

# CITY COUNCIL RETREAT

April 22, 2019 ó 12:00 TO 5:00 P.M.  
Hughes Shelter

(This meeting was voice recorded.)

Members Present: Mayor Dale, Miller, Bajumpaa, McCann, Bertsch, Wateland, Lambrecht (enter at 12:34pm), and Bohn (enter at 12:43pm).

Staff Present: Huwe, Lies, Thorsteinson, Bakken, Miranowski, DeVries, Broadland, Hatting (enter at 12:24pm), and Amos.

Others Present: Frank Stanko from the Daily News.

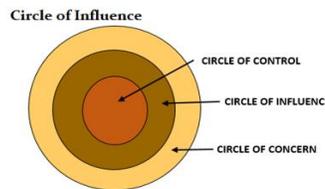
Welcome by Mayor Dale at 12:10 p.m.



Recap of 2017 Council Goals & Priorities ó A handout of a summary of the City Council Retreat agenda items was provided. Huwe reviewed the purpose of a City Council Retreat.

## Purpose of City Council Retreat

- Recap current goals and activities
- Review city government's circle of influence
- Identify priorities
- Set goals and build consensus on what matters most



She then gave a recap of 2017 City Council Goals and Priorities, along with Wahpeton's commitment to its Vision Statement.

### Recap 2017 Council Goals & Priorities



#### Goals

- Commit to Vision Statement
- Dilapidated Properties Enforcement & Community Image
- Lessen Dependency on Property Taxes (City mill rate reduction)

#### Priorities

- Long Term Planning for Water Resources
- Development Opportunities for Housing, Retail & Employment
- Marketing Wahpeton
- Support Arts & Culture

### Commit to Vision Statement

#### Vision for the Future

Wahpeton is committed to being a great hometown for residents, businesses and institutions as the regional hub and gateway of southeast North Dakota.

What makes Wahpeton a successful city?

- The right mix of talent, market focus, and civic cooperation

Why is Wahpeton the regional hub?

- Local economic specialization in agricultural products
- Competitive advantage with complementary services and industries
- Delivery on promises of safety, quality education & work-life balance
- And.....

Huwe then presented Dilapidated Properties Enforcement & Community Image. Discussion held regarding the enforcement activities in 2018.

## Dilapidated Properties Enforcement & Community Image

**A dilapidated property is defined as a property that is in an unsafe, unsightly or abandoned condition**

Community Partners Research, Inc. completed housing studies in Dec. 2017 and Sept. 2010 reflecting the following:

- Housing inventory in the sound & minor repair categories = 85.1% of the housing inventory up from 83.6%
- Housing needing major repair or demolition = 14.9% down from 16.4%

### Enforcement Activities in 2018:

- 2 dilapidated homes demolished
- 7 properties cited for repairs/cleanup
- 50+ letters to property owners to address or abate nuisances
- 43 junk vehicle/nuisance yard complaints mitigated
- 4 prosecutions for nuisance violations
- Creation of an assistance program for homes needing to be painted

### Housing Condition Analysis Comparison 2010 & 2017

Year Sampled	Sound	Minor Repair	Major Repair	Dilapidated	Total
2010	305/43.7%	278/39.9%	112/16.1%	2/0.3%	697
2017	303/42.4%	305/42.7%	96/13.5%	10/1.4%	714
Change 2010 to 2017	-1.30%	2.80%	-2.60%	1.10%	

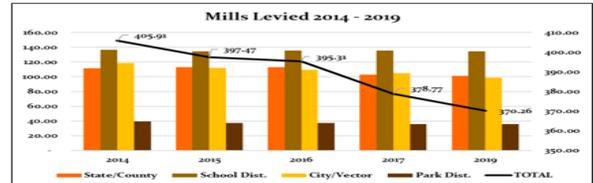
\*dilapidated = too much deterioration to rehabilitate

Huwe then reviewed the possible impact on the city to Lessen Dependency on Property Taxes.

