

June 6, 2025

To: Todd Feland, Ryan Brooks; City of Grand Forks

From: Mark Schill, Praxis Strategy Group

RE: Latest Rent Data in Grand Forks Area



Mr. Feland and Mr. Brooks,

Here is the latest rent data for the Grand Forks Area from the Zillow Rent Index as of April 2025. Zillow lists rent for Grand Forks County in April at \$1,293 per month. Even if Zillow's dollar figure is not perfectly accurate, this gives us a means to assess:

1. Change in rent over time
2. Comparison to other communities

Note that for 2023, the U.S. Census American Community Survey lists median gross rent for Grand Forks County at \$949 +/- \$88. Zillow's estimate for 2023 averaged \$1,134.

Some takeaways from Zillow's current rent data (see charts below):

- Growth of rent in Grand Forks County accelerated starting in early 2022 after modest growth from 2018-2022. (Chart 1)
- Looking at this growth period, rents in Grand Forks County are up 24% since January 2022. This is faster than most of the similar urbanized areas in the region. (Chart 2)
- At \$1,293 rent in Grand Forks County remains significantly lower than Twin Cities area counties and just below Burleigh County. However, rent in Grand Forks County is now higher than Williams (Williston), Cass (Fargo), Lincoln (Sioux Falls), and Ward (Minot) Counties. (Chart 3)

This upward trend in rent is a signal of an undersupply of housing in the area and aligns with other local trends:

1. Low vacancy rates and lack of new multifamily housing permits in Grand Forks since 2023 (presented recently by Mr. Brooks)
2. Rising home prices in Grand Forks since early 2024 and very low single-family home inventory.

Housing access and affordability is a critical economic competitiveness issue for the community. Grand Forks cannot afford to have "expensive" – real or perceived – housing costs if it wishes to compete and maintain fiscal sustainability. New development policy decisions are often framed emphasizing "neighbor vs neighbor" concerns. Each project should continue to be evaluated on its own merits, but the impact and benefit to the entire community should always be a criterion in policy and incentive discussions.

Grand Forks should:

1. Continue to foster development to build its tax base for the long term. A low tax base per capita is one of the greatest structural shortcomings in the community (see chart 4 from the Grand Forks Land Use Plan). Increasing the commercial tax base in the city is a critical way to ease the property tax burden on all citizens over the mid- to longer-term.

- Maintain competitive rents in the short-to-medium-term to enhance local quality of life and to attract the people needed to sustain the community and maintain economic competitiveness.

These data strongly suggest that Grand Forks County can sustain more housing units. While new units tend to enter at the higher end of the market, it is a common view in housing policy that “all new supply is good supply” because of the [concept of filtering](#). Yesterday’s “expensive” units are today’s “affordable” units. For instance, in the 1990s the Southwinds Apartments near Hugo’s on 32<sup>nd</sup> Avenue would have been considered some of the most expensive in the community. The same could be said of Legacy near Menards in the late 1990s-early 2000s, which were high-priced when new but now closer to the middle of the market.

