

The city of

THIEF RIVER FALLS

Minnesota



2040 Comprehensive Plan



NAC

Prepared by: Northwest
Associated Consultants, INC

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ACKNOWLEDGEMENTS



The City of Thief River Falls has a long history of community planning. The 2006 Comprehensive Plan has served the City to date in its land use planning, development control, and infrastructure investment strategies. This has been a working document for the City's use in its development decisions and has been amended when conditions or circumstances dictated.

In 2019, the City of Thief River Falls decided to conduct a complete update of its Comprehensive Plan to address the current issues and opportunities now facing the City. The 2019 update would not be possible without the contributions of the following groups and citizens.

City Council

<u>Name</u>	<u>Affiliation</u>
Brian Holmer	Mayor
Don Sollom	Council Member
Steve Narverud	Council Member
Jason Aarsted	Council Member
Curtis Howe	Council Member
Rachel Prudomme	Council Member
Jerald Brown	Council Member
Michael Lorensen	Council Member

Planning Commission

Emery Lee
Rick Reiersen
John Johnson
LeeAnn Nelson
Steve Narverud
Ronald Lindberg
Dick Sjoberg
Jim Mattson
Mike Parker

Township Representatives

Scott Bergland	North Township
Nancy Tofte	Rocksbury Township

County Representatives

Neil Peterson	County Commission
Mike Flaagan	County Engineer
Bryan Malone	Pennington SWCD

City Staff

Angie Phillip	City Administrator
Mark Borseth	Public Works Director
Elvin Erickson	Building Official
Wayne Johnson	Water System Superintendent
Dale Narlock	Electric Superintendent
Greg Hugnagle	Building Inspector
Marty Semanko	Co-Fire Chief
Rick Beier	Co-Fire Chief
Dick Wittenberg	Police Chief
Mike Olson	Parks and Arena Foreman
John Cervantes	Street and Sanitation Foreman
Steve Olson	Liquor Store Manager
Delray Sparby	City Attorney
Michelle Landsverk	Economic Development Consultant

Citizens, Businesses, Organizations

Brian Carlson	Sanford Health
Jeff Fagerstrom	NMHC
Brad Bergstrom	ISD Superintendent
Maryel Anderson	Real Estate Agent
Glen Kajewski	Bike TRF
Laura Stengrim	CVB (Visit TRF)
Kermit Genereux	Real Estate Agent
Jim Retka	NCTC
Paul Ihle	CDAB
Tim Hagl	Banker
Ryan Walseth	Downtown Development Association
Joe Hedrick	Airport Manager
Darren Laesch	MnDOT

We are grateful for the time, efforts and insights that the aforementioned people have provided in guiding the 2019 Thief River Falls Comprehensive Plan process.



INTRODUCTION & COMMUNITY BACKGROUND



INTRODUCTION AND COMMUNITY BACKGROUND

The City of Thief River Falls is located in Pennington County in Northwest Minnesota. The community is located in an area of the state characterized by its productive agricultural land. Not only has the City served as a regional center for the surrounding agricultural base, but has developed as a center for manufacturing, distribution, health care, education, and business. surrounding

The City was originally a lumber milling town. The agricultural service center developed later as settlers moved to the area to establish farmsteads. The Great Northern and Soo Line Railroads brought prosperity to Thief River Falls, and the City became a center for shipping agricultural products and distribution of goods.

The name “Thief River Falls” was given to the river by the Ojibwa and Dakota People. The confluence of the Thief River and Red Lake Rivers near the core of the City provides the community with visual and recreational amenities. The “Falls” portion of the City’s name was added in 1896 when a series of rapids were converted to a waterfall by the construction of a dam.

Through the past century, the City has continued to grow as a place with strong ties to the farmlands of Pennington County. The appeal of Thief River Falls has been its small town atmosphere, its development as a regional trade center, its manufacturing jobs, the accessibility of the community through rail and highway transportation systems, and the surrounding natural amenities of rivers, wildlife refuges and forests. The City has developed and retained a commercial and industrial base, excellent school systems, and great residential neighborhoods. Projections suggest that with the growing job market and population growth, the City will need to promote future development to meet demand.

The annexation of land area to include areas surrounding the City, especially in the southeast quadrant, will be needed to accommodate both residential and commercial growth. A shortage of new residential opportunities has resulted in potential residents to seek housing in the surrounding rural areas or small towns. Commercial development and industrial expansion also push at the existing community limits and has created a demand for residential growth. Redevelopment and enhancement in the existing areas of the community, especially the downtown, is a continuing effort for the City. As such, the City of Thief River Falls faces critical issues of directing growth so that it will result in the type of community that is desired. This objective cannot, however, happen without forethought and planning.

The Thief River Falls Mayor, City Council, Planning Commission and staff have recognized the need for an update of the 2006 Comprehensive Plan. The point has been reached where plans are needed to address the continuing development process and changes in the community. To ensure that these matters are addressed and to include citizens, community leaders, and development interests in the process, an update of the Comprehensive Plan has been authorized.

INTRODUCTION AND COMMUNITY BACKGROUND

The Comprehensive Plan document will be divided into specific sections, as found in the Table of Contents, located in the beginning of this document. The process by which the plan has been developed can be divided into four sections including issues identification/inventory, policy planning, plan development, and implementation. Each portion of the process will involve citizen participation and involvement of City officials. Issues identification involves interviews, community surveys, open houses, and an opinion gathering process to determine a specific set of issues that must be addressed by the Comprehensive Plan. The inventory/issues identification consists of documenting the City's existing conditions at a particular point in time. The results of gathering inventory information will provide a basis of text, charts, and maps illustrating the most relevant collected information.

