



ENGINEERING, REIMAGINED



CITY OF VERGAS

Housing Study

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Introduction

The initial scope of work for this project was to update the City of Vergas portion a draft Otter Tail County housing study. But after visiting with the Vergas EDA at their December 2019 meeting it became obvious that the EDA's objectives would not be fulfilled by just updating the draft report. As discussed at the December EDA meeting, some objectives are completely beyond the scope of the housing study, and will need to be addressed by the comprehensive plan which is anticipated to be undertaken after this housing study is completed. In order to most efficiently accomplish the EDA objectives, the scope was streamlined to refocus KLJ efforts on the essential elements of the housing study. The streamlined approach focuses on the following three topics:

1. The current housing stock characteristics of Vergas.
2. The current population characteristics of Vergas.
3. The future trajectory of housing and population in Vergas if the current patterns continue.

What the EDA ultimately wants is to position the City of Vergas for population and development growth. A necessary first step is understanding the existing situation of the City with regard to housing. To do this, KLJ documented current available information about the housing stock and population of the City. Additionally, based on a community wide survey that would provide complete household demographic information the intent was to project future population growth alternatives based on certain assumptions about the factors of population change. Although there was a good response rate for the survey, it was not complete enough to prepare a future population projection. However, this report summarizes the research and analyses of population and housing data, includes a brief discussion of three alternative future scenarios, and identifies additional questions to be answered.

One topic central to the EDA's objectives that was beyond the scope of this project was the question of potential market for growth. This question should be addressed in the comprehensive plan process. It would include speculating on who would come to Vergas if the housing were available. The answer to this question influences developers' choice to invest in a community. The city cannot develop a guaranteed answer to the question.

This report includes a short section summarizing the context of the City, and three longer sections discussing the city's housing characteristics, population characteristics, and potential future housing and population trends.

As noted earlier, in order to obtain more detailed information for this study, the EDA and city staff administered a survey that asked a broad range of questions. Some of these questions focus on housing characteristics and population characteristics. Others cover other topics that will be addressed in the subsequent comprehensive plan project. A summary of the survey results is included as an Appendix to this report. Relevant information from the survey was discussed when it pertained housing and population characteristics.

Context

The City of Vergas is located in the northwestern corner of Otter Tail County in the Central Minnesota Lakes country. It is approximately 60 miles from the metropolitan center of Fargo-Moorhead and approximately 20 miles away from Detroit Lakes. The economy in this part of Minnesota is a mix of farming, small manufacturing, local government, services, hospitality and tourism, and retirement living. Many residents in the region commute to the Fargo-Moorhead for employment. Residents of Vergas also commute to Fargo-Moorhead, and other larger local communities such as Perham and Detroit Lakes for work. The city is served by Otter Tail County Roads 4, 17, 35 and 60. The closest State Highways are MN TH10 to the east and MN TH69 to the west.

The City of Vergas was formed November 10, 1903. Its population and local employment levels have fluctuated over the decades. It is bordered by Lake Lawrence and Long Lake, and its area of approximately 991 acres is divided into 351 parcels of land and 3 parcels of lake. It also includes 18 parcels of public right-of-way. The 40 largest parcels range in size from approximately three acres to 132.5 acres. There are 398.7 acres of land classified as residential. This does not include 5.7 additional acres of land with multi-family buildings.

Housing Characteristics

Based on the Otter Tail County Assessor’s records there are 261 parcels of residential land in Vergas. This total of 261 parcels includes those that are completely vacant, those that have a garage on them and could yet have a house built on them, and those that already have a house on them. The distribution of the types of parcels with residential use is shown in Table 1. Note that in addition to the 261 residential parcels, there are 6 parcels which are classified by the Otter Tail Assessor as commercial but have residential units on them. Three parcels contain an assisted living center and four apartment buildings. An additional three parcels in downtown Vergas each have a second story apartment.