Mark Schill

### Chart 1

#### Median Rent by County

Zillow Rent Index

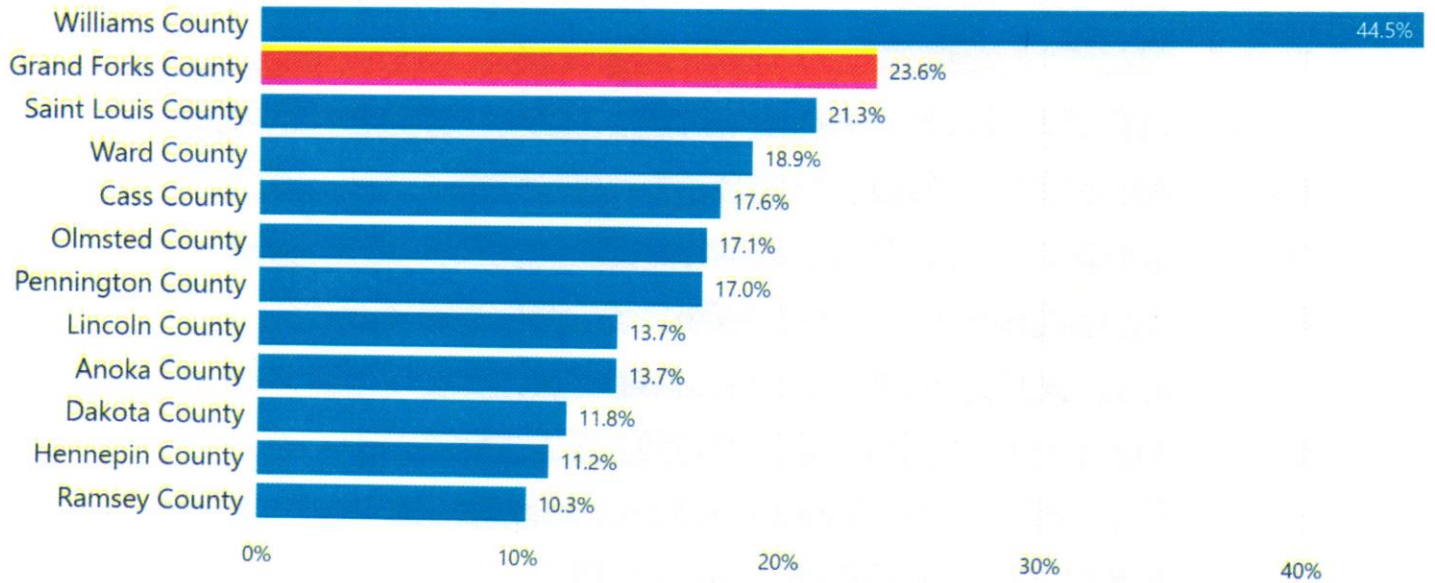
RegionName ● Grand Forks County



## Chart 2

### Median Rent Growth Since January 2022 by County

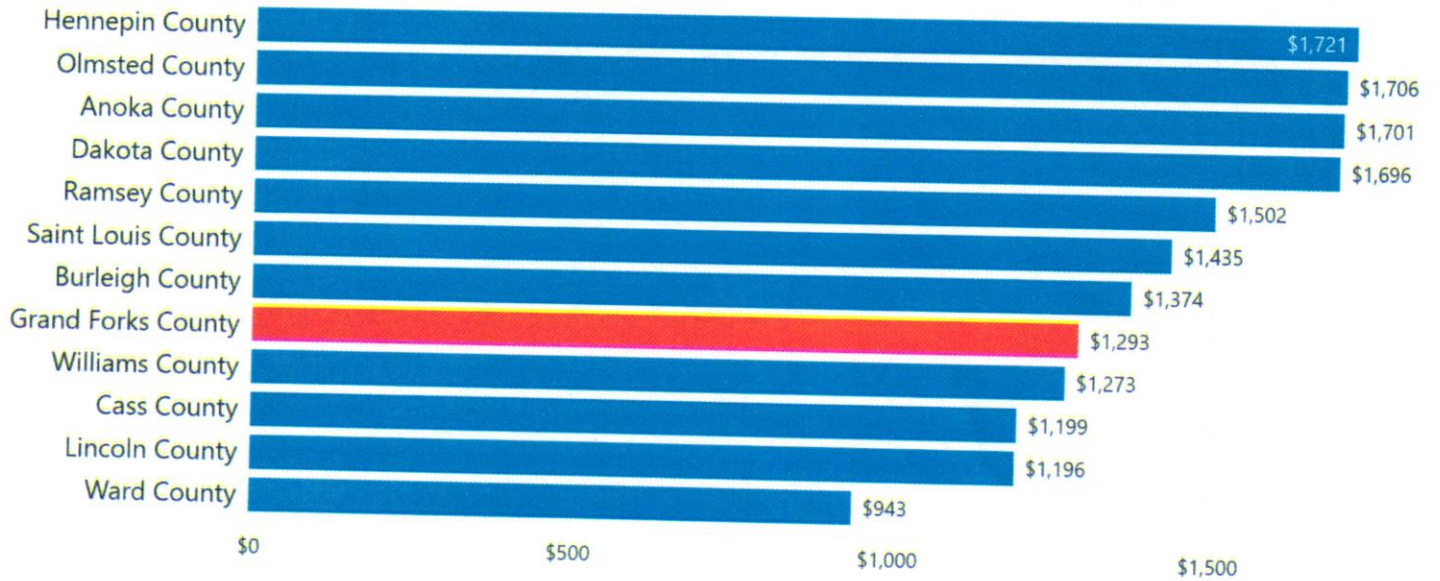
Zillow Rent Index