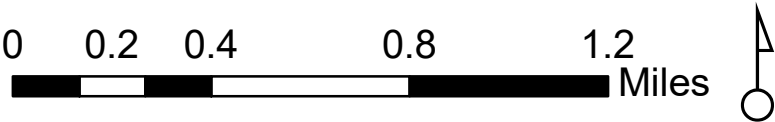
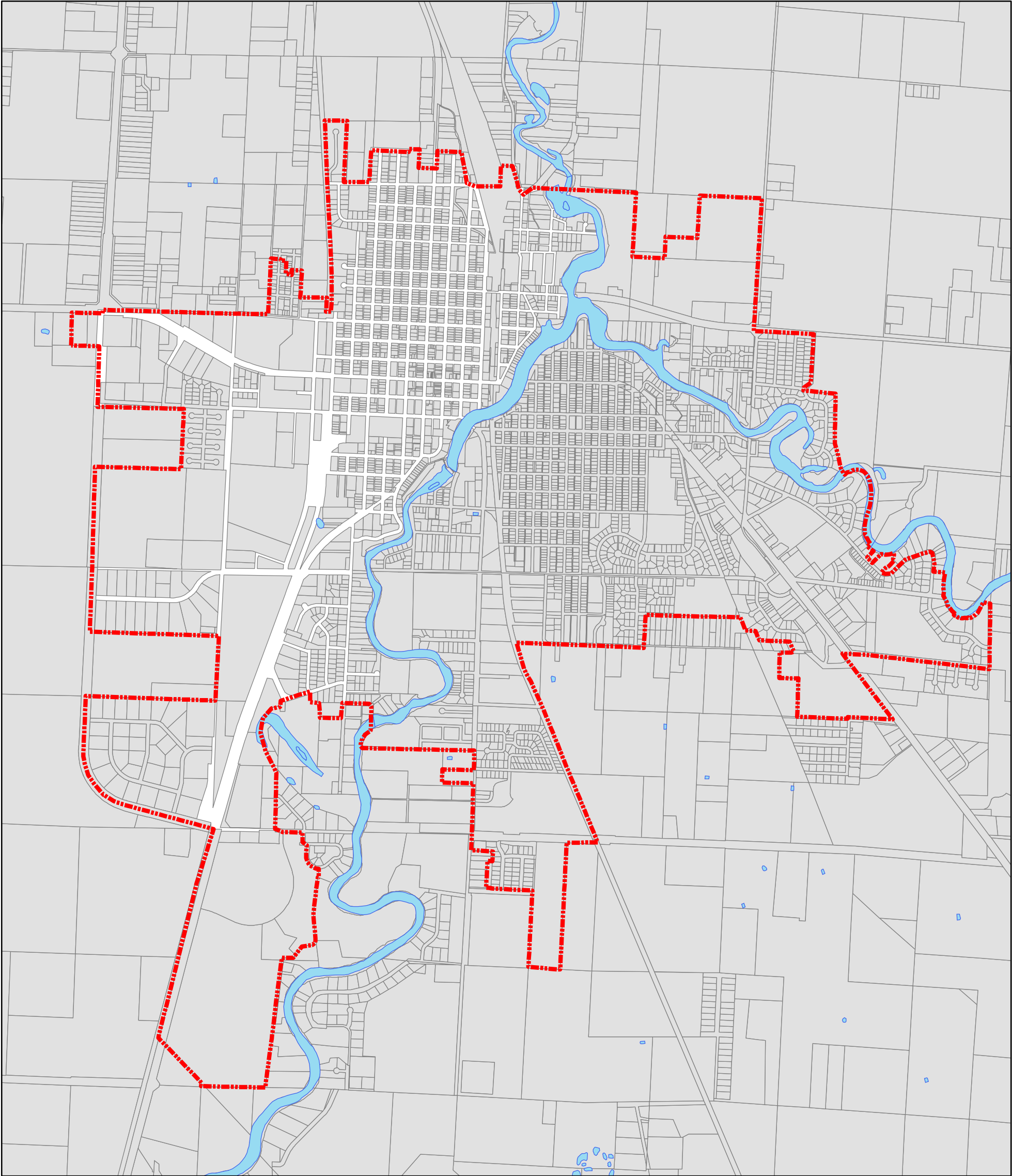
The next stage, policy planning, will determine future directives for Thief River Falls through the identification of goals and policies. The policies that are created will promote direction for the subsequent planning sections of the document. The stage that follows consists of development of the physical plans and programs which will lay out the City's proposed land use, transportation, and community facilities plans. The final stage, implementation, will involve a discussion on how the plan will be used and brought into action. It will also provide the opportunity for the City to prioritize the plans and projects that result from the planning efforts of the Comprehensive Plan.

On the following page, a base map of the City is represented. The map illustrates the corporate boundaries of the City in 2019. This will be used throughout the plan as the basis for mapping the City of Thief River Falls.



Base Map - Thief River Falls

September 20, 2019



Data Sources: City of Thief River Falls,
Pennington County, MNDNR, NAC Inc.



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ISSUES & INVENTORY



INTRODUCTION

This chapter of the Comprehensive Plan is devoted to a summary of issues that were identified through the following steps:

1. **Inventory of Thief River Falls Social Characteristics.** Using census data, American Community Survey, as well as state demographics estimates/projections helped staff to produce a snap shot of the community's residents and households.
2. **Tactic Interviews.** In December 2018, NAC Staff conducted sixty interviews with Thief River Falls Council, Planning Commissioners, staff, local businesses, Town and County representatives, and various representatives of various civic groups. Through these interviews, the City's issues and opportunities were defined. Through this process, the Comprehensive Plan can focus its attention on goal setting, priorities and strategies that specifically address the City's identified issues.
3. **Community Surveys.** Building on the tactics interviews, survey questions were developed for both community wide participation and specifically for Digi-Key employees. The survey is intended to expand the Comprehensive Plan's outreach as a means of verifying the results of the tactics interviews and seeking additional perspectives beyond the tactic interviews.

Identification of every issue raised in the interview and outreach process was not attempted in this regard. Rather, issues presented represent a broad categorization of topics receiving attention. Generally, there was a strong consensus on many topics, however, where opinions differ on specific topics, both sides of the issue were presented. The following perceptions and issues present topic areas requiring specific attention as the Comprehensive Plan proceeds.