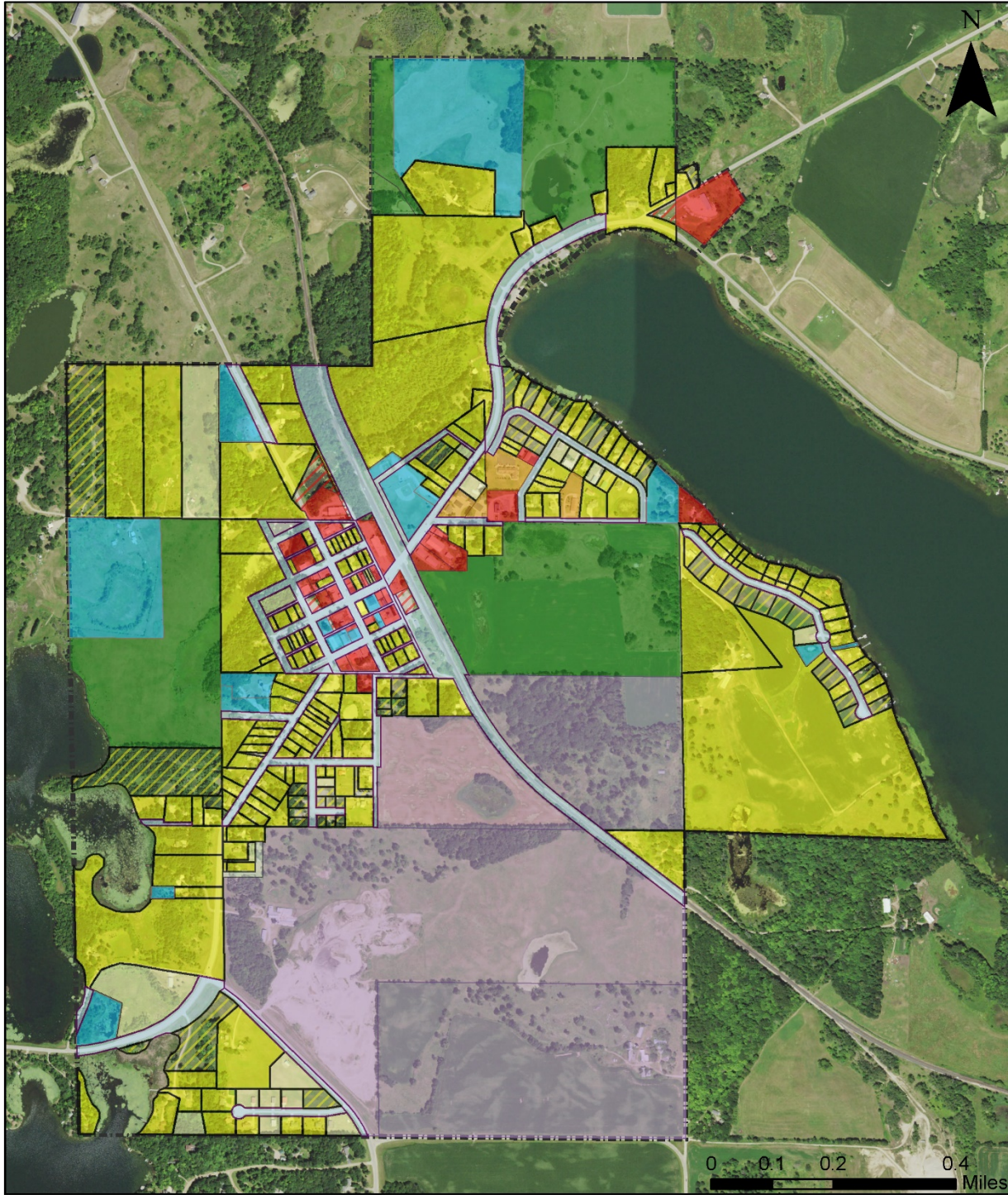
There are 183 single family housing units, 25 apartment housing units distributed among four apartment buildings, and 15 housing units in the assisted living facility. There are three residential units located on the second floor of commercial buildings located in downtown Vergas. These units will be treated as single family housing units in the remainder of this study. Table 1 also shows the distribution of residential units by the following categories:

- Seasonal vs Year Round
- Rental vs Owner Occupied

Table 1: Distribution of Residential Units by Selected Characteristics

Residential Parcels		# of Parcels	Owner Occupied	Rental	Unknown
Single Family		261			
With Buildings		217			
	Year round houses	158	87	6	65
	Seasonal houses	25	10		15
	Garages only	21			
	Old ROW only	13			
Without buildings		44			
		# of Parcels	Buildings	Units	
Multi-Family		3	5	40	
Assisted Living Facility		1	1	15	
Apartment Buildings		2	4	25	
	Vergas Apartments	1	3	21	
	Scharf Ave Apartments	1	1	4	
Commercial Parcels		# of Parcels	Buildings	Units	
With Buildings		3	3	3	
	Building 1	1	1	1	
	Building 2	1	1	1	
	Building 3	1	1	1	

Map 1 illustrates the overall distribution of residential property in the Vergas. As noted previously, 261 parcels are designated as residential because they are intended by the city for residential development. They contain a total of 183 houses. They also include 65 parcels which could have houses built on them. Three additional parcels are apartments or the assisted living facility. And three downtown buildings each have a second story apartment.



Land Use

- | | | | | | |
|--------------|-------------------------|------------|-------------|---------------------------|-----------|
| Agricultural | C1; Commercial Building | Industrial | Public | Residential Vacant Garage | Unknown |
| Apartment | Commercial Vacant | Public ROW | Residential | Residential Vacant | Wasteland |

Relevant highlights from the community survey include:

- Out of 114 respondents, 106 said they own their residential property, and 8 said they rented.
- Out of 115 respondents, 103 said they live in their residence year round, and 12 said they use it seasonally.

According to the 2010 Census, there were 55 occupied rental housing units in the City of Vergas. Of these units, 43 are apartments and senior living facilities. This suggests there are 12 additional single family residences that are rental properties. Information on building and average housing unit value for three of the apartment buildings and the assisted living facility was derived from data provided by Otter Tail County. See Table 2 for details.

