

## HOUSING DEVELOPMENTS

Two more homes were constructed in NorthPark in 2010 using RLF funds to hire a builder. Both bi-levels are priced at \$147,000 each and are expected to sell in 2011. Amendments to the NorthPark Addition covenants will hopefully improve the effort to fill the subdivision.

Five lots were sold in Rosewood and 3 houses built by year's end. The last remaining lot in Phase I sold but did not build.

## ROSEWOOD QUICK FACTS.....

Total acreage purchased by CDC 2003:	27.29
Income & Interest 2010:	\$ 16,277
Cost of Lots Sold 2010:	\$ (13,434)
Expenses as of 12-31-10:	\$ (4,162)
Net Income 2010:	
Specials-Phs I vacant & reserve lots \$	599
Phs II Taxes & Specials Annl Total: \$	69,360
<i>[paid December 2010]</i>	

Total CDC owned lots in Phase I:	35
Lots sold May 2003-Dec 2006:	34
Total lots in Phase II:	36
Lots sold Aug 2006-Dec 2010:	13
Lots set aside for Park Area in 2010:	2
Twin homes built in Phase I:	4
Single Family homes built in Phase I:	26
Single Family homes built in Phase II:	8

Value of real property 2010:	\$12,048,600
Value with current exemptions:	\$11,538,600
Taxes Generated [est. 2010 mill]:	\$ 212,385
City share of new taxes 2005:	\$ 15,794
City share of new taxes 2006:	\$ 22,105
City share of new taxes 2007:	\$ 39,971
City share of new taxes 2008:	\$ 38,247
City share of new taxes 2009:	\$ 43,010
<b>City share of new taxes 2010:</b>	<b>\$ 54,629</b>
City share of new taxes 2011:	\$ 62,229

Property info provided by Carla Broadland, Assessor

## NORTHPARK QUICK FACTS.....

Covenants Established December 7, 1998

Number of lots [original plan]:	31
Number of lots post-plan:	28
Number of SF homes built:	15
Lots for sale at \$5,000 each :	13

## 9.9 Million Dollar Dakota Avenue Reconstruction Project—It began April 20th and ended with a party October 14th. Six months of much needed



improvements, numerous meetings, and communication overload with owners and businesses, residents and shoppers; the messy part of street reconstruction is over and the beautification is yet to come. Wahpeton had been preparing for this



moment for years, beginning with *Walk Abouts* the summer preceding construction and following up now with on-going Care & Maintenance meetings. The contractor, Duinick Brothers Inc of Prinsburg, MN in partnership with Interstate Engineering and the City of Wahpeton made for a successful and well coordinated project. The final product makes this downtown corridor an attraction on its own; creating a place to meet, a place to work and a place where people want to be. Stay tuned...there's more to this project in 2011!

# Keeping Track

### BUILDING PERMIT VALUATIONS:

2006 [INCLUDES WAL-MART]:	\$12,261,629
2007 BUILDING PERMIT VALUATION:	\$4,208,294
2008 BUILDING PERMIT VALUATION:	\$7,049,648
2009 BUILDING PERMIT VALUATION:	\$7,799,735
2010 BUILDING PERMIT VALUATION:	\$5,930,557

## Sales Tax Fund Percentages—Year Six for the 1.5% and First Year for the 2%

2010 marked the sixth year of splitting sales tax collections using the 40-40-20 split on 75% of the city sales tax. Beginning Jan. 1, 2010 the city's sales tax increased a 1/2 percent to 2%. Economic Development, Flood Protection, and Recreational Needs continue to be funded and Infrastructure/Flood takes up the entire 1/2 percent increase. For 2010 the totals looked like this:

### Economic Development: \$535,192.58

Flood Mitigation:	\$535,192.59
Recreation:	\$267,596.34
Infrastructure/Flood:	\$342,296.21 [new in 2010]

The grand total of \$1,680,277.72 reflects a 39.5% increase ahead of the preceding 3 yr. average. No sales tax collections for the additional 1/2% were received by the City in Q1.

Total sales tax in the city is now 7% [5% state; 2% local].

