

## HOUSING DEVELOPMENTS

The two energy efficient homes that were completed in NorthPark the spring of 2008 took some time to sell. The south location sold May 2009 and its twin on the north end sold in March 2010. Wahpeton will partner with sister city Breckenridge in 2010 to update a 1996 housing demand analysis [study].

One lot was sold in Rosewood and one house built in 2009 and by the end of 1Q2010 two more lots sold indicating a readiness to get ahead of the short construction season.

### ROSEWOOD QUICK FACTS.....

Total acreage purchased by CDC 2003:	27.29
Income & Interest 2009:	\$ 16,277
Cost of Lots Sold 2009:	\$ (13,434)
Expenses as of 12-31-09:	\$ (4,162)
Net Income 2009:	\$ (1,319)
Specials-Phs I vacant & reserve lots \$	599
Phs II Taxes & Specials Annl Total: \$	69,360

*[paid February 2010]*

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 2009:	8
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 2009:	\$11,060,300
Value with current exemptions:	\$10,538,600
Taxes Generated:	\$ 190,279
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
<b>City share of new taxes 2009:</b>	<b>\$ 43,010</b>
City share of new taxes 2010:	\$ 54,629

*Property info provided by Carla Broadland, Assessor*

### NORTHPARK QUICK FACTS.....

*Covenants Established December 7, 1998*

An R-1c zoned city-owned subdivision located on N 11th ST just south of the 210 by-pass.

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



House above relocated from 5th Ave S to 5th Ave N and rehabbed through the NSP

## STIMULUS MONEY-NSP PROJECT

Three dilapidated properties & one close to the levee were identified for the Neighborhood Stabilization Program early in 2009. One project qualified for a \$122,000 grant. The comprehensive undertaking of removing a house & garage and moving an existing house and building a new garage was awarded to Burchill Construction. Through the NSP the house is required to be sold to a family whose income is equal to or less than 50% of median. Occupancy is expected by the project's June 2010 end date.

**SSS**—A Wahpeton developed “Summer Stimulus Sale” brought about some house building activity in city-owned Elm Court Addition. Three lots were sold for single family home development during the 90-day sale. No results in NorthPark, however, which offered zero special assessments and a reduced lot price.

**WALK ABOUT WAHPETON** was revived in '09 and focused its efforts aimed at promoting awareness for the Dakota Avenue Reconstruction project slated for 2010. 95 businesses were visited or sent information. Six monthly Walk Abouts were held with city officials, chamber reps and construction engineers in attendance to answer questions of the business and building owners along the city's main street.



### 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

## Sales Tax Fund Percentages—Year Five

2009 marked the fifth year of splitting sales tax collections into three main areas: Economic Development, Flood Protection, Recreational Needs. For 2009 the totals were:

<b>Economic Development:</b>	<b>\$502,073.76</b>
Flood Mitigation:	\$502,073.76
Recreation:	\$251,036.88

The grand total of \$1,125,184.40 is 4.22% lower than the preceding 3 year average. 2009 collections were less than 2008 by \$64,361.12.

An additional 1/2 cent sales tax for flood and infrastructure was approved by voters August 18, 2009 and will begin Jan 1, 2010. Total sales tax in the city is now 7% [5% state; 2% local].

By year end Economic Development had **\$961,967 available for projects**. The City Council approved a loan to CDC for up to \$367,000 for B-20 clean up on the Imation campus, but this was not disbursed in 2009. The Recreation Set Aside ended the year with a balance of \$133,179. Sales Tax dedicated to Flood Mitigation will need to be carefully monitored in 2010.

**Expenses in economic development for the year totaled \$226,381.13** and are accounted for as follows:

Dept. Expense:	\$ 147,545.27
Chamber & RRVC:	\$ 9,445.00
DAB grant/Am Fam Sq:	\$ 5,000.00
CBD Design Overlay:	\$ 9,175.00
DAB rant-Olson Jewel	\$ 1,646.00
Appearance grant-Wahp Floral	\$ 27,000.00
DAB grant/mini match	\$ 7,000.00
PACE Buydowns-WCCO & Giants	\$ 19,569.86

**Mini-Match in its 10th year**, provided funding for 6 businesses in 2009. A total of \$8,612.60 Mini-Match dollars were expended in 2009.

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

Two \$75K allocations were made available for the Appearance Grant Program to incent storefront upgrades. The applicant has to be a taxpayer in good standing and the building's roof in good condition.



Grant participant: Wahpeton Floral & Gift

## From the Economic Development Office

**Measurable** activity tracked during 2009 totaled **374 points of contact**, an all time high since tracking began in 2004. This compared to 275 in 2008 and 300 in 2007. Inquiries and requests totaled 126 for business start up & expansion, housing info, and programming over a 12 month period. Tourism-related questions increased by 61% 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 2009 was \$977,510.27 reporting 31 accounts: 27 active, 4 past due and no defaults. This compares to the end of the year showing \$1,024,088.17 in principal remaining, 33 accounts: 30 active, 3 past due & no defaults. **Five loans were satisfied & 7 new loans** were made.

The \$250,000 RLF loan made in 2006 to the Wahpeton CDC for the JC Penney improvements project was amortized in '09 on a 20 year term, a balloon payment in year 10 and a zero percent interest rate. Annual payments of \$12,500 are received in October of each year. The WCDC's long term plans are to sell the property to a private developer/property manager.