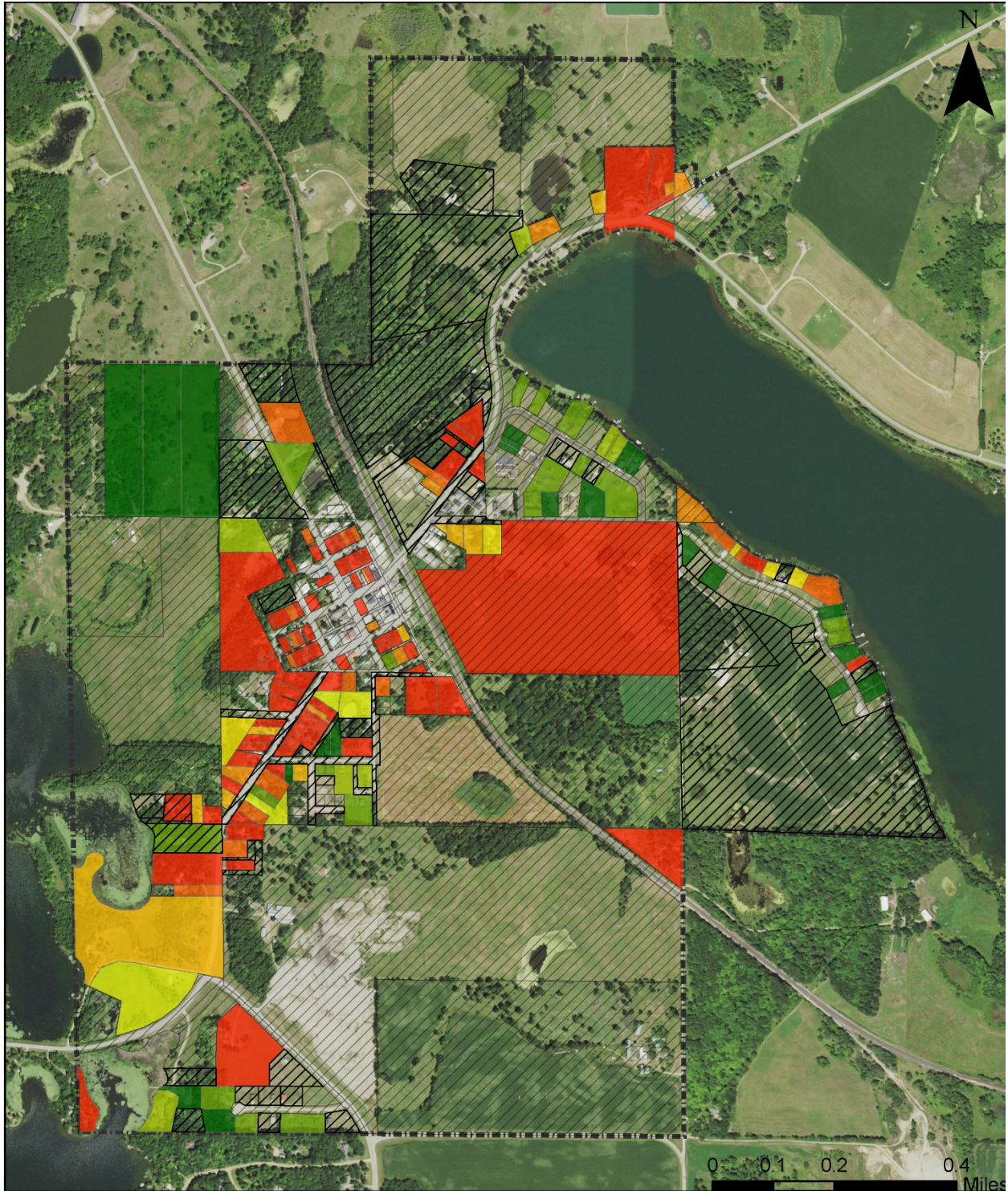
Table 2: Available Multi-Family Value and Inventory

Name	Number of Units / Bedroom Mix	Value of Apartment Building	Value Per Unit
Vergas Apartments	3 - 1 Bdrm+Den 18 - 2 Bedroom	\$690,400	\$32,876
Vergas Assisted Living	15 - Efficiency Units	\$698,300	\$46,553

The age of single family housing stock in Vergas is summarized in Table 3. The median age of housing in Vergas is 64 years old (built in 1956) based on the data provided by the County. This is because 72 residences were built before 1940. Twenty-seven percent of the housing stock in Vergas was built in the last 20 years. Another 20 percent was built between 1950 and 2000. The 2000 Census identified age of structures for single family homes. Those statistics are included as a point of reference, although they are not considered as accurate as the County data. Typical housing studies identify the condition of homes to alert the community to those homes which may be losing property value and needing rehabilitation in order to maintain their capability as residences. However, 98 percent of the residential structures in Vergas are in generally good condition and are not in need of rehabilitation. It is worthwhile to point out that within the last two years, a few homes were purchased by an investor and are currently being rehabilitated. Map 2 shows the geographic distribution of single family housing units by their age. As might be expected the older homes are primarily clustered in or near the original townsite where the downtown is located.

Table 3: Age of Single Family Housing Stock

Time Period Built	County/City Records	Proportion	2000 Census
2019	3	2%	
2010 to 2018	22	12%	2
2000 to 2009	25	14%	4
1990 to 1999	7	4%	2
1980 to 1989	4	2%	15
1970 to 1979	5	3%	35
1960 to 1969	10	5%	2
1950 to 1959	10	5%	22
1940 to 1949	19	10%	27
Before 1940	72	39%	65
Unknown	6	3%	
Total	183	100%	



The residential building value in Vergas ranges from less than \$50,000 to over \$400,000, based on Otter Tail County Assessors records. The distribution of building values and total parcel values is shown in Table 4.