By year end Economic Development had **\$252,870 available for projects**. The Recreation Set Aside ended the year with a balance of \$351,905. Sales Tax dedicated to Flood Mitigation may need to be adjusted in 2011 from 30% to 45%.

### Expenses in economic development for the year totaled \$273,708 and are accounted for as follows:

Dept. Expense:	\$ 165,190
RRVC:	\$ 5,000
Chamber of Commerce:	\$ 25,305
Appearance grant	\$ 13,158
Mini- match grant	\$ 4,912
Absolute Marketing	\$ 49,738
Comp Plan Update	\$ 10,405

**Mini-Match, in its 10th year**, provided funding for 4 businesses in 2010. A total of \$4,912 Mini-Match dollars were expended in 2010. That amounted to 20% of the project costs for those businesses that participated in the grant program.

Info provided by Darcie Huwe, EDC Treasurer-City Finance Director

**STUDIES & PLANS:** Wahpeton Regional Labor Availability Study July 2010; Breckenridge-Wahpeton Comprehensive Housing Study September 2010; Waste Water Reuse Study due out early summer 2011; Wahpeton Comprehensive Plan Update, scheduled for a July 1, 2011 release; Capital Improvements Plan yet to be adopted.

## From the Economic Development Office

**Measurable** activity tracked during 2010 totaled **505 points of contact**, an all time high since tracking began in 2004. This compared to 374 in 2009 and 275 in 2008. Inquiries and requests totaled 143 for business start up & expansion, housing info, and programming over a 12 month period. Community contacts increased by 30% over last year.

The office tracks Revolving Loan Fund loans, Sales Tax loans and HELP [Housing-Entry Level Program] activity all year. The Loans Receivable balance at the start of 2010 was \$627,756 reporting 33 accounts: 30 active, 3 past due and no defaults. This compares to the end of the year showing \$908,934.19 in principal remaining, 35 accounts: 31 active, 3 past due & 1 default. **Eight loans were satisfied & nine new loans** were made.

Phoenix Housing Wahpeton I, LLC purchased Town Center Square in December of 2010 made possible with a Sales Tax Loan through the City. The entire loan amount is expected to be disbursed during the remodel project in 2011. Permanent financing will replace this loan at the end of the year.

- **Jan**—Dak Ave Promo Funds: recommend \$25K, paid in \$5K per month increments begin March 2010; Discussed amending EDC Policies to streamline requests.
- **Mar**—Further discussion re: RRVC program/requested 2009 budget, website visits & tours conducted; Broadened use of Developers Agreement Reserve Fund to include housing incentives; reviewed EDC Policies—suggested Park & Rec Dir oversee Recreation related requests; introduced proposed Water Study [CDC led].
- **May**—Introduced Dan Reilly SBDC; approved \$40K to Planning Commission for Comp Plan Update; Approved \$10,518.22 PACE buy down for WCCO Belting; Recommend \$5,000 contribution to RRVC program and a match up to \$2,500 for commitments from other subscribers & recommend City of Breckenridge match the \$5,000.
- **Jul**—Discussed setting up an Incentive Reserve at \$1,000,000 limit; Review of Policies continued/Sub-committee assigned; Recommended approval of \$10,755 out of JDA acct for Hwy 13 Natural Gas project/contingent on WCDC & RCJDA participating.
- **Aug**—CDC Exec reports need for \$2,000,000 reserve amount; Reilly suggests \$1MM reserve is adequate; Subcommittee worked on new numbers for Sales Tax for ED Reserve; SBDC makes request for operating.
- **Sep**—Match of \$25,031.86 approved out of JDA account for a \$100,000 IRP loan for Heartland Precision's plating project.
- **Nov**—Approved \$10,000 funding request from JDA account for SBDC operations contingent on all partners contributing; approved up to \$1,162.82 from Sales Tax for Tublicks project close-out fee.
- **Dec**—Approved a \$670K Sales Tax Loan to Phoenix Housing Inc; approved interest buy down not to exceed \$77K dispersed over 15 years for Phoenix Housing Inc and staff to negotiate repayment terms; Met jointly with CDC Board.