## Lessen Dependency on Property Taxes

- Increased diversity in revenue sources lessens cyclical volatility
- Declining property tax rates may positively impact housing affordability
- Low tax rates encourage investment in real property
- City mill rate has decreased 19.82 mills or -16.7% 2014 – 2019, the largest decrease of all 4 political subdivisions

Mills Levied	2014	2015	2016	2017	2019
State/County	111.25	113.27	113.27	102.80	101.40
School Dist.	136.73	134.61	135.61	135.53	134.50
City/Vector	118.64	112.19	109.26	104.74	98.82
Park Dist.	39.29	37.40	37.17	35.70	35.54
<b>TOTAL</b>	<b>405.91</b>	<b>397.47</b>	<b>395.31</b>	<b>378.77</b>	<b>370.26</b>
Change in City Mills	-4.01%	-5.44%	-2.61%	-4.14%	-5.65%



Huwe then gave a Recap of 2017 Priorities.

## Recap of 2017 Priorities

### Definition of priority

- superiority in rank, position, or privilege
- legal precedence in exercise of rights over the same subject matter
- a preferential rating especially one that allocates rights to goods and services usually in limited supply that project has top priority
- something given or meriting attention before competing alternatives

### Action Priority Matrix



- Long Term Planning for Water Resources** – Imaging of the Wahpeton Buried Valley Aquifer, clear water test wells, and alternative well site investigation by ND State Water Commission. Continued participation in the Red River Valley Water Supply Project
- Development Opportunities for Housing, Retail & Employment** – Westside development planning, discussions with Buxton Analytics, continued commitment to BND program participation and the Job Service ND Employer Incentive Program
- Marketing Wahpeton** – Currently working with KAT Marketing on a tourism marketing campaign. Seeing BIG community participation in the 150<sup>th</sup> activities celebrating our history and future
- Support Arts & Culture** – Long term partnerships with Three Rivers Arts Council and the Red Door Art Gallery to support a resilient and lasting presence of arts and culture in our community

Prairie Dog Infrastructure Funding ó Huwe reviewed the Prairie Dog Infrastructure Funding along with the details, in general and regarding Wahpeton. Discussion held.

## Prairie Dog Infrastructure Funding

The 66<sup>th</sup> Session of the ND Legislature introduced and adopted HB 606 the Prairie Dog Infrastructure bill. Provisions include creation of the Municipal Infrastructure Fund (MIF) with revenues from the state oil and gas tax funds. The target fund balance is \$25,000,000 and will be allocated biennially on a formula basis.

The following essential infrastructure projects are eligible including new or replacement of:

- Water treatment plants
- Wastewater treatment plants
- Sewer lines & water lines, including lift stations
- Water storage systems including tanks, towers & dams
- Storm water infrastructure, including curb and gutter
- Road and bridge infrastructure, paved & unpaved
- Airport infrastructure
- Electricity infrastructure
- Natural gas transmission infrastructure
- Communications infrastructure excluding fiber optic lines

### Prairie Dog Funding Estimate (Biennial - Q4 2020)

City/Town	Density Factor	Base Aid	Population Growth Rate	Valuation Growth	Total
Fargo	\$1,900,000	\$ 18,332,850	\$ 3,318,064	\$ 1,128,950	\$ 25,339,874
Bismarck	\$1,900,000	\$ 10,909,792	\$ 1,998,065	\$ 567,796	\$ 16,415,645
Grand Forks	\$1,900,000	\$ 2,958,400	\$ 666,105	\$ 314,548	\$ 4,539,053
West Fargo	\$1,900,000	\$ 5,398,200	\$ 2,092,929	\$ 98,820	\$ 10,479,849
Mandan	\$1,900,000	\$ 3,314,200	\$ 923,231	\$ 229,817	\$ 6,467,248
Jamestown	\$1,900,000	\$ 3,308,050	\$ -	\$ 65,922	\$ 4,473,972
Wahpeton	\$1,900,000	\$ 1,175,900	\$ -	\$ 17,790	\$ 1,469,590
Devils Lake	\$1,900,000	\$ 1,093,999	\$ -	\$ 29,666	\$ 1,413,999
Valley City	\$1,900,000	\$ 987,030	\$ -	\$ 6,920	\$ 1,483,970

### Prairie Dog Funding Estimate - Wahpeton (biennial - Q4 2020)

DENSITY FACTOR:	BASE AID:	POPULATION GROWTH RATE:	TAXABLE VALUATION GROWTH RATE:
5,000+ = \$2,500,000	\$1,175,900	\$150X 7.8% = 11.7%	3 YR INCREASE X .225 = 7.5%

**\$3,687,650**

## Prairie Dog Infrastructure Funding- Details

In general:

- The source of funds for the Prairie Dog Infrastructure Plan are oil & gas tax revenues. The first distributions are projected for Q4 2020 and Q1 2021.
- The funds will be distributed by the State Treasurer within 40 days of reaching the targeted revenue or by Sept. 30<sup>th</sup> of each odd-numbered year. Payments will be consistent with distribution state formula payments to cities.
- The funds may be saved or "banked" for larger projects requiring multiple year allocations.
- If revenues are less than projected, the funds will be distributed on a pro-rata basis.