Table 4: Distribution of Land and Building Value in Residential Use

Value of Buildings	Number of Parcels	Value of Land and Buildings	Number of Parcels	Average % of Value in Buildings
		≥ \$600,000	1	28%
		\$500,000-599,999	2	46%
≥ \$400,000	0	\$400,000-499,999	5	31%
\$300,000-399,999	1	\$300,000-399,999	8	39%
\$200,000-299,999	1	\$200,000-299,999	25	17%
\$150,000-199,999	2	\$150,000-199,999	28	19%
\$100,000-149,999	19	\$100,000-149,999	44	15%
\$50,000-99,999	8	\$50,000-99,999	52	18%
<\$50,000	144	<\$50,000	10	29%
unknown	8	unknown	8	unknown
Total	183	Total	183	

Older homes in Vergas, although in good repair, generally are smaller than those built more recently. Table 5 illustrates that in general older housing stock has lower property values. Twenty-six out of the 40 properties valued above \$200,000 had homes built after 1990. The majority of properties valued below \$150,000 had homes built before 1970 and account for 54 percent of the housing stock. For properties with homes built in the last twenty years, their value ranges between \$62,600 and \$613,200. This contrasts with the property values where homes were built prior to 1940. Their value ranges between \$20,300 and \$286,600.

Table 5: Number of Parcels by Property Value and Age Distribution

Time Period Built	Less than \$50,000	\$50,000-99,999	\$100,000-149,999	\$150,000-199,999	\$200,000-299,999	\$300,000-499,999	\$500,000 +
2010 to 2019	1	4	0	6	5	4	2
2000 to 2009	0	2	0	8	7	6	0
1990 to 1999	0	2	0	3	0	2	0
1980 to 1989	0	0	1	1	1	0	0
1970 to 1979	0	0	0	2	3	0	0
1960 to 1969	0	2	6	2	1	0	0
1950 to 1959	0	6	3	1	0	0	1
1940 to 1949	1	3	9	1	2	1	0
Before 1940	5	33	22	3	4	1	0
Total	7	52	41	27	23	14	3

Vergas’s median housing value, according to the County data, was \$119,200, which is \$54,100 below the County median value. It would be valuable to compare the property value (land and buildings) for residential properties in Vergas with residential property values in nearby communities. It is recommended that the anticipated Comprehensive Planning activity undertake this comparison.

Residential sales are another indicator of housing value and market demand. Available records from the Otter Tail County Assessor show over the last 10 years, 86 residential properties have changed ownership in Vergas. This includes sale of land, and sale of land and buildings. In some cases, the building may have been only a garage. The range of sale prices for these properties was between \$73,500 and \$739,000. Table 6 summarizes the sale information. Table 7 illustrates the price per square foot values paid as well. 2013 was the year with the most sales with sales ranging from a high of \$330,000 to the lowest sale at \$28,162. The homes in Vergas showcase a large range in sales values probably due to the potential sales of lake front property driving the price upwards. For the decade the median value for residential properties was \$135,112 due a large number of low value sales occurring.

Table 6: Median Value of Recent Year-Round and Seasonal Property Sales

<i>Year</i>	<i>Number of Sales</i>	<i>Avg Price</i>	<i>Highest</i>	<i>Lowest</i>
2019	11	\$166,486	\$739,000	\$21,000
2018	8	\$125,025	\$240,000	\$61,800
2017	9	\$162,667	\$289,000	\$2,000
2016	11	\$77,602	\$150,000	\$13,556
2015	11	\$196,810	\$600,000	\$32,500
2014	4	\$254,750	\$389,500	\$130,000
2013	14	\$107,847	\$330,000	\$28,162
2012	5	\$94,980	\$159,900	\$60,000
2011	8	\$60,656	\$129,900	\$25,000
2010	5	\$104,300	\$152,000	\$73,500

Over the last decade the highest concentrations of sales have been at the \$50-74 per sq. ft. and \$100-124 per sq. ft. values.

Table 7: Number of Residential Property Sales by Price per Square Foot, 2010-2019

<i>\$0-24 SQ.FT.</i>	<i>\$25-49 SQ.FT.</i>	<i>\$50-74 SQ.FT.</i>	<i>\$75-99 SQ.FT.</i>	<i>\$100- 124 SQ.FT.</i>	<i>\$125-149 SQ.FT.</i>	<i>\$150-174 SQ.FT.</i>	<i>\$175-200 SQ.FT.</i>
4	9	37	34	37	27	11	4

The Vergas community survey was able to provide information on 133 housing units which is approximately 73 percent of the current housing stock.

Demographic Characteristics

The most recent population estimate for the city of Vergas is 363 from the 2018 Population Estimates Program of the US Census Bureau. (The 2019 Census Bureau estimates will be released on May 19, 2020.) The parallel estimate for households in 2018 is 193. (Assuming the three housing units built in 2019 are occupied, the 2020 estimate for households is 196, and applying the 2010 persons per household to the total households yields a derived 2020 population of 368.) Historical population, household, housing unit statistics are presented in Table 8, along with some additional derived statistics. The population reached 361 in 1920 and generally declined to a low of 181 in 1970. Since 1970 the population has slowly grown to the current estimated high population of 368. In contrast to the pattern in most Minnesota cities, the Baby Boomer period from 1946 to 1964 was a period of declining population.

Table 8: Available Historical Population, Household and Housing Change Statistics, 1910-2020

Year	Population	Households	Persons/ Household	Housing Units	Single Family Units	Multi- Family Units	Median Age
2020	368	196	1.88	226	186	40	46.8*
2010	331	176	1.88	202	162	40	52.5
2000	311	143	2.17	165	129	36	43.1
1990	287	137	2.09	172	136	36	46.1
1980	287	122	2.35	133	133	0	35.3
1970	281	111	2.53	121	121	0	45.1
1960	292	106	2.75				
1950	301						
1940	351						
1930	323						
1920	361						
1910	237						

*median age in 2018 from American Community Survey

The most reliable information about the population by age and sex is from the Decennial Census Program of the US Census Bureau. The 100 percent count information from the 2010 Census and sample data from 2018 American Community Survey data are shown in Table 9. The 2018 data is very suspect because of the wide margin of error due to low sampling size. Therefore Table 9 also shows statistics on population by age from the recently completed community survey. Since the survey only accounted for 115 households, it does not fully represent Vergas either. It is not appropriate to extrapolate the age distribution from the survey to the entire population because the households missing are disproportionately representing those who are seasonal residents and tend to have smaller, and older, households.