**RENAISSANCE ZONE — Year 7 of 15**

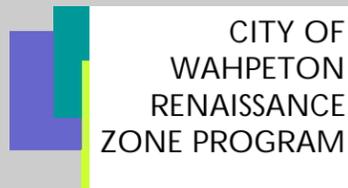
Highlights of the RZ activity in the City for 2010:

**Feb**—Discussion held to re-designate the district boundaries. RZ application reviewed for rehab of property at 409 6th St. S: Jason Filbert, Filbert Construction. Approved for 100% property tax exemption on improvements only for 5 years.

**Apr**—RZ project request to lease space in Filbert's rehab project at 409 6th St. S for a daycare facility. Motion carried to recommend approval of Kidz Learning Zone, Inc. as a lease RZ project to be forwarded to State RZ Mgr. for approval of 5 yr. St. income tax exemption.

**May**— Annual RZ Monitoring Report approved.

**Aug**—Priebe reported on a potential RZ project for the Globe Gazette buildings and Barber Shop.



**SNAPSHOT:** The Renaissance Zone Authority met 5 times in 2010 and approved 2 projects [rehab and lease].

NOTE: EXEMPTIONS LISTED BELOW INCLUDE YEAR PRIOR PLUS ANY NEW PROJECTS IN THE YEAR.

- YEAR 1 2005 EXEMPTED: \$7,686.65**
- YEAR 2 2006 EXEMPTED: \$10,620.84**
- YEAR 3 2007 EXEMPTED: \$12,009.42**
- YEAR 4 2008 EXEMPTED: \$12,318.79**
- YEAR 5 2009 EXEMPTED: \$21,159.95**
- YEAR 6 2010 EXEMPTED: \$17,998.45**
- YEAR 7 2011 EXEMPTED: \$18,335.40**

**2010 Renaissance Zone Projects**

- 29-WAH: Jason Filbert
- 30-WAH: Kidz Learning Zone, Inc.

**HOUSING...** **A** change in the Developers Agreement Reserve Fund helped spur new construction for the 55+ senior population. Developers Mike Rufer and Ron Schulz of Legacy Properties brought their plans for 16 market rate rental units to the City the spring of 2010. The City in turn negotiated a PILOT [Payment in Lieu



of Taxes]; land acquisition dollars and interest buy downs as incentives to improve undeveloped property along 11th St. North. The project would provide much needed new senior independent housing units and level the playing field with sister city Breckenridge, MN. Legacy has seen much success in Breckenridge and the twin community Housing Study showed that both cities could support more housing for area senior citizens.



**G**roundbreaking [pictured above] took place July 8th and the first set of 8 units held their Open House March 25, 2011 [3rd photo].

**E**lsewhere in the city, contractor and developer Roger Tedrow has plans for 3 twin homes for rent in the Elm Court Addition and one twin home for owner occupancy in the Rosewood subdivision. Those units are expected to be completed by summer 2011.

**Absolute Marketing** was absolutely spot on in refreshing the previous Warm Wahpeton Welcome campaign of the 1980's into a more targeted and powerful Wahpeton Welcome! message for the 21st century. A City goal since 2009 elected officials asked that a plan be developed to market city amenities more effectively and grow & sustain the population through increased community awareness. Commuter traffic was one area that was targeted...those that work here but not necessarily live in the city. Subsequent target markets would be future employees and area retirees. The tag line "if you saw what we see you'd know why we live here" was used in radio, TV, direct mail, webpage, display ad & direct mail advertising. Some campaign segments received regional recognition in 2011 at the ADDY awards.



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**CITY OF WAHPETON NORTH DAKOTA**



**2010 Economic Development Commission**

- Alisa Mitskog, Chairman
- Arden Anderson, Vice-Chair
- Tiana Bohn
- William Grosz
- Randy Pope
- Roger Richels
- Dan Zink

**2010 Wahpeton Community Development Corporation**

- Rick Steckler, President
- Ron Cizek, 1st Vice-Pres
- Randy Pope, 2nd Vice-Pres
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- Dan Zink

**2010 Annual Report**

- Retention**
- Expansion**
- Housing**
- Marketing**
- Projects**
- Programs**