Regarding Wahpeton:

- Budgeting – new line item increasing gross revenue 21% and revenue before transfers 33%.
- New funding source for the capital improvements plan. How, when, and which essential infrastructure projects will be funded is to be determined.
- Could lessen the dependency on special assessments. How, when and which is to be determined.
- May need adopted policy to ensure project funding is consistent and equitable.
- The dependability on the funding source is tied directly to the price of oil and subject to change by the ND Legislature biennially.

Community Development Update ó DeVries provided an update on some of the Community Development Department projects. Discussion was held regarding each item presented below.

## Community Development Update

### Round Table Hops

- Ottertail land
- 32 acres in industrial park
- Private land

### Holiday Lighting

- Lights downtown
- Library/courthouse lawns
- Holiday Lane

### Workforce Recruitment

Advertising/marketing campaign

### Youth Commission

#### Monthly Activities

- Dates/times
- Activities
- Locations

#### Marketing Plan

#### Renaissance Zone

#### Wayfinding Signs

Housing Opportunities ó DeVries reviewed Housing Opportunities and options were discussed.

## Housing Opportunities

Risk vs. reward

Infill lots vs. Westdale lots

Options for incentives:

- Build a spec home
- Give away lots
- Pay off specials

Goal: 5-7 new starts in 2019

WCD recommendation:

Build a spec home in Westdale (compliment Vo-Tech houses)



Partnerships & Progress ó DeVries talked about õWahpeton Winsö. He felt there were a lot of good partners and good cooperation in Wahpeton, with a lot of good things to come.

## Partnerships & Progress



Huwe reviewed City Partnerships and Agreements. (DeVries exit at 2:00 pm)

## Partnerships & Agreements

Joint Powers Agreements & Memorandums of Understanding with other Public Entities
Army Corps of Engineers
ND Dept. of Health
ND Dept. of Transportation
ND State Auditor
ND State Court System
ND State Tax Commissioner
ND State Water Commission
ND State University
NDS-CS
Richland County
Wahpeton Airport Auth.
Wahpeton Park Board
Wahpeton Public Schools
City of Breckenridge
Dwight Township
Center Township
Summit Township
Fire Protection Mutual Aid

City Services & Franchise Agreements
Cargill
Minn-Dak Farmers Coop
Great Plains Natural Gas
Midcontinent Communications
Otter Tail Power Company
Jay Schnell Composting
Waste Management
Otter Tail County Hazardous Waste

Non-Profit Partnerships, Funding & Services
Bois de Sioux Golf Course
Chahinkapa Zoo
Head of the Red Youth Activities
Living Services Foundation
Red Door Art Gallery
Three Rivers Gymnastics
Wahpeton Baseball
Wahpeton Breckenridge Chamber

Partnerships leverage resources, increase innovation capacity and strengthen civic engagement. The city can accelerate processes by utilizing existing organizations with quick collaboration and strategic resource deployment linked to strategic goals.

**Break**

Huwe reviewed the 2019 Retreat Advance Survey Results.

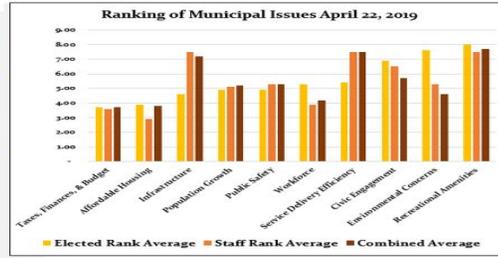
# 2019 Retreat Advance Survey Results

## 1. Community Issues

Ranking of Municipal Issues (lowest number = highest importance)

Elected Rank	Issue	Elected Rank Average	Staff Rank Average	Combined Average
1	Taxes, Finances, & Budget	3.70	3.60	3.70
2	Affordable Housing	3.90	3.90	3.80
3	Infrastructure	4.60	7.50	7.20
4	Population Growth	4.90	5.10	5.20
5	Public Safety	4.90	5.30	5.30
6	Workforce	5.30	3.90	4.20
7	Service Delivery Efficiency	5.40	7.50	7.50
8	Civic Engagement	6.90	6.50	5.70
9	Environmental Concerns	7.60	5.30	4.60
10	Recreational Amenities	8.00	7.50	7.70