In general, population change is a result of three factors: deaths, births, and migration. If there had been no births or deaths, and no in-migration or out-migration, the population of Vergas today would be the same number and sex distribution as in the 2010 Census, but would be ten years older. Statistically, in large populations, birth rates and death rates change very slowly. Small populations like the City of Vergas are subject to greater variability. However, lacking more specific information, estimates or forecasts of population change usually apply the birth and death rates of a larger geography. In this case, that geography is Otter Tail County.

Table 9: Estimated Population Distribution by Age and Sex

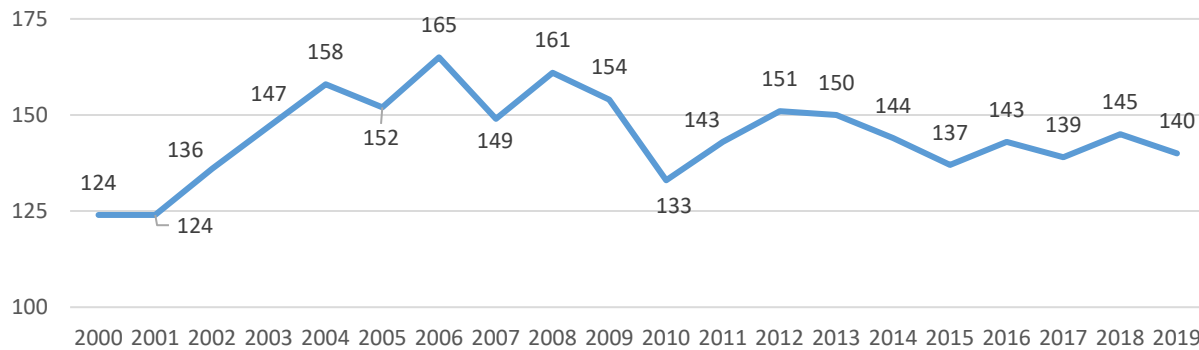
Age	2020 Survey Distribution		2010 Census Distribution		Male			Female		
	#	%	#	%	2010	2018	change	2010	2018	change
Under 5	8	3%	14	4%	10	11	+1	4	16	+12
5-14	17	7%	23	7%	16	21	+5	7	5	-2
15-24	13	6%	26	8%	12	42	+30	14	18	+4
25-34	20	9%	42	13%	23	8	-15	19	8	-11
35-44	21	9%	33	10%	13	22	+9	20	16	-4
45-54	27	12%	48	15%	25	19	-6	23	27	+4
55-64	44	19%	54	16%	25	27	+2	29	30	+1
65-74	58	25%	41	12%	19	21	+2	22	19	-3
75+	22	10%	50	15%	21	10	-11	29	32	+3
Total	230	100%	331	100%	164	181	+17	167	171	+4

There may be additional sources of information that provide some indication about what the age and sex distribution is in 2020. Table 9 also shows the age distribution data from the community survey. This could be compared with school age children if data becomes available from the Frazee School District. However, the dominant finding about the population of Vergas illustrated in Table 10 is that it has a large older population. Relevant highlights from the community survey include:

- 57 of 114 households (50%) had at least one member who was 65 or older
- 54% of the population in Vergas is age 55 or older
- The high levels of older people in the Vergas population helps to explain the significant reduction in persons per household (from 2.17 in 2000 to 1.88 in 2020) listed in Table 10
- 33 of the 114 households (29%) represented by the survey were single adult households
- Out of 114 respondents, 21 (18%) of the households had children under the age of 18
- Out of 115 respondents, there were only two households with a single adult and children under 18

Another facet of demographic characteristics of Vergas is its workforce. Figure 1 shows the average annual employment over the last two decades for the City of Vergas. This is an estimate of the number of people living in Vergas who are participants in the workforce. Annual covered employment excludes sole proprietorships and farmers, and a few other unique worker situations. The peak employment happened in the middle of the 2000's. but the overall pattern is one of growth from the beginning to the end of the twenty year period.

