

## **VII. HOUSING**

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Housing supply and demand depends on many factors outside of local control, growing and contracting with trends in the national and regional economies. Most housing is located within the County's cities, close to urban services, while the number of active farmsteads decreases as farms grow larger and consolidate operations. While most detailed census information is only available for the county as a whole, national trends show continuing interest in rural home sites, especially for recreational and lifestyle amenities.

### **A. Issues Summary**

- Cities provide over 70% of housing units
- The total number of housing units in the county declined 2% from 1990 to 2000
- Every township except one had a net loss in housing units
- There was growth in the number of housing units in duplexes, 3-4 unit and 20+ unit structures
- Housing costs are fairly stable
- Vacancy rates are low in almost all areas
- Farmsteads are being converted to other uses

#### **A.1 Housing Strengths, Challenges and Future Direction**

The County Committee identified Housing concerns in Cottonwood County.

##### **Housing Strengths**

- Affordable housing
- Few properties sitting vacant
- Growing labor force indicates potential demand for housing

##### **Housing Challenges**

- Lack of appreciation in home values
- Aging housing stock
- Conversion of farmsteads to non-farm uses

##### **Future of Housing**

- Most housing will be provided within cities where urban services are provided
- Existing homes will be maintained and improved
- Opportunities for limited rural non-farm housing will exist where proper infrastructure is available.

## B. Profile of Housing

The total number of housing units in Cottonwood County (both within incorporated and unincorporated areas) declined by 2.2% from 1990 to 2000. Over 70% of the county's housing units are located in incorporated cities. The City of Windom, with 39% of the county's housing, added housing units. However, the largest portion of the City's gain was realized from annexations of existing housing units in Great Bend Township, primarily in the River Road and Cottonwood Lake areas. All towns except Mountain Lake Township had a net decrease in housing units. Even with the Windom annexations, Great Bend Township has the largest number of housing units under the direct jurisdiction (the unincorporated townships) of Cottonwood County.

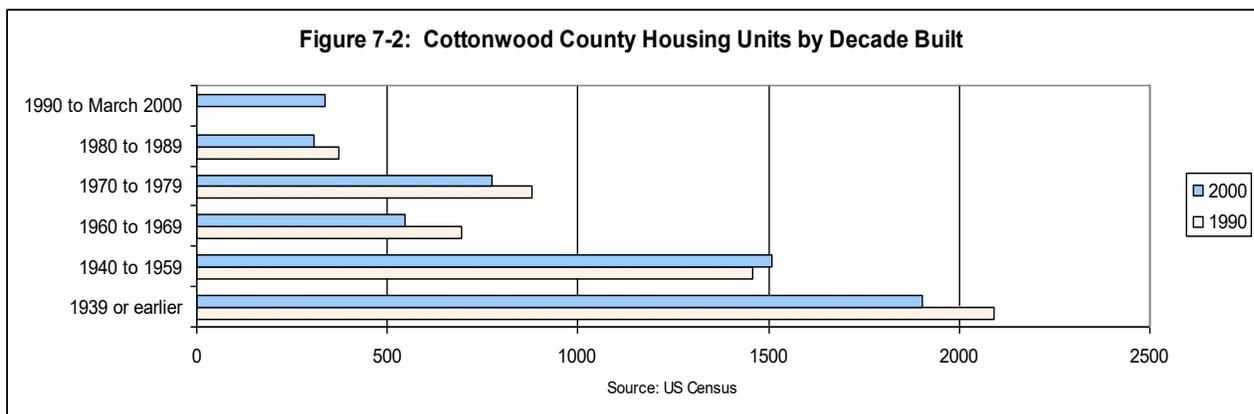
While the 1980s were a slow period for the local economy, the 1990s were just as slow for housing with only 335 new units reported to have been built between 1990 and 2000. Most housing units (56%) are heated with utility gas, with 23% using LP gas, 12% fuel oil and 7% electricity.