Issues with more than 10% deviation in average are highlighted



## 2. What do you consider the primary mission of the City of Wahpeton?

- Construction and maintenance of streets, water sanitary and storm sewers. To provide fire and police protection
- Provide our community with safety, services and public information
- To grow our population while maintaining what we have
- Provide a safe and vibrant community the most efficient way possible for its taxpayers.
- To provide a safe and inviting community for residents, businesses and visitors
- To implement programs and projects that reflect the essential needs, additional wants, and attractions in a fiscally and responsible manner.
- Growth enhancements maintain or lower taxes
- To deliver optimal services to the citizens of Wahpeton within a reasonable budget and within the resources we maintain.
- To provide the citizens those services they cannot provide for themselves.
- To provide a safe, family-friendly and efficient "hometown" environment in which to reside, visit and work.
- Safety & services
- Provide essential city services of public safety, public health; water, sanitary & storm sewer and welfare; rec & culture for all ages
- Provide a safe and vibrant community the most efficient way possible for its taxpayers.
- Public safety & infrastructure

3. Wahpeton currently offers new housing incentives that include a \$150,000 two-year property tax exemption on a new home. A contractor may receive a 10% exemption on a new home for up to two years. If additional incentives are deemed necessary to encourage single family home construction please consider the following:

### Housing Incentives

Issue	Elected Response Count	Staff Response Count	Combined Count
Yes, additional incentives are needed	6.00	5.00	11.00
No, additional incentives are not needed	1.00	3.00	4.00

73%  
27%

- Diverse ranking by elected 33% chose each option as #1
- Free Lot Ranked highest with 11 total #1 & #2 rankings
- Pay-off of Special Assessments ranked 2<sup>nd</sup> highest with 6 total #1 & #2 rankings
- City contracts to build a spec home ranked lowest with 5 #1 & #2 rankings

\*Data set is small and reflecting low consensus in responses – this a topic worthy of additional considerations and discussion

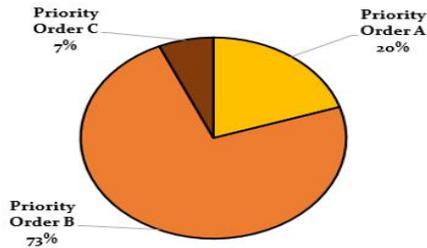
### Housing Incentives - (combined rank = most preferred option)

Incentive	Elected Rank #1	Staff Rank #1	Count Rank #1
Free Lot (upon issuance of a building permit with conditions to be determined)	2.00	2.00	4.00
City contracts to build a spec house	2.00	-	2.00
City program to pay-off special assessments	2.00	3.00	5.00

Incentive	Elected Rank #2	Staff Rank #2	Count Rank #2
Free Lot (upon issuance of a building permit with conditions to be determined)	4.00	3.00	7.00
City contracts to build a spec house	1.00	2.00	3.00
City program to pay-off special assessments	1.00	-	1.00

Incentive	Elected Rank #3	Staff Rank #3	Count Rank #3
Free Lot (upon issuance of a building permit with conditions to be determined)	-	-	-
City contracts to build a spec house	3.00	3.00	6.00
City program to pay-off special assessments	3.00	2.00	5.00

4. When the City Council is approached by outside entities to participate in funding a project, select the option below depicting the criteria priority you would exercise in evaluating the request:



Evaluation Criteria Priority A	Elected Count	Staff Count	Total
1. Cost			
2. Benefit to Taxpayers			
3. Sustainability of the entity/program	2.00	1.00	3.00

Evaluation Criteria Priority B	Elected Count	Staff Count	Total
1. Benefit to Taxpayers			
2. Sustainability of entity/program			
3. Cost	4.00	7.00	11.00

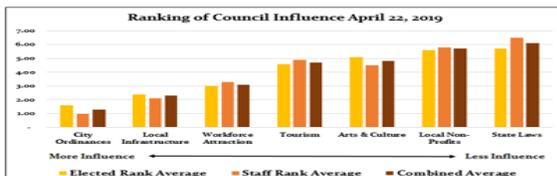
Evaluation Criteria Priority C	Elected Count	Staff Count	Total
1. Sustainability of entity/program			
2. Cost	1.00	-	1.00
3. Benefit to Taxpayers			