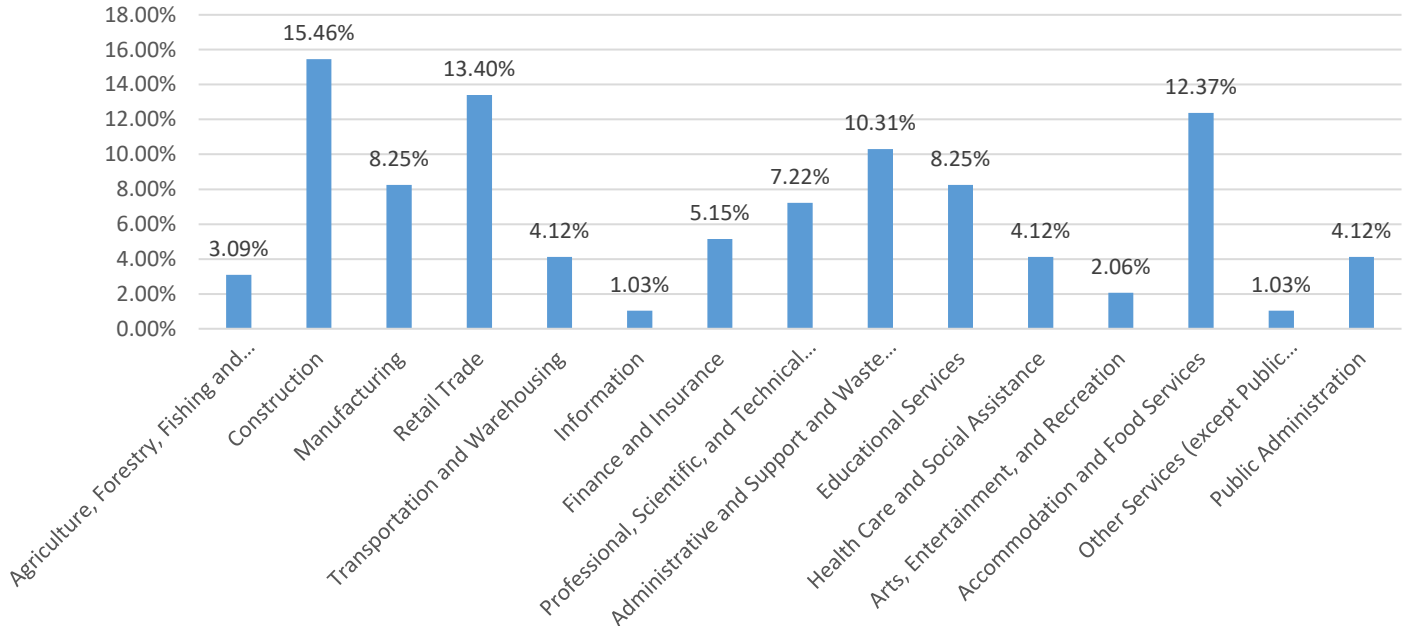
Figure 1: Annual Average Employment, 2000-2019



The community survey results indicated 122 individuals in the work force from the households represented. This is close the QCEW employment statistics. The survey responses indicate that 91 people above the age of 16 were working fulltime while 31 are working part time.

The community survey data also allowed for the identification of the industries in which Vergas residents were working. This was done by matching the responses to NAICS sector codes. The NAICS is the North American Industry Classification System and is used to classify business establishments for the purpose of collecting, analyzing and publishing statistical data related to the U.S. business economy. Data from 97 respondents was able to be translated into industry classification. The remainder of the respondents either did not answer the question or had responses that did not allow unambiguous matching to industry classifications. As illustrated in Figure 2, the three largest industry sectors represented by the Vergas workforce are Construction (15.46 percent), Retail Trade (13.40 percent) and Accommodation and Food Services (12.37 percent).

Figure 2: Employment by NAICS Sector



The results of the community survey included information on where residents work and what type of work they do. Table 10 lists the number of workers who fit into each of the two-digit North American Industry Classification System (NAICS) categories or sectors. The table does not show what the workers in each of the NAICS sectors earns because actual income levels can vary widely within each NAICS category. Instead, Table 10 shows the average annual wage for each industry sector derived from the Minnesota Department of Employment and Economic Development average weekly income data for Otter Tail County in 2019.

Table 10: Distribution of Workers from Community Survey and Otter Tail County Avg Annual Wage by Sector

Number of Workers from Community Survey	NAICS Sectors	Otter Tail County Average Annual Wage
3	Sector 11: Agriculture, Forestry, Fishing and Hunting	\$37,856
15	Sector 23: Construction	\$47,008
8	Sector 31-33: Manufacturing	\$54,184
13	Sector 44-45: Retail Trade	\$28,132
4	Sector 48-49: Transportation and Warehousing	\$38,376
1	Sector 51: Information	\$53,550
5	Sector 52: Finance and Insurance	\$53,499
7	Sector 54: Professional, Scientific, and Technical Services	\$66,196
10	Sector 56: Administrative and Support and Waste Management and Remediation Services	\$36,140
8	Sector 61: Educational Services	\$42,126
4	Sector 62: Health Care and Social Assistance	\$43,992
2	Sector 71: Arts, Entertainment, and Recreation	\$20,508
12	Sector 72: Accommodation and Food Services	\$20,508
1	Sector 81: Other Services (except Public Administration)	\$39,884
4	Sector 92: Public Administration	\$68,796
97	Total	\$43,384

Future Population and Housing Scenarios

The city of Vergas has undertaken this study and a follow up comprehensive planning study to evaluate and consciously act to influence the future direction of the City. This section of the report highlights:

- Observations about the existing situation in Vergas
- Factors which could influence the future direction of Vergas
- Opportunities and potential scenarios which could be pursued

Observations

- There is a wide range in the value of existing housing stock in Vergas. Unlike most small communities, 100% of the housing stock is in good condition.
- There are very few vacancies in Vergas's existing residential housing units. Best available information suggests there are no vacancies in its multi-family housing units and only four in its single family housing units.
- There are 47 vacant lots intended for residential development. There are an additional 21 lots which have garages on them now that could also have houses built on them. There are several large tracts within Vergas that could developed if streets, sewer and water were extended.
- There is additional lakefront property within city limits which could be developed.
- 60 out of 116 respondents to the community survey (52%) have lived in Vergas for more than 10 years
- 63 out of 116 respondents to the community survey (54%) have owned property for at least 10 years
- 36 out of 116 respondents to the community survey (31%) have lived in Vergas 5 years or less
- 35 out of 116 respondents to the community survey (30%) have owned property for 5 years or less
- 10 percent of the respondents to the community survey use their residence seasonally
- Like many small towns in the Midwest, Vergas has an aging population. Its median age in 2018 was 46.8, nearly 9 years older than the median age of Minnesota. A significant portion of the population (54%) is age 55 or older.
- A majority of the workforce living in Vergas works outside the community.
- Vergas has a relatively intact downtown business district that has potential for expansion.
- Like many small towns in the Midwest, Vergas recently lost its grocery store. It is a top priority of the EDA to get a new grocery store.
- Vergas is not located on any major thoroughfare that has significant traffic volumes.

