

# devils lake

Economic Development

Issue #8

Forward Devils Lake's Quarterly Newsletter

1st Quarter 2017

## **DIRECTOR'S LETTER:**

Bring on spring! I think everyone is getting excited with all the nice weather we have been having. This is no different for the contractors and developers in our community.

Forward Devils Lake would like to thank everyone who attended our Annual Meeting on March 22, 2017 at LRSC. Our annual meeting speaker was Greg Tehven, Emerging Prairies. He spoke on how to build the community we want to be a part of. He spent a great deal of time discussing what has happened in Fargo's downtown with a small investment and lots of fun new ideas. The Chamber of Commerce will be putting together a taskforce to discuss how Devils Lake can better their downtown atmosphere. If you were unable to attend you can find a link on our website to the 2017 Annual

Report: <http://development.devilslakend.com/wp-content/uploads/2017/04/PDF-for-website-annual-report-2016.pdf>

Since it was the start of our 2017 year we have new a Board of Directors. Brett Johnston moved from the Full Board to the Executive Board and we welcomed Wade Schwan and Jeff Wahl as the new county appointed representatives on our board. We also want to take the time to thank Guy DeSautel and Tom Wade for their many years of service. FDL is in a better place today because of their years of decisions and accomplishments.

## **2017 FDL BOARD OF DIRECTORS**

### **RENARD BERGSTROM**

President

FDL Executive Committee

### **BARRY GAGE**

Vice President

FDL Executive Committee

### **ALLAN FREIDIG**

Treasurer

FDL Executive Committee

### **BRETT JOHNSTON**

Secretary

FDL Executive Committee

### **JOHN NORD**

Past President

FDL Executive Committee

### **MAYOR RICHARD JOHNSON**

City Commission

FDL Executive Committee

### **MIKE DUNN**

Construction Engineers

FDL Full Board

### **ANDREW LANCOWITZ**

CHI St. Alexius Health—DL

FDL Full Board

### **PHILIP JEROME**

Jerome Wholesale

FDL Full Board

### **CHRISTY REMMICH**

Rilos and MiMi

FDL Full Board

### **JAMES ANDREWS**

AAM, LLC

FDL Full Board

### **BOB HATTEN**

Bremer Bank

FDL Full Board

### **DAMIAN REITER**

Ottertail Power Company

FDL Full Board

### **WADE SCHWAN**

County Representative

FDL Full Board

### **JEFF WAHL**

County Representative

FDL Full Board

### **TERRY JOHNSTON**

City Administrator

Ex-Officio Member

### **PAULA VISTAD**

Chamber Exec. Director

Ex-Officio Member

### **SUZIE KENNER**

Tourism Exec. Director

Ex-Officio Member

**ADAM LEIPHON**  
County Commission  
FDL Executive Committee

**TOM HAAHR**  
Farmers Union Oil Company  
FDL Full Board

A need for a UAV Taskforce has been determined in recent conversations. The committee will be compiled of members from LRSC, Camp Grafton, DL Regional Airport, and FDL. We hope to produce marketing material for our community and also established a plan to make the UAV industry realize that the Lake Region is interested in future developments. Many members will also be attending the Drone Focus Conference in Fargo on May 31st - June 1st.

Thank you for your continued support and, as always, let us know how we can better serve you.

Rachel Lindstrom, MBA  
Executive Director

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**1st Quarter 2017's activities:**

- **Façade Improvement:**
  - Swenseth Law Office was awarded a \$10k, 0% interest Façade Improvement Loan from FDL. They will be remodeling both interior and exterior portions of their new location on 4th Avenue NE, downtown. The project is scheduled to be completed in May 2017.
  - Wahl Family Automotive was awarded a \$10k, 0% interest Façade Improvement Loan from FDL. They purchased new exterior signs for their new location on Hwy 2; the previous Cenex West Building.
- **Investor Packets:** Our investor memberships have increased this year. FDL appreciates your 2017 investor membership. Through your support, we are able to continue to provide economic development services in the Lake Region. Our focus for 2017 is to influence growth in childcare, industry, and workforce while continuing to provide business development and retention efforts.

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## ***FDL's Program Use - Public vs. Private***

	<b>2016</b>		<b>1st Qtr 2017</b>	
	<b>Public Funds</b>	<b>Project Cost</b>	<b>Public Funds</b>	<b>Project Cost</b>
<b>Multi-Family Housing</b>	-	4,471,600	-	-
<b>Façade</b>	21,925	21,925	20,000	20,000
<b>Mini Grant</b>	5,000	5,000	-	-
<b>Flex Funding &amp; IP Land</b>	183,271	8,018,800	-	-
<b>Totals by year</b>	<b>\$ 210,196</b>	<b>\$ 12,517,325</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>

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## Devils Lake's Economic Report

Prepared by Forward Devils Lake as of March 31, 2017

SALES TAX		RESTAURANT TAX		LODGING TAX	
	Amount		Amount		Amount
Q1 2017	\$750,821	Q1 2017	\$53,343	Q1 2017	\$11,675
Q4 2016	\$822,956	Q4 2016	\$67,189	Q4 2016	\$22,250
Q3 2016	\$860,626	Q3 2016	\$72,831	Q3 2016	\$28,974
Q2 2016	\$721,762	Q2 2016	\$54,963	Q2 2016	\$15,565
Q1 2016	\$801,300	Q1 2016	\$50,141	Q1 2016	\$13,740
2016	\$3,206,644	2016	\$245,124	2016	\$80,529