Community Identity

Most of the Tactics interview participants have a very positive image of Thief River Falls, describing it as a well-managed, well planned community. The following community strengths were identified as contributing to Thief River Falls' quality of life and public image.

Strengths

- 31st for the top places to live as ranked in USA Today 10/22/2018. This ranking of communities under 25,000 population evaluated cities on the basis of safety, employment opportunities, affordability (percentage of disposable income kept), transportation and entertainment/cultural attractions. Many interviewees take pride in identifying this ranking.
- Safe community

- Friendly people, charitable, helpful
- Employment opportunities
- Entrepreneurial spirit
- Well run community (Council, Advisory committees, Staff)
- Great school district and education. Thief River Falls school district ranked 3rd safest school district in the state of Minnesota.
- Northland College ranked 8th best Community College in the state of Minnesota.
- Health services
- Quality well-maintained older neighborhoods
- Parks, trails and recreation programs
- CBD redevelopment efforts
- Airport
- Intergovernmental cooperation relationships
- Available housing programs
- Full broadband coverage

Weaknesses

- Need people – Job growth exceeds community population growth, creating a labor shortage.
- Thief River Falls does not offer a destination that attracts new residents or consumers to shop within the community.
- Lack of affordable labor force housing.
- Lack of independent senior living housing.
- Need for more entertainment, recreation, and shopping options.
- The CBD has lost some of its major anchors.
- Cost of residential construction (i.e. land, streets, utilities, materials, labor) make it difficult to construct affordable owner-occupied single-family housing options.
- Arena operations are expensive. There is a need to generate more revenue to reduce City operational expenses.
- High taxes were identified as an issue. Layers of taxes - County, City, School district, Airport, watershed, etc.
- Concerns regarding taste and purity of potable water.
- Appearance of outdoor storage yards.
- Trains blocking traffic within City.

Population

The predominant opinion expressed through the tactic interviews was; “We need more people,” to live, work, and shop in Thief River Falls. This issue runs to all communities and counties in Northwest Minnesota. The following table illustrates the population trends

between 2000 and 2017 for the communities that comprise DEED's Economic Region #1. Over the past 17 years, the Economic Development Region has experienced an accumulative 3.1% loss in population. Only Pennington and Polk counties display a positive growth.

DEED Economic Development Region #1				
POPULATION GROWTH BY COUNTY				
	2000	2010	2017	2000-2017 Percent Change
Kittson	5,285	4,552	4,262	-19.4%
Marshall	10,155	9,439	9,351	-7.9%
Norman	7,442	6,852	6,601	-11.3%
Pennington	13,584	13,930	14,301	+5.2%
Polk	31,369	31,600	31,720	+1.1%
Red Lake	4,299	4,089	4,007	-6.8%
Roseau	16,338	15,629	15,484	-5.2%
Region Total	88,472	86,091	85,726	-3.1%
Source: U.S. Census / MN State Demographer				

The growth in Pennington County can be attributed to growth in Thief River Falls. Between 2000 and 2017 Thief River Falls added an estimated 521 new residents, a 6.2% growth rate during this period. The City's population growth represents approximately 73% of the County's growth during this same period.

THIEF RIVER FALLS POPULATION GROWTH				
	2000	2010	2017	2000-2017 Percent Change
Thief River Falls	8,410	8,573	8,931	+6.2%
Pennington County	13,584	13,930	14,301	+5.3%
Goodridge	98	132	140	+42.8%
St. Hilaire	272	279	276	+1.5%
Red Lake Falls	1,590	1,427	1,398	-14%
Crookston	8,192	7,891	8,006	-2.3%
East Grand Forks	7,501	8,601	8,876	+18.3%
Grand Forks, ND	49,321	52,838	57,056	+15.7%
Source: U.S. Census / MN State Demographer				

Households

The following table illustrates Thief River's household growth since 2000. Between 2000 and 2010, the City added 183 new households, for an annual average of 18.3 per year. Household growth slowed between 2005 and 2010 which was characteristic of most communities during the recession.

Between 2010 and 2017 Thief River Falls' household growth increased to approximately 20.8 households per year.

While the number of households increased, the size of the average household has shown some decline between 2000 and 2005. After 2005 the average household size remained steady at an average size of 2.23 people per household.

2000-2017 HOUSEHOLD INFORMATION			
Year	Population	Households	Mean Persons per Household
2000	8,410	3,619	2.32
2005	8,476	3,719	2.27
2010	8,573	3,802	2.25
2015	8,765	3,907	2.24
2017	8,931	3,948	2.22

Source: U.S. Census 2000, 2010, 2015, 2017, Minnesota State Demographer

The 2000 and 2010 censuses give us a better perspective of the typical household's makeup in Thief River Falls. The table below shows that in both 2000 and 2010 family households outnumbered non-family households.

2000 and 2010 Household Type						
Household Type	Total Number of Households		Households With Children		Households Without Children	
	2000	2010	2000	2010	2000	2010
Family - Married Couple	1,600	1,483	659	526	941	957
Family - Male Householder	110	196	73	132	37	64
Family - Female Householder	382	462	284	327	98	135
Total Family	2,092	2,141	1,016	985	1,076	1156
Non-Family Households	1,527	1,661	255	271	1272	1390
Total Households	3,619	3,802	1,271	1,256	2,348	2,546

Source: U.S Census 2000, 2010

Age

The following table illustrates Thief River Falls population by age group. The table uses the 2000, 2010 Census counts and the 2017 American Community survey estimates. The table breaks the age segments into school age (under 18 years), labor force (18+ to 64 years), and retirement (65+ years). Each of these segments have different impacts on a community.