5. Please rank the following 7 items in order of influence by the Wahpeton City Council (1 being greatly influenced, 7 being nominally influenced)

Variables Influenced by the Council (lowest number = greatest influence)

Elected Rank	Issue	Elected Rank Average	Staff Rank Average	Combined Average
1	City Ordinances	1.60	3.00	3.30
2	Local Infrastructure	2.40	2.10	2.30
3	Workforce Attraction	3.00	3.30	3.10
4	Tourism	4.50	4.90	4.70
5	Arts & Culture	5.10	4.50	4.80
6	Local Non-Profits	5.60	5.80	5.70
7	State Laws	5.70	6.50	6.10

Issues with more than 10% deviation in average are highlighted



- Responses were relatively consistent by both elected and staff.
- Proactive goals are focused within the circles of things you can control and influence, a function of decisions not only conditions.
- The circle of influence can be expanded by knowing your strengths and weaknesses, building social capital through integrity in agreements and actions and keeping focus on what's best for the city.

2019-2022 Goals & Priorities ó Huwe talked about setting goals for a longer period of time with a broader range. She reviewed the suggested goals and priorities.

## **2019-2022 Goals & Priorities**

### **Goals - ideas**

- Facilitate lot development for housing options at various price points
- Continue efforts to lessen dependency on property taxes
- Commit to sanitary sewer improvements to improve environmental conditions in the city
- Additional suggestions

### **Priorities - ideas**

- Address regional infrastructure capacities; natural gas, water supply, and transportation.
- Community image, marketing and engagement
- Census 2020 encourage 100% participation – every person counts
- City service delivery – continuous improvement
- Additional suggestions

Following discussion the following goals and priorities were decided upon:

### **Goals**

- Commit to funding ongoing obligations while making efforts to lessen dependency on property taxes
- Facilitate a diverse development plan for housing at various locations and price points
- Promote our community image through marketing and civic engagement

### **Priorities**

- Address regional infrastructure capacities; natural gas, water supply and transportation
- Encourage 100% participation in Census 2020
- Commit to continuous improvement of city service delivery
- Continue sanitary sewer system improvements to upgrade environmental conditions in the city

Huwe will put a draft together for the next council meeting. Huwe expressed appreciation to the Council and staff for taking the time to participate in the retreat.

Elected Official Round Table Discussion ó City staff exited the meeting at 3:32 pm and elected officials held a round table discussion.

### **PRESENT:**

Mayor Steve Dale; Council members Perry Miller, Brett Lambrecht, Don Bajumpaa, Renelle Bertsch, Lane Wateland, Rory McCann, Tiana Bohn (Absent: Kelly McNary); Assistant City Attorney Brittany Hatting; City Attorney Steve Lies; and Daily News Reporter Frank Stanko.

Mayor Dale discussed and presented a new proposed Organizational Chart Alternative. The Mayor discussed the fact that budgeting for 2020 was coming shortly and funding priorities should be addressed. He felt a prior proposal made by a previous public works director regarding having a city engineer and public works operations manager was appropriate for the City of Wahpeton.

Mayor Dale discussed information he had received from a Valley City council member and felt there would be a gain in efficiency and cost savings by making the changes he was proposing. His organization began with the citizens of Wahpeton at the top of the chart under which would be the mayor and city council, who would then be directly over the city auditor who in turn would be over the city attorney, police chief, community development director, city engineer and water treatment superintendent. Under the city engineer would be the engineering project manager, public utilities assistant, engineering/app technician and public works operations manager.

Positions being changed would be public works director position would be eliminated and replaced with a city engineer and public works operations manager.

Any current employees in positions being eliminated would be eligible to apply for the new position(s) being created.

Council member Wateland left the meeting at 4:20 p.m.

Discussion amongst the council members continued regarding the importance to maximize services out of the head count.

Next steps were discussed including committee chairs and president of the council along with the Mayor reviewing the proposed organizational chart and job descriptions for the new positions being proposed. Discussion further reached a consensus that the proposal is to continue to come to the full council and not be handled at the committee level.

The meeting was adjourned at 4:40 p.m.

Respectively Submitted by lma & sjl.