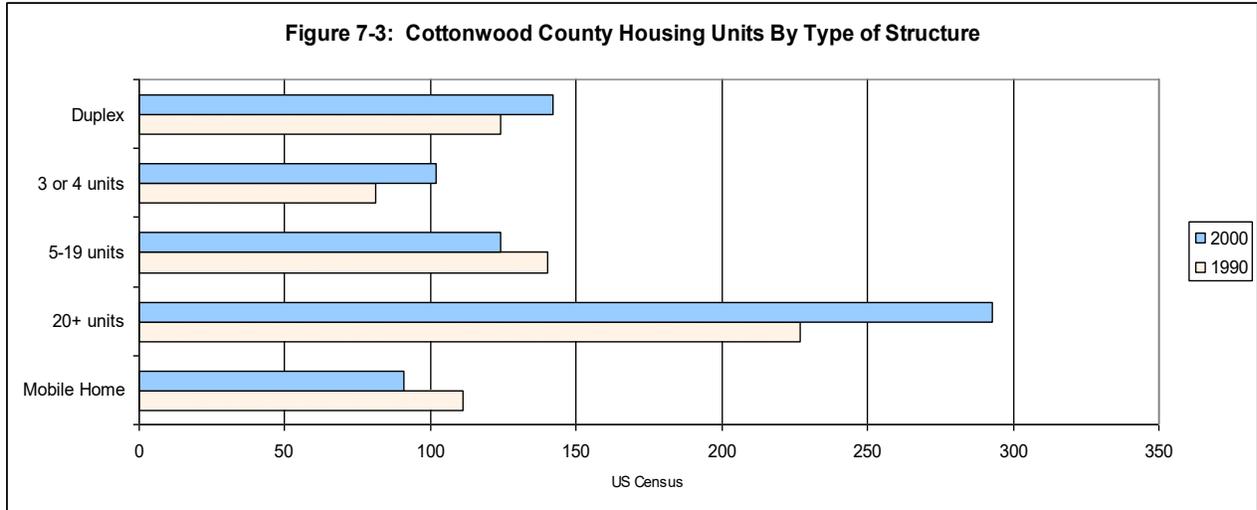
**Figure 7-1: Housing Units, 2000**

	Number Housing Units	Homeowner Vacancy Rate	Change in Housing Units From 1990
Amboy township	79	0	(10)
Amo township	63	0	(28)
Ann township	84	1.4	(11)
Bingham Lake city	65	5.4	(1)
Carson township	125	1.9	(1)
Comfrey city	6	0	4
Dale township	70	1.8	(4)
Delton township	58	0	(10)
Germantown township	92	7.8	(4)
Great Bend township	140	2.7	(126)#
Highwater township	74	3.4	(10)
Jeffers city	200	1.9	1
Lakeside township	102	1.2	(3)
Midway township	112	1.1	(5)
Mountain Lake city	896	1.6	13
Mountain Lake township	101	0	3
Rose Hill township	76	1.6	(7)
Selma township	90	0	(18)
Southbrook township	43	2.9	(9)
Springfield township	70	3.9	(13)
Storden city	132	5.2	(5)
Storden township	91	1.5	(9)
Westbrook city	412	5	(33)
Westbrook township	106	0	(10)
Windom city	2089	3.7	167#
<b>Cottonwood County Total</b>	<b>5376</b>	<b>2.8</b>	<b>(119)</b>

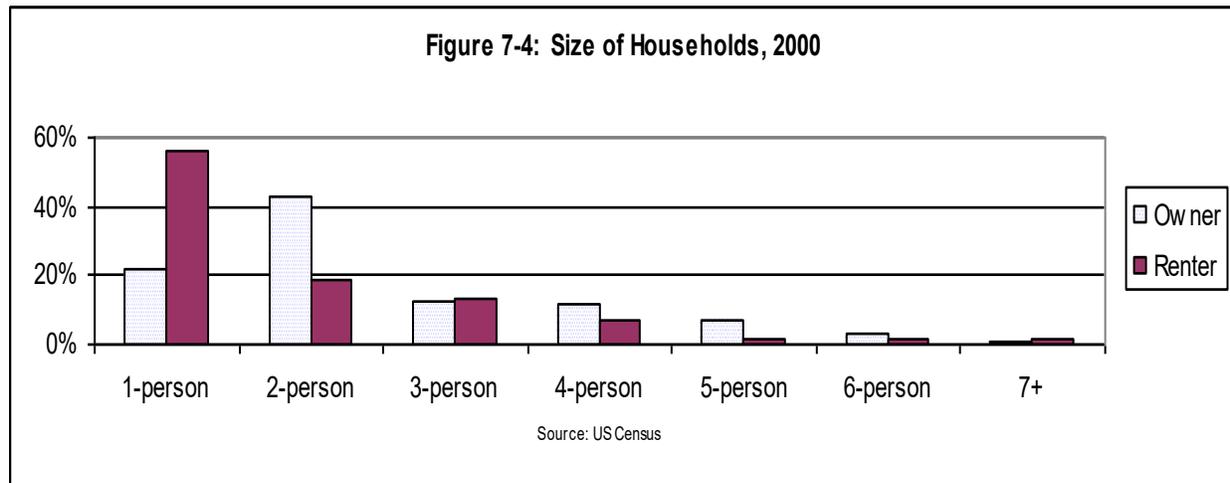
# The City of Windom annexed existing housing units from Great Bend Township between 1990 and 2000.  
Source: US Census of Housing 2000

**Figure 7-2: Cottonwood County Housing Units by Decade Built**





Eighty-six percent of all local housing units are single family dwellings. Almost all multi-family housing units are located within the municipalities. Aside from large congregate housing complexes—often assisted living or skilled care facilities—the makeup of housing has shifted away from mobile homes and mid-size apartment complexes to favor duplexes and 3-4 unit buildings. Consistent with the population demographics, the largest number of households consist of just one or two persons.