POPULATION GROWTH BY AGE GROUP								
	2000	2000%	2010	2010%	2000-2010 % Change	2017	2017%	2000-2017 % Change
School Age								
Under 18	1,886	22.43%	1,926	22.47%	2.1%	1,781	20.30%	-5.6%
Labor Force								
18-34	2,031	24.15%	2,116	24.68%	4.2%	2,217	25.3%	9.2%
35-54	2,193	26.08%	2,048	24%	-6.6%	1,878	21.4%	-14.4%
55-64	716	8.51%	967	11.28%	35.1%	1112	12.7%	55.3%
Sub-Total	4,940	58.74%	5,131	59.85%	3.9%	5,207	59.4%	5.4%
Retired								
65-74	643	7.65%	654	7.6%	1.7%	902	10.3%	40.3%
75-84	607	7.22%	512	6.0%	-15.7%	573	6.5%	-5.6%
85+	334	3.97%	350	4.1%	4.8%	306	3.5%	-8.4%
Sub-Total	1,584	18.84%	1,516	17.7%	-4.3%	1,781	20.3%	12.4%
TOTAL	8,410	100%	8,573	100.0%	1.9%	8,769	100.0%	4.3%
Source: U.S Census 2000, 2010; American Community Survey 2017								

The school age segment of the population influences schools, parks and recreational programs. The table illustrates slight growth in this segment between 2000 and 2010. However, the American Community Survey illustrates a declining population in this segment since 2010.

Retention and growth of the labor force was expressed as an essential need for the community to support growing local industries and provide market support for the community's local businesses. While the previous table illustrates a 5.4% growth in the total labor force segment, a distressing issue is the declining population in the 35-64-year age group. This age group represents the people in the prime wage-earning years, supporting families and having the largest amount of disposable income.

Another concern with the characteristic is that in ten years, 12.7% of the City's population may be moving out of the labor force and into retirement age. The City needs to grow the younger age groups to address the loss of this aging population within the labor force.

The retirement age population is estimated to have increased to 12.4% for Thief River Falls between 2000 and 2017. The growing population in the 55-64 age group indicates that over the next ten years, the retirement population will become a larger portion of the City's total population. The trend is reflective of the region population aging to a point that they seek out housing, services, and medical options conducive to their elderly lifestyle. Long term regional residents will seek communities closest to the long-time homes to remain connected to their communities and friends.

To be consistent with the aging population of the City, there will need to be attractive housing, shopping, and recreational opportunities for seniors (65+ years) to go along with the quality medical facilities of Thief River Falls. As young families move to Thief River Falls their parents and grandparents might follow. Providing options for good retirement and senior housing will also attract this demographic.

Income

Few things have a greater impact on a resident's daily life than their financial situation. A person's income determines where they can live and in what type of home, whether or not they can afford to start a family or have an additional child, and even simple things like patronizing local businesses and taking time off from work. Looking at the income of Thief River Falls residents, offers a clearer picture of what families and households made, and how that compared to the context of the surrounding area and the regional economic market.

The table below shows the median household income for both Thief River Falls and Pennington County, starting with the 2000 census which had collected economic information, and then picking back up for 2010-2017 using estimate figures from the American Community Survey. Before getting into the year-over-year results, it should be noted that the county has higher household incomes than Thief River Falls on average. The gap between the two in terms of median income was \$3,457 in 2000 and \$9,947 in 2017. That is a 188% increase over 17 years and shows that the disparity between county incomes and City incomes has widened drastically. This disparity can be attributed to the City having a greater number of single income households, and more retirement age households having a more limited income.

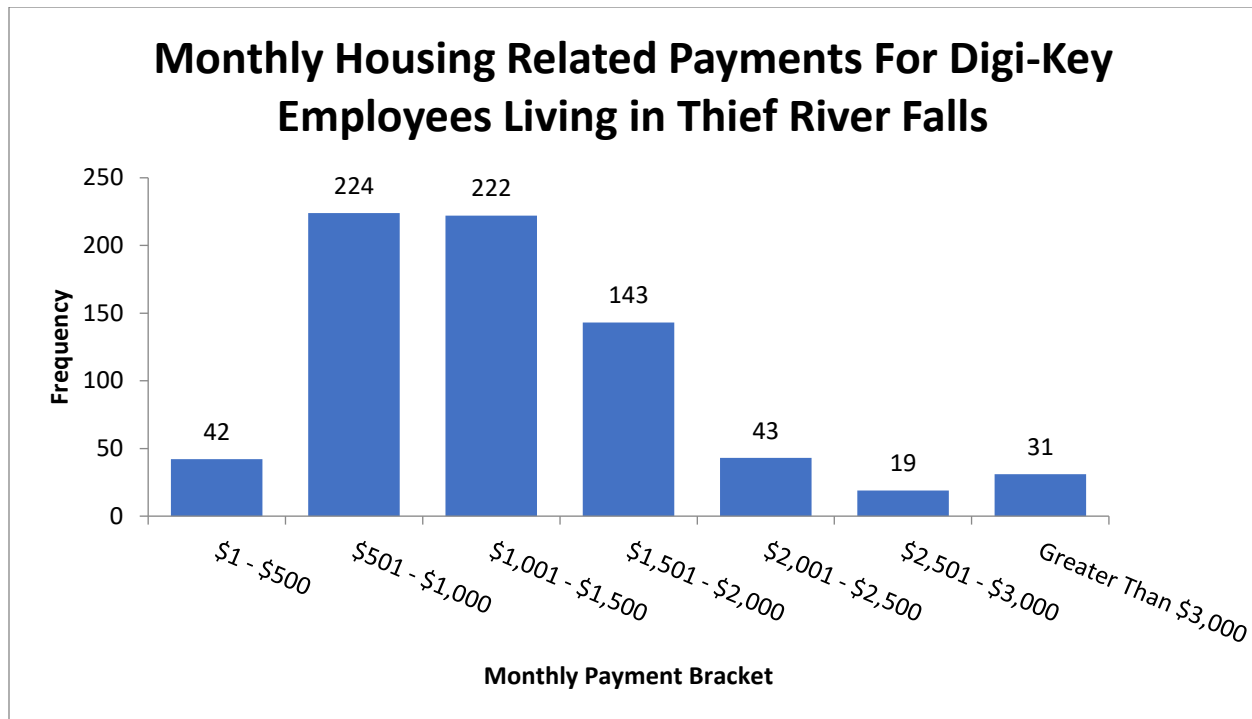
	2000		2010		2012	
	Median Household Income	Percent Change	Median Household Income	Percent Change from 2000	Median Household Income	Percent Change from 2010
Thief River Falls Pennington County	30759	N/A	36,218	18%	41,520	15%
	34216	N/A	44,926	31%	47,880	7%
	2014		2016		2017	
	Median Household Income	Percent Change from 2012	Median Household Income	Percent Change from 2014	Median Household Income	Percent Change from 2016
Thief River Falls	41,115	-1%	42,734	4%	43,946	3%
Pennington County	47,381	-1%	51,156	8%	53,893	5%
Sources: 2017 American Community Survey, 2010 Census						

Median household incomes have seen significant growth since 2000. Median Household Income in Thief River Falls increased by 43% since 2000, 58% for Pennington County.