Factors of Influence

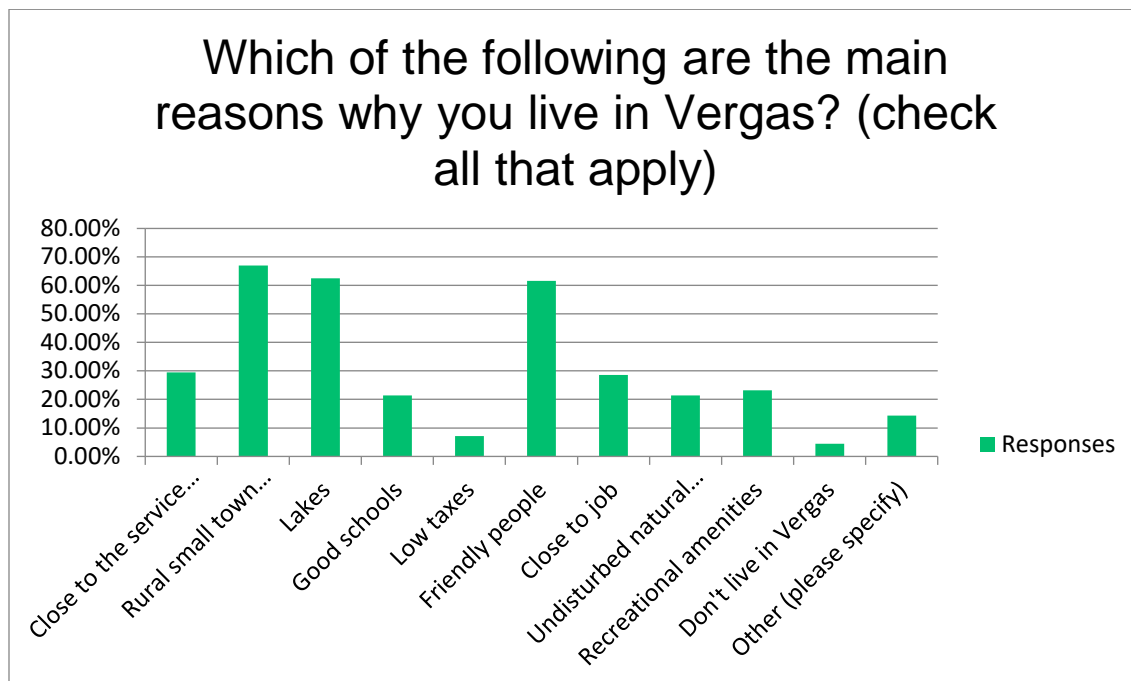
- Given the large amount of undeveloped land in Vergas, sewer and water capacity to serve future expansion is essential.
- The large segment of 55 and over population will have multiple influences on Vergas's future:
 - Many respondents have indicated they intend to live in Vergas the rest of their life, or at least until a major life event instigates a move. This may mean that there will be very little turnover in the existing housing stock.
 - However, at some point in time between ten and fifteen years from now, there will likely be a major turnover in existing housing stock ownership.
 - Services and facilities that allow this population to age in place will be important to their continued location in Vergas.
- There has been a large number of new housing starts in the last 20 years. Additionally, of the community survey respondents 31% have moved to Vergas in the last five years. This suggests that Vergas is a very attractive community in which to locate. Maintaining the existing qualities that make it attractive are important for stability and continued growth.

- A significant proportion of households in the region have two workers --- often working in different industries. The ability for at least one of the workers to have a job in or near Vergas is an important factor in the attractiveness of the community.
- Approximately 10% of community survey respondents indicated they felt high taxes, utilities, or housing prices were a barrier to moving to Vergas. Approximately 5% of them indicated high costs were a challenge to them. It would be beneficial to compare Vergas housing, tax, and utility costs with other nearby cities to see how competitive Vergas is in this regard.