COMMERCIAL PERMITS			RESIDENTIAL PERMITS		
	#	Amount		#	Amount
Q1 2017	8	\$2,069,647	Q1 2017	3	\$6,600
Q4 2016	0	\$0	Q4 2016	6	\$103,087
Q3 2016	10	\$1,420,777	Q3 2016	48	\$1,327,162
Q2 2016	7	\$2,634,755	Q2 2016	57	\$1,034,614
Q1 2016	10	\$861,989	Q1 2016	6	\$189,917
2016	27	\$4,917,521	2016	117	\$2,654,780

Source: City of Devils Lake

	PROPERTY FOR SALE				
	Qtr 1 2017	Qtr 4 2016	Qtr 3 2016	Qtr 2 2016	Qtr 1 2016
\$0 - \$80k (# listed)	2	5	7	10	8
\$81k - \$150k (# listed)	6	7	12	13	9
\$151k - \$250k (# listed)	7	7	7	9	10
\$250k - Above (# listed)	11	12	14	16	8

Source: local realtor website listings

MAJOR INDUSTRY		# of F-T Employees	TAXABLE SALES (2016)	
Industry			Full Year	Amount
Health Care and Social Assistance		994		
Retail Trade		980		
Construction		939		
Accommodation and Food Services		737		
Public Administration		465		
Wholesale Trade		300		
Finance and Insurance		266		
Administrative and Waste Services		200		
Manufacturing		193		
Information		141		
			UNEMPLOYMENT RATE	
			State	Local
			3.6%	3.4%
			Rental Vacancy Rate	
			State	Local
			5.9%	6.8%

## EMPLOYMENT WAGE STATISTICS

\*assumes a 40 hour week

	<b>Avg. Hrly Wage</b>	<b>Avg. Annual Wage</b>
<b>State</b>	\$24.15	\$50,232
<b>Local</b>	\$22.35	\$46,488

Source: Job Service



*Available:*

*New Industrial Park = 130 acres*

*Old Industrial Park = 2 acres*

### OUR MISSION:

**To foster and develop  
existing and new business  
and industry in the Lake  
Region.**

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**Check out our website!**

[development.devilslakend.com/](http://development.devilslakend.com/)

## FEATURED PROGRAM

### WOTC (*Work Opportunity Tax Credit*):

**What is WOTC?**

WOTC is a federal income tax credit incentive provided to private sector employers. An employer may be eligible for WOTC when they hire from certain target groups of job seekers who face employment barriers. The WOTC tax credit is a one-time tax credit for each new hire – and there is no limit to the number of new hires who can qualify an employer for a tax credit. The requirements for this program are set by the Internal Revenue Service and the U.S. Department of Labor, Employment and Training Administration.

**What are WOTC Target Groups?**

Target groups are defined groups specific to WOTC for which a new hire may be eligible, depending upon his or her personal circumstances. Each target group has specific requirements which the new hire must meet in order to be verified (approved) for the WOTC Program. Only one target group is approved on a new hire. Not all target groups are alike—some provide a higher tax credit than others (see the chart below for details).

| WOTC Target Groups                                                                                                                      | Maximum Tax Credit*                | Age** |
|-----------------------------------------------------------------------------------------------------------------------------------------|------------------------------------|-------|
| Designated Community Resident                                                                                                           | \$2,400                            | 18-39 |
| Disconnected Youth (expired 12/31/2010)                                                                                                 | \$2,400                            | 16-24 |
| Ex-Felon                                                                                                                                | \$2,400                            | None  |
| SNAP† (Food Stamp) Recipient                                                                                                            | \$2,400                            | 18-39 |
| Summer Youth                                                                                                                            | \$1,200                            | 16-17 |
| Supplemental Security Income (SSI) Recipient                                                                                            | \$2,400                            | None  |
| TANF†† Recipient—Long-Term Family Assistance ( <i>This target group has a possible combined 2-year maximum tax credit of \$9,000.</i> ) | Year 1: \$4,000<br>Year 2: \$5,000 | None  |
| TANF†† Recipient—Short-Term IV-A                                                                                                        | \$2,400                            | None  |
| Veteran:                                                                                                                                |                                    |       |
| -SNAP† (Food Stamp) Recipient                                                                                                           | \$2,400                            | None  |
| -Service-Connected Disabled Veteran                                                                                                     | \$4,800                            | None  |
| Unemployed Veteran (expired 12/31/2010)                                                                                                 | \$2,400                            | None  |
| Vocational Rehabilitation Referral                                                                                                      | \$2,400                            | None  |

\*The actual tax credit may vary depending upon the number of hours worked and whether the wage cap or actual wage amount is used in the tax credit calculation.

\*\*Age requirement as of **hire date**.

†Supplemental Nutrition Assistance Program

††Temporary Assistance for Needy Families

**NOTE:** The SNAP (Food Stamp) eligibility requirements differ between the SNAP (Food Stamp) Recipient target group and the Veteran target group. The information in the chart above is subject to change. Visit [www.doleta.gov/business/incentives/opptax/](http://www.doleta.gov/business/incentives/opptax/) to learn more about the WOTC target groups (Applying for WOTC, Eligible New Hires).

**For more information, see their website at [jobsnd.com](http://jobsnd.com) or call the FDL office at 662-4933.**

# WOTC (Work Opportunity Tax Credit)

## Designated Community Resident Target Group - Rural Renewal County (RRC) -

Those counties indicated with an "X" are not part of the RRC area.