We also looked into median family income, i.e. the income for households which had a householder and at least one other person who are related by birth, marriage or adoption. The incomes for family are almost always higher than the median for all households, due to a number of factors. For one, many family households will consist of multiple wage earners if there are two adults present. In addition, families tend to be in more mature and comfortable situations financially due to planning and preparation for the added costs of children and larger households.

Income & Housing

For most households the most significant expenditure is the cost of their housing. Rent, mortgage, utility payments or property taxes, housing expenses are a significant consideration when examining the cost of living in an area. As part of this Comprehensive Planning Update, we conducted an employee survey of workers at Digi-Key, the area's largest single employer. In that survey we asked employees who were residents of Thief River Falls to estimate their monthly housing costs, including utilities and taxes, the results of which are shown in the histogram below.



The histogram takes 724 individual responses and sorts them into brackets at 500-dollar intervals. 36.7% of respondents estimated that they paid \$1000 or less on a monthly basis for housing, while another 24.9% paid between \$1,000 and \$1,500 per month. The median monthly housing cost from our survey respondents was \$1,250 monthly, although this may be slightly inflated given that we have some outlying values on the upper end of the scale. With 31 respondents paying over 3,000 a month on housing the median cost is dragged up significantly.

Given the 2017 median income for Thief River Falls households and families and the estimated level of housing costs (survey), a preliminary analysis can be made regarding the affordability of housing. If a household is spending 30% or more of their monthly income on housing, that household is considered to be a cost-burdened household. These households, in paying over a third of their income towards housing, can often fail to pay for other necessary and basic needs such as: child care, insurance and medical expenses, phone or utility bills, or make less healthy decisions when purchasing groceries. The table below illustrates the cost-burden issue using both the median household income as well as the median family income for Thief River Falls in 2017.

	Annual	Monthly	Median Monthly Housing Cost	Percent of Income Towards Housing	Cost Burdened?
Median Household Income	\$43,946.00	\$3,662.17	\$1,250.00	34%	Yes
Median Family Income	\$57,308.00	\$4,775.67	\$1,250.00	26%	No
<i>Sources: 2017 American Community Survey, NAC 2019 Digi-Key Employee Survey</i>					

As shown in the table and based off the responses from our survey of employees at Digi-Key, a household making the median level of income and paying the average amount for their housing will be cost burdened, spending over 30% of their income on housing. Family Households in Thief River Falls would on average not be burdened by their housing costs, most likely due to the presence of multiple wage earners in many family households.

The other part to housing affordability is the upfront cost of buying a home. We looked at the residential home sales in the City in the past year, excluding homes that sold for over \$250,000 which is well above market average and mobile homes, which were unique enough in cost and cost per sq. ft. that we felt they were their own category. Within the City 193 homes sold in 2018, with the average sale price being \$131,024.95. These days a smaller down payment is more common, anywhere from 3 – 10% depending on the loan provider and the person's credit, but these are still costly with a 3% down payment being almost 4,000 dollars. Choosing to go with a lower down payment also means higher monthly payments, although mortgage calculators online still put this monthly cost below the median housing cost reported by our survey respondents.

Regional Planning and Cooperation

Thief River Falls has ongoing working relationships with the following government units and agencies:

- Pennington County
- North Township
- Rockbury Township
- Pennington County Soil and Water District
- Thief River Falls Airport Authority
- Thief River Falls School District
- Northland Community and Technical College
- Minnesota Department of Transportation
- Minnesota Department of Employment and Economic Development
- Red Lake Electric
- Red Lake Watershed District

Thief River Falls takes an active role in participating with these agencies and governmental units in planning for projects, improvements and providing services to Thief River Falls and surrounding region.

A number of these government units have tax authority that overlays Thief River Falls. Improvements and expenditures of these governmental units contribute to Thief River Falls' accumulative tax rate. Many of the interviewees and the community surveys expressed concern over the City's high total tax rates. In this light, aforementioned City cooperative involvement with the aforementioned governments and agencies is needed to allow the City to offer regional improvements and keep spending of property taxes effective.

Additionally, community leaders expressed the need to continue to work closely with Rockbury and North townships on issues that affect these jurisdictions. The City has established orderly annexation agreements with Rockbury Township. Other shared issues will include transportation improvements, drainage and stormwater management, airport planning and slope improvements along the river banks.

River Enhancement

The City of Thief River Falls is situated at the confluence of the Red Lake and Thief Rivers. The rivers have been identified as the community's most important natural resources. Through the tactic interviews, the following opinions have been expressed pertaining to the rivers;

1. The river is the primary water source for the City. In this light, water quality must be maintained. Some people expressed dissatisfaction with the City's potable water. The need to treat the water for potable use continues to be an important issue for the City.
2. The Pennington County Soil and Water Conservation District will be undertaking a river bank stabilization project along the Thief River. The project will involve both slope stabilization and a vegetated buffer strip at the top of river banks to manage stormwater drainage and to prevent slope erosion and sedimentation into the river.
3. Dredging of the two rivers' confluence should be a periodic maintenance activity that will pay dividends back to the community's water quality and the usability of the rivers for recreation and activities.