Opportunities and Potential Scenarios

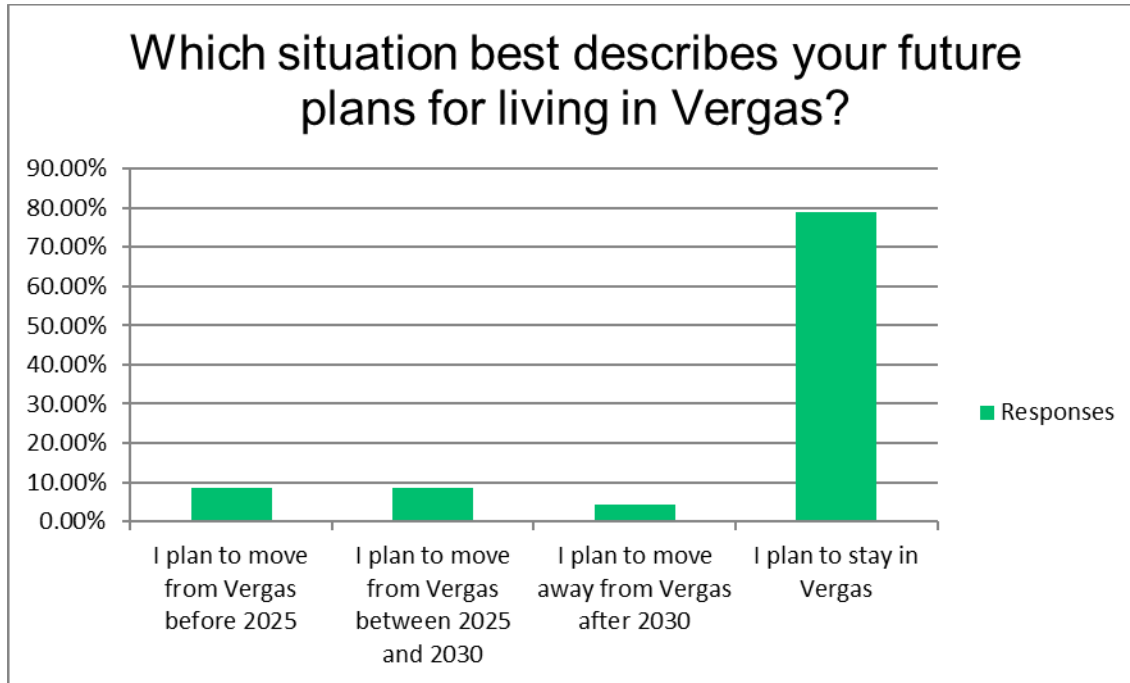
- Only 1 respondent out of 107 indicated their residence was currently for sale and 8 additional respondents indicated their residence would be for sale in the near future
- 15 responded to the survey question asking about challenges faced when purchasing a home in Vergas. This is out of 35 respondents indicating they have owned property in Vergas for 5 years or less. The most frequently expressed challenges were: taxes or specials (4), and, learning about the community or finding a home in the community to buy (3)
- 45 responded to the survey question about key factors that may prevent people from moving to Vergas even though they want to. Seventy-one people skipped this question. The most frequently expressed factors were: finding an available or affordable house (12), lack of grocery store (10), high taxes or utility costs (5). Eleven indicated they did not know anyone who would want to move to Vergas.
- 91 full time workers and 31 part time workers identified in the survey out of 97 respondents to that question. Note that among them were 26 of 92 responded that they did not work full time. Further analysis might tell us if there are households where there are only part time workers. Only 2 respondents have persons in their household who are not employed but looking for work.
- According to the community survey, dominant reasons for living in Vergas were: rural small town, lakes, and friendly people. The next most common factors were: close to jobs and close to service centers. Only 7% of the respondents indicated low taxes as a reason they live in Vergas.

Figure 3: Reasons to Live in Vergas



- Future plans 79% plan to stay in Vergas the rest of their life, and an additional 4% intend to stay more than ten more years.

Figure 4: Future Living Plans



- The community survey question which asked viewpoints about what Vergas should be in the future indicated 56% thought it should be a standalone community while only 37% felt it is a standalone community already.

Based on the preceding observations and factors of influence, the following scenarios for future change and development seem possible:

1. **Maintaining the status quo.** Expect a turnover of approximately 35 households in the coming decade. This will include approximately 15 sales of existing homes and 20 new houses. Although there are 44 potential lots for residential building, are there enough lots sized where the demand has been? And do those higher demand lots have existing street, water and sewer services available? If the current persons per household ratio holds, this would result in approximately a population growth of approximately 38 people.
2. **Increasing development activity.** Because there is so much vacant land potentially available for residential development in Vergas and an apparent pent up demand, it is feasible that more residential development than the status quo scenario will happen in the next decade. This study does not have the scope to evaluate the market in detail to project the level of additional growth. However, the factors most likely limiting this growth are overall national economic conditions and the capacity of Vergas to install additional infrastructure.
3. **Decreasing development activity.** Observations about this scenario are highly speculative. Because the impact of the COVID-19 pandemic on the national and local economy is hard to quantify this soon after the onset of the pandemic, the level of impact on development is very difficult to quantify. What we know is that the major levels of unemployment and reduced economic activity will reduce national, state, and local government revenues, and it will result in a reduced capacity for many people to build new homes. The housing collapse in 2008 took over 8 years for recovery. The impact of the COVID-19 pandemic will be substantially worse. The levels of unemployment are similar to those experienced during the Great Depression which took the onset of World War II to catalyze economic recovery.

Additional Observations for Consideration

Because seniors often have different housing needs than the younger population, it is important that the City of Vergas considers future housing appropriate for seniors in order to retain this key sector of their population.

Reasons influencing why people choose to live in a certain location are an important consideration for the City of Vergas. This varies somewhat by their season in life:

- Grandparents often choose to live close to where their children and grandchildren live.
- Working households usually choose to live close to where they can find employment.
- Younger adults who have or will be entering the workforce increasingly choose to live where they can live the lifestyle they want.
- Households who are just starting families often choose to live in places they feel will be the safest most positive environment in which to raise children.

Smaller, rural communities do not have to assume they cannot maintain their population base. Several studies in the Midwest of documented approaches that will attract young and mid-career workers. Vergas has the opportunity to build on those best practices by other communities to maintain and build a growing vibrant community in the years to come.