## Chart 3

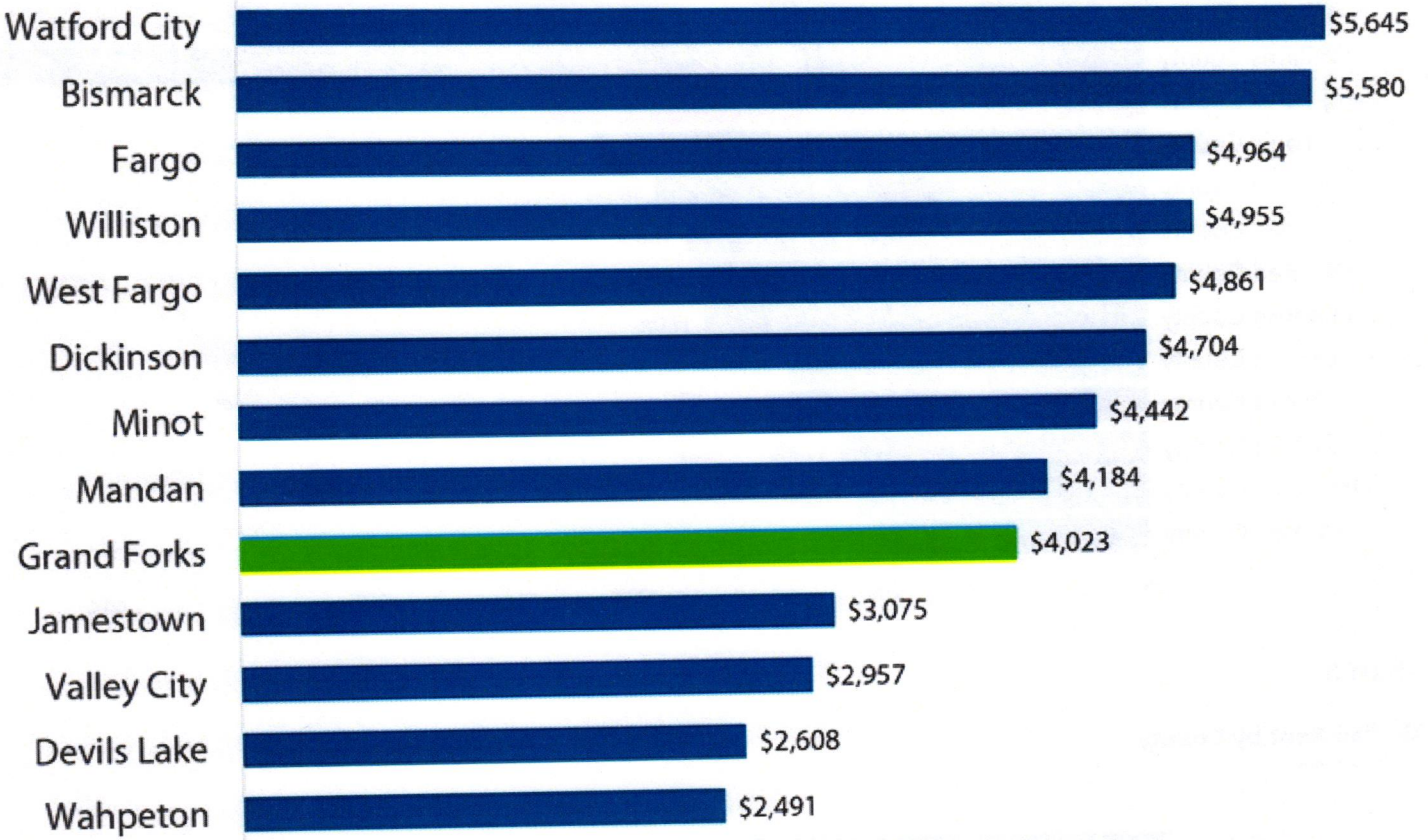
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Zillow Rent Index



**Chart 4**

**Figure 14. Taxable Value per Capita, 2020**



Source: North Dakota League of Cities Taxable Valuation Survey, March 2021