The WCDC also received a sales tax loan of \$354,777 to remediate costs in clean up of B-20. This zero interest loan will be deferred for two years before payments begin.

- **Mar**—EDC approves \$5,000 grant for RRVC program; Entertain promotional requests from Chamber on case by case basis; ND Legis session may repeal sales tax on clothing; sales tax on natural gas phased out as of 1/1/09; Mayor creates Ad-Hoc cmte on EDC/CDC structure; Mitskog elected Chairman & Anderson Vice-Chr; EDC recommends funding 3 Rivers Arts Council contingent on match; EDC recommends \$30,000 set aside for aerial imagery; \$75,000 allocated for Appearance Program.
- **May**—Approve \$4,445 grant to Chamber for W/B Crazy Daze event; Present EDC-CDC Annual Report; 17-year Review presented as tool to consider sales tax increase; 1/2 cent sales tax for infrastructure proposed; Funds approved from rec set aside of \$50,000 to complete 11th St N shared use path; Reserve set for 11th Ave South shared use path in the amount of \$20,000.
- **Jun**—Walk About Wahpeton renewed; recommend Roger Richels fill vacancy left by Uhlich; Planning meeting set with CDC Exec
- **Jul**—Jt. Meeting held with CDC Exec to revisit percentage splits of sales tax collections; Richels attends first EDC meeting; Sales Tax vote scheduled for 8-18; 2nd allocation of \$75K approved for Appearance Program; As JDA, approved \$45,000 PACE buydown for WCCO; Vote 'Yes' Committee established.
- **Oct**—Recommend up to \$367,247 zero interest deferred loan for remediating costs for B-20 cleanup be approved for CDC; \$25,000 grant for Flex PACE for Generation dev, LLC [ONE24 project]; \$25,000 grant for Bois de Sioux Golf Course approved.

**RENAISSANCE ZONE— Year 6 of 15**

Highlights of the RZ activity in the City for 2009:

**Feb**—State RZ Manager issues RZ Guideline updates that now include a Business Incentive [BI] Agreement.

**Apr**—Rep. from StaMart describes project for corner of 11th St and Dakota Ave. No action taken. Update of RZ guidelines reviewed.

**May**—Lenthe presented proposal for new StaMart building. Motion carried to recommend to Board of Adjustment approval of variance on number of parking spots and on the proposed distance to the right-of-way from the pump stations for the StaMart project. Annual RZ Monitoring Report presented.

**Jun**—RZ application reviewed for rehab of property at 405 Dak Ave: Jan & James Eitzen. Approved for 100% property tax exemption on improvements only. Heard application for lease at same location—Lakes Technology Group as tenant. Approved for State income tax exemption.

**Jul**—Heard request from Dave Jawaski to finish out RZ Lease income tax exemption for an RZ project already in place. Lenthe & Priebe updated the group on the StaMart project. RZ Monitoring Report approved.

**Dec**—9 changes in the RZ guidelines went into effect as a result of legislation during the session earlier in the year. Each city to update their development plan.

**SNAPSHOT:** The Renaissance Zone Authority met 4 times in 2009 and approved 3 projects [purchase-rehab; lease; lease transfer].

	NOTE: EXEMPTIONS LISTED BELOW INCLUDE YEAR PRIOR PLUS ANY NEW PROJECTS IN THE YEAR.
	CITY OF WAHPETON RENAISSANCE ZONE PROGRAM

- 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**

2009 Renaissance Zone Projects—

9A-WAH: Dave Jawaski

27-WAH: James L. Eitzen II GST Trust

28-WAH: Lakes Technology Group Inc.

**BOBCAT—WAHPETON**

**3rd** quarter 2009 quickly became the best part of the year. After numerous site visits, company courting, anxious debating and multiple scenarios, the Wahpeton Community Development Corporation could officially announce the former Imation campus was once again 'whole'.



In September Bobcat officials began looking at locations between headquarter Gwinner ND and the Twin Cities to place a manufacturing plant that would produce hydraulic cylinders for the entire Bobcat line of products.

Wahpeton and Building 20 became the frontrunner and by October 15th Clark Equipment had a lease agreement, a building, a plan to grow jobs, and a loan to retrofit the building for their needs. Sixty quality jobs were proposed initially with potential for more. The property is being leased for 5 years with the option to buy.

Negotiating lease terms with ComDel on Building 10, a facility connected to CDI-owned Building 1 [shared utilities] also moved quickly at year end. An agreement was struck and signed December 1st. CDI is expected to gradually fill the 100,000 SF space with new ventures and an ever expanding contract manufacturing business.

Thirty-two acres north of the campus is still owned by Imation Corporation.



**FORMER 3M-IMATION CAMPUS**

Com-Del Innovation owns Building 1 and leases Building 10

Bobcat is located in Building 20

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**CITY OF WAHPETON NORTH DAKOTA**



**2009 Economic Development Commission**

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

**2009 Wahpeton Community Development Corporation**

- Harris Bailey, President
- Rick Steckler, 1st Vice-Pres
- Ron Cizek, 2nd Vice-Pres
- Brad Pauly, Treasurer
- Craig Caspers
- Geri Coyne
- Steve Diederick
- Red Geurts
- Victor Klosterman
- Tom Moline
- Randy Pope
- John Richman
- David Roche
- Joel Sirek
- Dan Zink



**2009 Annual Report**

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