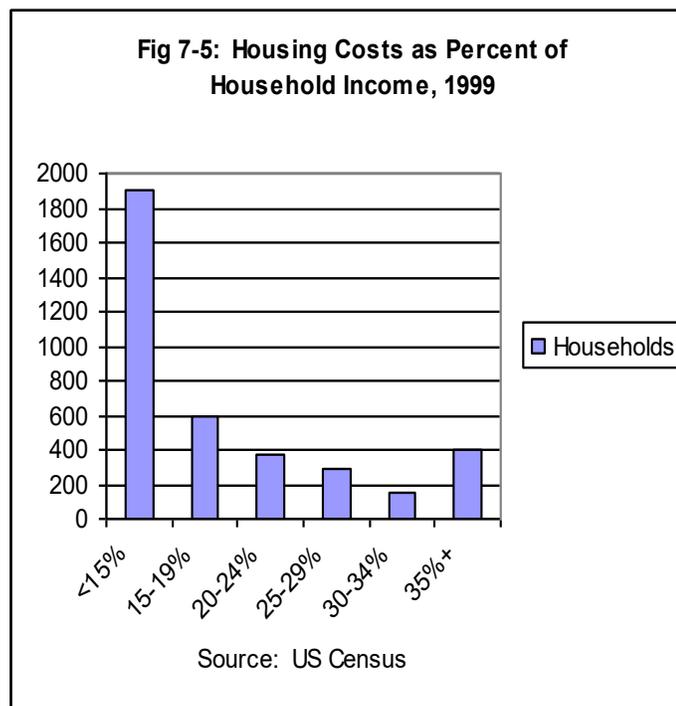


New housing does continue to be built in the county. Since 2000, 37 permits have been issued by the County Zoning Office for new homes and 97 permits issued for home additions in the unincorporated portions of Cottonwood County. The Windom EDA has been involved in development of River Bluff Estates Subdivision in that city, with assistance from the Southwest Minnesota Housing Partnership. SWMHP, officed in Slayton, offers comprehensive services in support of housing rehabilitation and new development, including housing planning, construction management, program administration, project fiscal management, lending, grant writing, marketing, education, and mortgage counseling. Since forming in 1992, SWMHP has undertaken projects in Westbrook, Storden, Jeffers, Comfrey, Windom and Mountain Lake. Other groups, such as Western Community Action (a non-profit organization with offices in Marshall & Jackson), also work with communities on housing issues in Cottonwood County.

## B.1 Housing Costs

Housing costs are fairly stable across the region. Typically, housing is considered “affordable” when they are in a safe and sanitary condition and do not require more than 30% of a household’s annual income. More than half of all households in Cottonwood County reported spending less than 15% of their 1999 income on housing costs and over 50% of households that occupy their own homes reporting not having a mortgage. (It may be that some of these housing units are financed with agricultural notes as part of a farming operation.) The Minnesota State Demographic Center found, in an analysis of Minnesota Dept. of Revenue sales data, that the median sales price of existing housing units in Cottonwood County rose from \$52,150 in 2000-2001 to \$56,268 in 2002-2003, a modest 8% change. The

statewide median sales price was \$169,900 in 2003, over a 21% rise in the same period. In the region, median sales prices ranged from \$54,000 in Jackson County to \$87,650 in Brown County, with appreciation from on 5% in Jackson County to over 20% in Redwood County. While lower costs provide for more affordable housing, the lack of appreciation tends to discourage people from investing and building new homes anywhere in Southwestern Minnesota.



## C. The Character of Rural Housing

Rural housing units include farmsteads, non-farm homes and home occupations, and seasonal cottages or lakeshore homes, although Cottonwood County has comparatively few lakes to attract seasonal homebuyers. The unincorporated community of Delft also accounts for housing units in Carson Township. Former farmsteads, as was noted even in the 1970 *Cottonwood County Comprehensive Plan*, are typically occupied by retired farmers, or simply enjoyed by people who work in the urban areas and prefer the country lifestyle. In 1997, University of Minnesota geographers Prof. John Fraser Hart and student Lisa Rainey studied farmsteads in Carson Township (“Redundant Farmsteads in Minnesota”, *CURA Reporter* September 1998). They found that about 1/3 of occupied farmsteads in the township were home to full-time farmers and 11% were occupied by part-time farmers, most with off-farm jobs. Of the non-farm farmsteads, many were still home to former farmers now working in town, with a few places occupied by families which had moved from town for the country location.

Isolated farmsteads may not necessarily be appropriate for non-farm residential use. Some are located along less accessible township roads or in environmentally sensitive areas. For many it simply may not be cost-effective to update utilities and septic systems to modern standards. However, few townships saw substantial vacancy rates for owner-occupied units in 2000. Generally, a 5% vacancy rate is considered normal to account for homeowner turnover, renovations, etc. Only Germantown Township, just south of Sanborn, exceeded this level. As Hart and Rainey surmised, it appears that property owners have been actively converting old farmsteads to tillable acres rather than let the old homes and barns sit vacant.

Conversion of rural farmsteads to farmland is of mixed public benefit. It does encourage active use of the land, and discourages potential vandalism and misuse of abandoned property, which has become even more of a problem with the national growth of clandestine drug manufacturing in rural areas. However, it also decreases the township tax base and removes units from the pool of available housing. The lower tax base provides fewer resources for public services in rural areas, such as maintenance of local roads. Less available housing also discourages people from locating in the County, accelerating the historical downward spiral of population loss.



USDA Photography