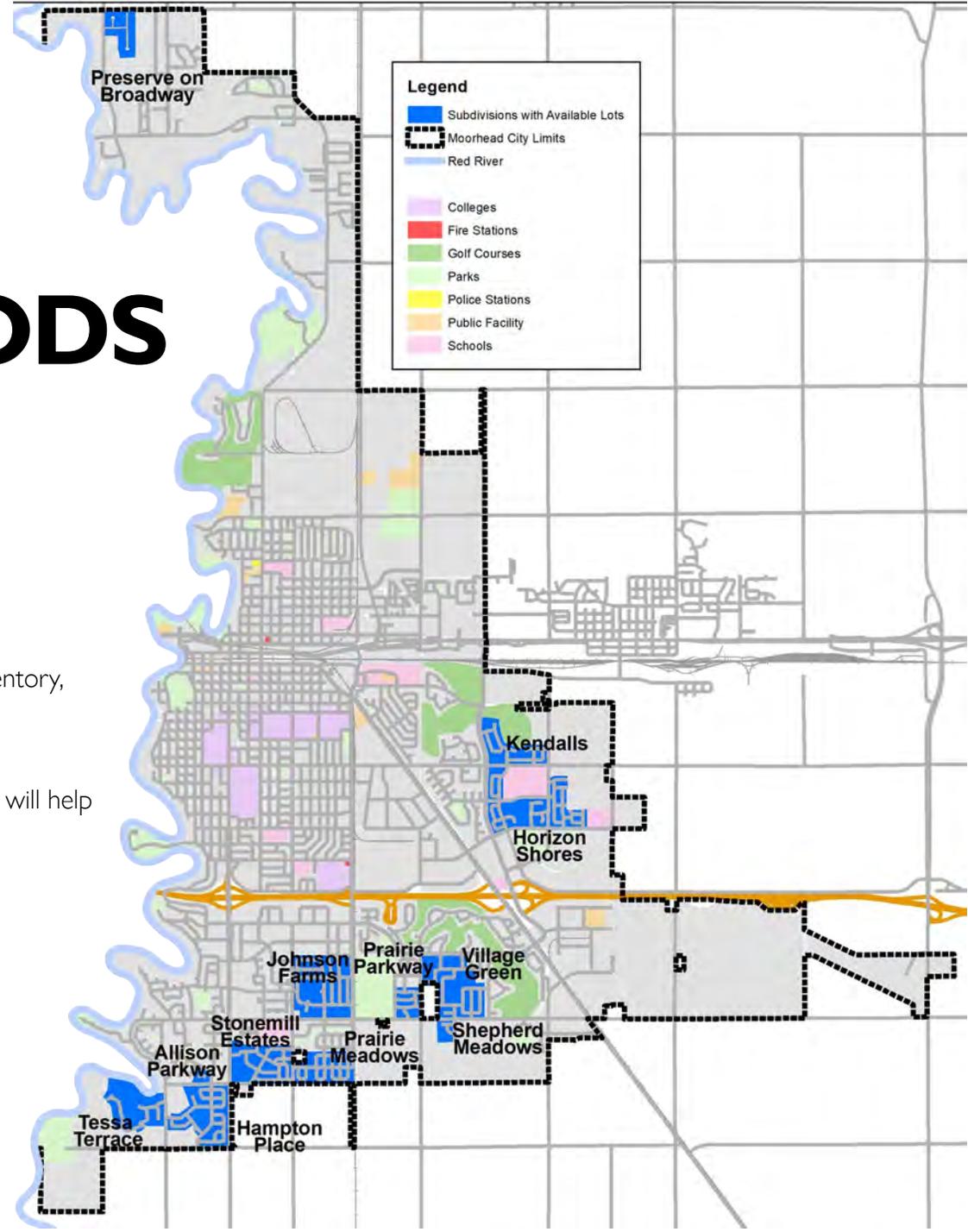


PHOTO: Prairie Parkway

2021 NEIGHBORHOODS

AVAILABLE LOTS IN MOORHEAD

- It is anticipated that there will be approximately **270 fully serviced buildable lots** in various subdivisions in Moorhead entering the 2022 construction season.
- The 10-year average construction rate for single-family attached and detached homes is approximately 136 building permits per year. Based on this 10-year average and 2022 inventory, Moorhead currently has an **approximate 2-year supply of fully serviced, buildable lots**.
- The City is completing the Onward Moorhead! Comprehensive Plan process in 2022 that will help guide growth and development for the next decade.



DOWNTOWN NEIGHBORHOOD



PHOTO: Block 37 Flats

500 IN 5 GOAL

In May 2018, Moorhead's City Council established a goal to support development of 500 new and/or renovated housing units within the next 5 years in downtown Moorhead. Since that time, 256 new housing units have been constructed or are under construction in downtown.

RENAISSANCE ZONE

Moorhead Renaissance Zone (RZ) is intended to encourage economic development and investment opportunities within the defined Moorhead RZ boundary by offering property tax exemptions for qualified projects that meet the minimum investment threshold and goals/objectives. No RZ applications were received in 2021.

On the horizon in 2022:

- 1 4 St S – Bolig Square by Epic Companies – 5-story mixed use, 40 units multifamily housing, 2 commercial units
- 801 2 Ave N – Fairmont Flats by Kevin Bartram – 105 units multifamily housing

STOREFRONT REHAB PROGRAM

Properties within Moorhead's Renaissance Zone are also eligible for the Storefront Rehab Program to encourage business owners to revitalize older commercial properties with a forgivable loan to improve the storefront façade.