4. As an attractive natural amenity, interviewees expressed a need to build on the River Walk concept of trails and exposing the river through trail systems and river front development.
5. As a river community, flood plain issues arise. The City staff identified a plan for diverting County ditch 1 around the City following 125th Avenue to remove the ditch outflow into the river at the center of the City. This way, in times of heavy rain or snow melt, water is diverted to different areas to prevent ponding and property damage.
6. Some tactic interviewees expressed the need to expand on the recreational uses of the river through community events, programs, and promotion. Rivers present unique water recreation activities such as kayaking, tubing, canoe camping and more.

Taxes

Both tactics interviews and survey respondents identified concerns with regard to Thief River Falls high tax rates. Many expressed that the tax rate is an impediment to community growth.

The issue with property taxes is the number of governmental units that overlay the City and how each of the government units manages their operations. In the case of Thief River Falls, contributing to the overall tax rate is the County, school district, City and Airport authority. In 2016 the City's total accumulative tax rate was 139.5%. The following table compares Thief River Falls with Crookston, East Grand Forks and Minnesota Cities with a population between 5,000 and 9,999.

Tax Rate Comparison 2016				
	Thief River Falls	Crookston	East Grand Forks	MN Cities (5,000-9,999 Mean)
Tax Capacity	\$4,484,683	\$3,422,735	\$6,588,893	\$4,985,720
County Tax Rate	58.01%	40.8%	41.11%	50.78%
City Tax Rate	43.85%	55.9%	61.28%	62.08%
ISD Tax Rate	33.24%	15.34%	20.27%	26.42%
Special Tax Rate	4.44%	4.17%	4.91%	1.65%
Total Tax Rate	139.53%	115.49%	127.57%	140.926%

In 2016, Thief River Fall's City tax rates compared very favorably to Crookston, East Grand Forks, and the Minnesota average for like-sized Cities. The County and school district rates greatly influence Thief River Falls' total tax rate.

The City tax rate suggests that the City continues to be a financially conservative while delivering quality service to its residents.

The concerns for local tax rates must be considered in undertaking future community efforts. Through the tactic interviews, a number of community improvement projects have been suggested, including but not limited to:

1. Downtown redevelopment and streetscape improvements
2. Rerouting County ditch 70 around the City
3. Street and bridge construction for the 150th Street Alternative Truck Route
4. Providing bridge and improved street connections to Northeastern Thief River Falls
5. Redevelopment of the old Hospital site
6. Highway improvements
7. River Walk improvements
8. Airport improvements
9. Site a future industrial park

In discussing the perception of taxes, a number of interviewees expressed that the City's first priority should be the continued delivery of high-quality municipal services and facilities. The City cannot do everything, in this respect the undertaking of future projects must be prioritized so that the financial burden does not fall solely on the City. Projects may be pursued when inter-governmental cooperation is available to share costs, or if a public/private sector partnership may be made where private sector funds reduce the City's burden or risk.

Transportation

From the City's beginnings, Thief River Falls has had to deal with the obstacle that the Red Lake River and Thief River have created from a transportation and circulation perspective. In addition to these natural obstacles, the railway lines that run through the City compound these difficulties further, creating a need for creative solutions to ensure the transportation network's efficiency.

Current and Future Improvements

The roundabout and grade separated rail crossing bridge that has been constructed on Greenwood Street has been a great success. At times when the train is traveling through or at a stop in town, this stretch of road is one of the few ways in the entire City to get from one side of the railroad to the other, avoiding what can be up to a 5-10-minute delay. The only downside here is that the road as designed is slightly under capacity for its new level of traffic and sees even greater traffic congestion when everyone is trying to avoid the train.

In 2019-2020 The County will be constructing a bridge that spans the Red Lake River at 150 Street NE. This added street connection should lessen the amount of traffic on Greenwood Street and open up new areas for housing development. Although without a grade separated railroad crossing on 150 Street NE, this will have little impact on the peak traffic on Greenwood that occurs while a train is blocking other intersections.

The last two comprehensive plans and a number of those interviewed expressed the need for additional crossings of the Red Lake River to the north. The current crossing is on state Highway #1 bridge or the Eighth Street Bridge. The River crossing points proposed are at the Sherwood Bridge location or as an extension from Greenwood Street. As discussed in several interviews, a new bridge would help those persons who live to the north of the Red Lake River who are often held up by trains—due to its proximity to the railway switching yard. A bridge would also provide better connection to the Northland College and the athletic fields that have been relocated there. In addition, a new bridge would open areas for development in the northern area of the City. This bridge connection to the north should be coordinated with the proposed MNDOT Plans for the simplification of frontage roads and crossing points on US 59 in the next 5-10 years.

Additional major entry roundabouts will be constructed in 2019-2020 and are to be located at the intersection of Mark Boulevard/State Hwy 32 and US Hwy 59/State Hwy 1. These intersections have been notoriously dangerous. Roundabouts will help to calm traffic by reducing speeds and allowing for safer access onto branch streets and frontage roads. In addition, street improvements here will provide a more cohesive visual entry from the north, south and west. Additional roundabouts are to be included at Barzen Avenue and Brooks Avenue on State Highway 1.

Some of those interviewed discussed the negative entry appearance coming into Thief River Falls from the north on State Highway 32 and US 59 due to salvage yards and outdoor storage. The City has limited options in terms of removing or relocating these business types and would prefer not to do so given their clustering and value to the City. Instead steps may be taken during the update of the roadway to include roundabouts to beautify medians and other spaces in the right-of-way to create a more welcoming entry to the City.

Sidewalks and Trails

In the interviews, there was little discussion of sidewalk and trail inadequacies. Residents identified the importance of the trail system connecting residential areas to commercial areas, as well as to schools, the library and the parks. Implementation of aspects of the “New Vision for Downtown” as it relates to Trails and recreational amenities on the river were considered priorities. The new bridge construction on Mark Boulevard will provide additional trail way connections to the north of the bridge—connecting it to the Greenwood Trails Regional Park is seen as a priority.

While the River walk is a trail way that connects LB Hartz Park to Centennial Park, additional signage and trail connections are recommended to improve the usability of the park. No other improvements to the location or scale of this trail was identified by interviewees.

