

# WEEKLY MEMO

**Date:** November 18, 2011

**To:** Mayor Lynn Stauss, Council President Craig Buckalew, Vice President Wayne Gregoire, Council Members Marc Demers, Ron Vonasek, Henry Tweten, Greg Leigh, and Mike Pokrzywinski.

**From:** Scott Huizenga

**RE:** Weekly Update

## **UPCOMING MEETINGS:**

*November 22, 2011 – 5:00 pm – Work Session – Training Room*

*December 6, 2011 – 7:00 pm – Council Meeting – Council Chambers*

*December 13, 2011 – 5:00 pm – Work Session – Training Room*

*December 20, 2011 – 5:00 pm – Council Meeting – Council Chambers*

## **WEEKLY UPDATE:**

### **Rep David's proposal**

Representative Greg Davids, Chair of the House Tax Committee, unveiled a proposal this week that would provide some tax relief to property owners next year. The proposal comes in the wake of changes to the Market Value Homestead Credit program (now the Market Value Exclusion) by which property owners will likely see increased property taxes even if local jurisdictions hold their levies flat. The proposal would exclude the first \$100,000 of commercial and industrial properties from the property taxes. Residential properties would see additional relief in taxes payable in 2013 only if an individual's property tax increases by more than 12 percent and the property owner made no modifications to the property to increase the property's value. Finally, the proposal would slightly expand the property tax credit on income tax for property owners who qualify based on income levels. The overall proposal would cost the state about \$80 million, and no funding source has been identified. At first glance, it appears that the proposal would primarily affect businesses in East Grand Forks. Residences would be not significantly affected because most property tax bills will not increase by 12 percent or more. A copy of the David's proposal is attached to the memo.

### **Library Roof**

Library Board members and staff held a brief project kickoff meeting this week to address the longstanding library roof leaking issue. Contractors and consultants will visit the Library next week to further study the facility. A final design recommendation is expected in February.

### **IDEA Competition Business Grants**

The Northwest Minnesota Foundation is sponsoring its 4<sup>th</sup> annual IDEA (Ingenuity Drives Entrepreneur Acceleration) Competition. The program offers competitive awards of \$10,000 to entrepreneurs with "new and innovative" business ideas. More information can be found at [www.ideacompetition.org](http://www.ideacompetition.org). The application deadline is November 30.

## **DEPARTMENT REPORTS:**

### **Parks and Recreation, Dave Aker**

The reader boards have been put up at the Civic Center sign on Highway 220, they should be ready to go by Thanksgiving.

### **Police Department, Mike Hedlund**

#### **Code 3 for Christmas**

In 2010 the East Grand Forks Police and Fire Departments joined up with local social service agencies to sponsor a toy drive for children of less fortunate families in our community. Community members donated over 400 gifts for children of all ages through this program. These generous donations helped many local families have a much brighter holiday season. This year the departments are once again sponsoring a toy/gift drive with the hope of helping even more families. While any gifts will be welcome, older children are often overlooked in events such as this so community members are encouraged to donate items such as gift cards to stores, restaurants and movie theatres are always great gifts. Cash donations and will be used to purchase gifts for the children identified through social services. In addition to gifts, items such as gift wrap, ribbons and bows are also welcome and needed.

#### **Winter has arrived!**

Well the first snowfall of any significance has fallen and along with that we have had our first rash of weather related car crashes. Help prevent crashes by driving defensively and leaving larger than normal gaps between your vehicle and other vehicles on the road. Icy roads require that we start to brake much earlier than normal and icy patches can be present even on roads that appear to be clean and dry. The start of winter always brings lots of crashes as people get used to driving on the icy roads once again. This can be an especially dangerous time of year as the warmer days can result in snow melting and then refreezing into ice as the temperature drops over night. Drive safe and remember to buckle up!

#### **Street Maintenance Parking**

The City of East Grand Forks has a Street Maintenance Parking Ordinance that restricts parking at certain times and locations to allow the City Street Department to more effectively clear our roadways. The residential areas of town are divided into five districts which match the districts used for garbage pick-up – the difference is the parking restrictions DO NOT match your garbage pick-up day because the containers need to be off the street as well as the vehicles for effective street maintenance. Parking is prohibited between 7:30 AM and 12:00 Noon in the following residential areas on the listed days.

- District 1 – All areas North of 17<sup>th</sup> Street NW and West of Central Avenue. This District will have scheduled enforcement on Thursdays.
- District 2 – The areas South of 17<sup>th</sup> Street NW and North of Gateway Drive. This District will have scheduled enforcement on Wednesdays.
- District 3 – The East and Central areas – South of Gateway Drive and North of the Red Lake River. This District will have scheduled enforcement on Fridays.
- District 4 – The Point area East of Bygland Road. This District will have scheduled enforcement on Mondays.
- District 5 – The Point area West of Bygland Road. This District will have scheduled enforcement on Tuesdays.