Storefront Rehab Program projects competed in 2021 include:

- 1314 1 Ave N – The Bottle Shoppe

OPPORTUNITY ZONE

Moorhead's Downtown area has been designated as a qualified Opportunity Zone (created by the 2017 Tax Cuts and Jobs Act) and is ripe for investment using this robust development incentive.

DOWNTOWN PLAN

Downtown Moorhead Inc. and the City of Moorhead in cooperation with Stantec Consulting finalized the Downtown Master Plan in 2020. Center Avenue will be reconstructed in 2022 between the Red River and 8th Street.



COMMERCIAL & INDUSTRIAL

A look at commercial and industrial development within the city of Moorhead

PHOTO: Custom Express Car Wash

COMMERCIAL & INDUSTRIAL

The [Commercial-Industrial Property Tax Exemption Program](#) encourages economic development and investment opportunities for new or expanding businesses located in areas outside of the Moorhead Renaissance Zone.

Construction that increases the assessed building value by \$150,000 to \$999,999 and meets minimum job goals may qualify for a 3-year property tax exemption. Projects adding over \$1M in new building value may qualify for a 5-year property tax exemption.

INCENTIVES



PHOTO: Wags Stay n' Play

2021 PROJECTS



PHOTO: Armory Event Center

DOWNTOWN

- Vanne' Mixed Use - 1530 1 Ave N
- 12th & Main - 1205 Main Ave
- Block 37 Flats - 113 10 St S
- RiverHaven Event Center - 700 1 Ave N
- Armory Event Center - 904 Center Ave

COMMERCIAL & INDUSTRIAL

- American Crystal Sugar Office Bldg - 2500 11 St N
- Cash Concrete - 1817 23 St S
- Custom Express Car Wash - 3115 8 St S
- Diamond Rock Storage - 2724 12 Ave S
- Domino's -1530 1 Ave N
- D S Beverage – 201 17 St N
- 1st International Bank & Trust - 865 37 Ave S
- Midtown Tavern (serving Duane's Pizza) - 2223 Hwy 10 E
- Southmoor Plaza - 828 30 Ave S
- Spaulding Stone - 2530 20 Ave S
- Starbucks – 3250 Hwy 10 E
- Thor Investments - 679-681 Appletree Lane



INSTITUTIONAL

A look at institutional development
within the city of Moorhead

PHOTO: Moorhead High School Career Academy.



2021 PROJECTS



PHOTO: Moorhead High School

LOCAL GOVERNMENT

- Clay County, in partnership with the City of Moorhead, is constructing a \$21 million facility at 1700 34 St N that includes a waste transfer station, recycling center and offices to streamline recycling and trash operations.

EDUCATION

- Moorhead Area Public Schools' \$110 million new high school project kicked off in 2020.
- Moorhead Area Public Schools Career Academy (renovations of the former Sam's Club site) opened in 2021.



PHOTO: Clay County Waste Transfer Center

STRATEGIC PRIORITIES

Economy | Border City Disparities

2021 Legislative Outcomes

- The City received the legislative authority to place a local option sales tax question on a general election ballot in 2022 to ask voters to support a new Moorhead regional library and community center.
- The Border City Enterprise Zone and Disparity Reduction Credit programs to support Moorhead businesses remain in place at full funding level with no change to underlying policies.

Infrastructure | Environmental Sustainability

Minnesota GreenStep City - Moorhead has a Step 4 status in Minnesota's GreenStep Cities program that helps cities achieve sustainability and quality-of-life goals.

Resilient Moorhead - Created in 2019, this community taskforce is comprised of educational, local government, private & nonprofit organizations collaborating to develop and implement a community resiliency plan to respond, withstand, and recover from adverse situations.

PLANS & STUDIES

Moorhead Comprehensive Plan: Onward Moorhead!

Despite the pandemic, this public visioning effort started in 2020 defining the community's future for the next decade by outlining goals and action steps. The plan will be approved in early 2022.

Downtown Underpass Visual Quality Design Manual

Now that the Downtown Moorhead Underpass has received bonding funds, design elements will be explored.

2022 Plans

- Bike & Pedestrian Plan Update by FM Metro COG
- Metro Housing Study by FM Metro COG
- Red River Greenway Corridor Study by FM Metro COG.



PHOTO: Mary's Tunnel - Vikingship Park



PHOTO: Creative Moorhead Art Gallery - Moorhead Library



Rachel Beck
Love One Another, 2021

Acrylic on canvas

Creative
MOORHEAD

FORECAST 2022

- Southmoor Plaza and Days Inn Redevelopment (I-94 and 8 St S)
- Downtown Redevelopment Opportunities
- Regional Library and Community Center Campus
- Adaptive Re-use of Historic Fairmont Creamery Building

Legislative Priorities of 2022:

- Public Safety | Interstate Mutual Aid
- Capital Investment | Flood Mitigation
- Border Cities | Business Competitiveness: Preservation and protection of existing Border City Programs
- Border Cities | Construction Standards: Flexibility of Building Code provisions

COMMUNITY AMENITIES

River Corridor Trail Expansion

Moorhead was awarded a grant in 2020 from the Greater Minnesota Regional Parks and Trails Commission (Legacy) to install the Midtown Trail segment between Woodlawn Park and Gooseberry Mound Park anticipated to be installed in 2022.

Community Fund

The Moorhead Community Fund provides a way for the City to accept private, community support (donations) for a variety of community, park, and art projects.

Future community funding projects include:

- Inclusive Playground
- Natural Playground
- Regional Library / Community Center Campus



Photo Credit: FM Rotary
<https://fmrotaryfoundation.org/page/natural-playground/>

CONFLUENCE