A regional trail through Thief River Falls in collaboration with the Northwest RDC and MNDOT is in the preliminary planning process. This plan will define a trail corridor through Thief River Falls for future trail way improvements. The City should be an active participant in this discussion and seek where able to connect this regional trail to the existing and planned future trail improvements. This would both save on the cost of a regional trail to the City, and also allow for more convenient usage for residents who are already familiar with the City's trails.



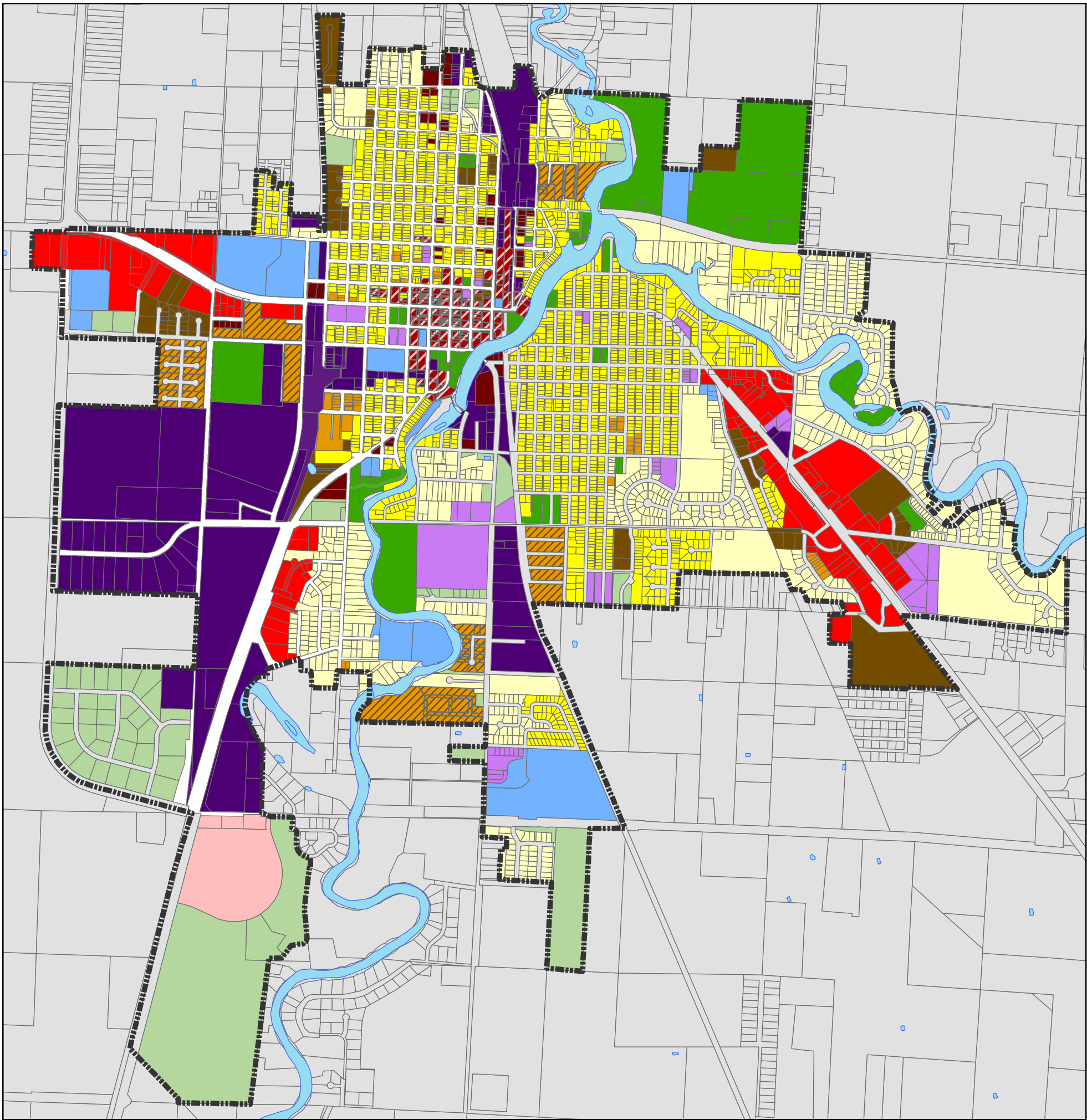
LAND USE

The following map and tables quantify Thief River Falls existing land uses.

Land Use Category	Acres	Percent of Total
Low Density Residential	5,682.39	27.3%
Medium Density Residential	6,751.87	32.4%
Medium-High Density Residential	81.02	0.4%
High Density Residential	498.28	2.4%
Manufactured Home Park	410.68	2.0%
Central Business District	256.00	1.2%
General Commercial	48.96	0.2%
Highway Commercial	1,878.49	9.0%
Industrial	2,812.93	13.5%
Open Space	594.66	2.9%
Parks	483.29	2.3%
Schools and Public Buildings	332.11	1.6%
Semi Public	919.29	4.4%
Hospital	67.01	0.3%
Total	20,816.99	100%

Existing Land Use - Thief River Falls

September 20, 2019



0.55 0.275 0 0.55 Miles



1 inch = 0.37 miles

Land Use Category

- Low Density Single-Family
- Low-Medium Density Residential
- Medium-High Density Residential
- High Density Residential
- Manufactured Home Park
- Central Business District
- General Commercial

- Highway Commercial
- Industrial
- Open Space
- Parks
- Schools and Public Buildings
- Semi Public
- Hospital

- City Limits
- Rivers

Data Sources: City of Thief River Falls, Pennington County, MNDNR, NAC Inc.



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Irregular Boundaries/Annexation

Many of the interviewees expressed frustration with the irregular shape of the City. They indicated that it is difficult “to tell where the City ends, and the township begins.” The piecemeal annexation makes it difficult to plan appropriate street connections and utility networks.

The City’s annexation process is respectful of the townships and property owners. Accepting annexation on a property by property petition ensures that the newly annexed land is ripe for development.