In addition to the regularly scheduled street maintenance and the related parking restrictions enforcement the City also restricts parking during “Snow Emergencies”. A Snow Emergency exists anytime that the city receives two or more inches of snow and remains in effect until any given street is cleared to its full width. Vehicles in violation of the snow emergency ordinance may be ticketed and towed.

### **Fire Department, Randy Gust**

Emergency Apparatus Maintenance was in the Fire Department to test all of the fire pumps. All but one passed the test and we have repaired the truck that failed.

We are scheduled to present safety training to the 3<sup>rd</sup> graders next week at the schools.

The snow is actually a welcome site to the firefighters; we have had 5 grass fire responses in the last 10 days. The snow cover will prevent rural people from unattended burning along ditches.

### **Library, Charlotte Helgeson**

The Library will be closed Thursday, November 24<sup>th</sup> for Thanksgiving.

The Library will be OPEN Friday and Saturday after the holiday to welcome families who are visiting for the holiday.

Art on the Prairie Art Exhibit is on display through December—rosemailing, sculpture, realism and abstract paintings along with fabric hangings.

## **AGENDA ITEMS:**

There are several items on next week’s work session as we get close to the end of the fiscal year.

1. Allied Engineering and the City Planner will present the final options for the Northwest Corridor Study. The study discusses several options for modifications at the intersections of 5<sup>th</sup> Avenue NW/Highway 2 and 17<sup>th</sup> Avenue NW/12<sup>th</sup> Avenue NW/River Road NW. The final selections that the Council chooses ultimately will weigh into both the 2014 Transportation Improvement Plan and the Long Range Transportation Plan.
2. The City Planner will also discuss a proposed Transportation Enhancement (sidewalk/trails) project for the 2014-15 funding year. The proposal would add sidewalk connections primarily along 5<sup>th</sup> Ave NE from 20<sup>th</sup> Street near Northland College to 15<sup>th</sup> Street NE.
3. The City Engineer and consulting staff will discuss the feasibility study for a proposed swimming pool renovation project. There are several options available to the Council ranging from approximately \$10,000 to \$1.2 million. The options include simply address health and safety codes up to and including an complete renovation of the facility.
4. Council President Buckalew will introduce a discussion to craft a new assessment policy regarding state aid roads. The discussion generally has been at what level should residents on state aid roads pay for special assessments. The current discussion will not include any proposal for street fee implementation. The proposal(s) will be limited to a percentage of applicable special assessments on state aid roads.

5. Council Members Pokrzywinski and DeMers will introduce a discussion on regarding adjustments to waste water utility rates. The Council generally agreed that the City likely will have to address its waste water treatment in the long term whether that solution is in the form of a standalone option or an interconnect. Therefore, several Council Members have expressed an interest in building a capital reserve fund for the project by incrementally increasing the rate structure. An gradual rate increase also could decrease the shock value of large-scale rate adjustments when a new project is undertaken.
6. The Public Works Director will request the Council fill a Waste Water Operator position that will soon be vacated by retirement.
7. The Parks and Recreation Director will request the purchase of new rubber tile flooring at the Civic Center and the VFW Arena. The tile, which protect the floor (and others) from ice skates is quite old, and it is beginning to deteriorate.
8. The Finance Director will propose the adoption of a formal fund balance policy and an investment policy. The policies do not deviate from the current practice. However, reporting rules suggest that the City Council formally adopt the policies to guide the financial practices of the City.
9. I will present the Final 2012 Budget as proposed. The final proposal includes changes recommended during the budget work sessions in October. And, it includes debt service for a new aerial platform fire truck. The proposed levy is flat from 2011 to 2012, and the budget is balanced as proposed.
10. The City Attorney will discuss the final purchase agreement with the Minnesota Municipal Utilities Association for the City to formally assume ownership of the land that encompasses the site of the wind energy turbine located east of city limits.

## **HIGHLIGHTS OF THE DAVIDS PROPERTY TAX RELIEF BILL**

*“These changes further the legislature’s desire to put property tax relief where it has the greatest impact – directly in the hands of citizens and businesses.”*

### **Statewide General Tax on C/I Property**

- Provides the same dollar amount to each and every business across Minnesota, regardless of overall value (\$411.85)
- Freezes the State General Tax inflator beginning in FY13
- Begins the process of completely getting the State out of the property tax collection business with a 20-year phase out of the Statewide General Tax beginning in FY13
- Improves Minnesota’s jobs climate by eliminating one of the most burdensome costs of owning business property

### **Targeted Property Tax Relief**

- Assists homeowners who experience abnormal increases in their property tax burden
- Increases the State share from 60% over \$100 to 90% over \$100 for FY13 only

### **General Property Tax Relief via PTR**

- Increases the maximum refund available to already eligible homeowners by 20%
  - Incomes ranging from \$37,280 the maximum eligible for the PTR program will see an increase in their maximum allowed refund
- Blunts the impact for homeowners where local governments are unable to control spending