Some people were critical of the City’s growth pattern having an emphasis on expanding to the south. These interviewees requested that the Comprehensive Plan give more attention to growth north of the City with specific attention to the area north east of the City to take advantage of existing recreational areas, college facilities and the Red Lake River amenities.

The Comprehensive Plan will include extra territorial areas surrounding the community to address the irregular boundaries and to define the logical growth areas based on the City’s ability to extend utilities, provide municipal services, suitable soil types, wetland impacts, and plan a functional transportation system.

Residential Land Use

The tactic interviews and community surveys identified the need to expand residential growth as a priority for the City to keep pace with the growing economy. The following opinions were expressed pertaining to residential land use in the City;

1. The City’s existing single-family neighborhoods are generally in good condition. The majority of the existing housing stock qualifies as affordable housing, which generally falls below \$200,000 estimated market value. Housing turnover is slow and homes on the market generally have a quick sale period. Some older homes in the City are beginning to show signs of their age. 30, 40 and 50 year-old homes will continue to serve an important role in providing affordable housing, but will likely require additional maintenance and upkeep from their prospective and current owners.

Interviewees suggested that turnover is slow due to the lack of alternative housing choices in the community, i.e. move up housing, elderly housing options, low maintenance housing options, etc.



2. New single-family development has been limited. Northwest Minnesota Housing Cooperative (NWMHC) has been the active builder in Thief River Falls. They have had some success in developing and marketing their “build a better neighborhood” concept. This is a small lot subdivision offering new homes at three different price points that offer affordable home ownership options with new construction. With this project, NWMHC experienced a two year build out for a ten-lot subdivision. Their success suggests that there is a market for more new homes. NWMHC identified the following barriers to expanded single family growth
 - Land development costs; including land acquisition, streets and infrastructure cost including the upfront construction cost. More importantly, the financial holding costs of improved lots until sale. These issues limit the size of subdivisions, which limits the number of choices of available lots.
 - Cost of materials; NWMHC indicated material costs (lumber, steel, etc.) are three times higher than ten years ago.
 - Labor shortages; home construction is seasonal employment. Home builders compete with employers such as Digi-Key for employees. Digi-Key offers a pay scale comparable to construction and benefits that cannot be matched by smaller construction companies. In this respect, the construction companies struggle to maintain full construction crews.
 - The price points for affordable new construction homes are \$160,000 to \$200,000. At these price points, considering the aforementioned issues of land development, materials, and labor, the profit margins for homes are limited.
3. Outside of the NWMHC, other homes being constructed are being done by independent builders who are limited by the same factors as NWMHC but do not have the ability to cover the cost of a new subdivision. These independent builders must instead look to buy and improve existing lots. However, the City has been built out to the extent that developable lots are limited in availability. This again restricts the rate of single-family development within the City.
4. The City has undertaken extensive efforts to assist in promoting single-family home ownership including:
 - Offering 3-year tax abatement for new home construction
 - The use of special assessments to reduce upfront street and utility costs for new subdivisions
 - Interest free down payment loans
 - Promotion of Rural Development and MnFHA loan programs for first time home buyers

5. The City has seen a significant amount of new multi-family housing development, especially in the area around its two main employers, Digi-Key and Textron. This wave of development has been critical in meeting the demand for workforce housing generated by both companies and has allowed more workers to relocate to the City from outlying areas.



6. The majority of interviews and surveys suggested the need for a more diversified housing mix, both in terms of single-family homes as well as multi-family development.
- The survey respondents requested a greater variety in styles and price points for single-family homes. The limited number of builders limits the choices in housing styles and locations. 49.8% of survey respondents express a need for move up housing (price points above affordable).
 - Most interviewees requested the development of some low maintenance housing options (i.e. Association managed condominiums, townhomes, detached townhomes) that may appeal to aging householders/empty nesters that wish to remain in the City but do not want to deal with daily demands of house and yard maintenance; or those households that no longer need a large single-family home. Discussions suggest that the availability of this housing option will help to free up existing single-family housing stock for sale in the community. This is especially true for households which may own an older home currently, and would like to avoid upkeep and maintenance of larger homes and yards, whereas a new owner would be purchasing the home knowing that work may need to be done.
7. Interview discussions revealed that the City's age restricted housing units both assisted living and independent living each have waiting lists for households interested in this housing style. These lists suggest a demand for more of these housing options. Often in rural areas, cities see an influx of older residents from the surrounding area when those households decide they no longer wish to maintain a large home and potentially acres of private land. These households will move to the City if there are age restricted units available to them, in order to stay in their local communities.

8. The 2012 Housing Study projected a demand for between 135 and 225 rental units over the next five years. Consistent with this projection, the City has added multiple new apartment buildings in the years since, such as the West River Falls building which has 104 units, the 41-unit River Falls estates, and the age-restricted 26 unit Greenwood Terrace Apartments, among others. Almost all of these new apartment buildings have experienced full occupancy upon building completion, and in the absence of alternative housing options, most believe that multiple family rental units will continue to be popular in the City.



9. Mobile home parks have been developed within the City to provide an affordable housing option. Though the interviews we have received mixed opinions on mobile home parks. While most agreed that the acceptability of the parks is based on their proper management, however, there have been issues with regard to police calls and appearance.

Some have expressed a willingness to allow additional mobile home parks to address the City's continued demand for affordable housing. Others express the contrary position, that mobile home parks should be limited, and alternative housing pursued. Some of the concern with mobile home parks is fear of deterioration as they age.

10. The need for housing in the City has been a long-term issue stimulating housing studies in 2006 and 2012. The 2012 Housing Study identified the following:
- Job creation is dramatically outpacing Thief River Falls' household growth at a rate of one household per four new jobs being created.
 - Projected employment growth could result in the demand of 72 to 90 households per year.
 - The Study projects increasing new growth in households between the ages of 55 and 84 years old.
 - Based on housing tenure trends the Study suggested the demand for 16-30 owner-occupied units a year, and 27-95 renter-occupied units per year.

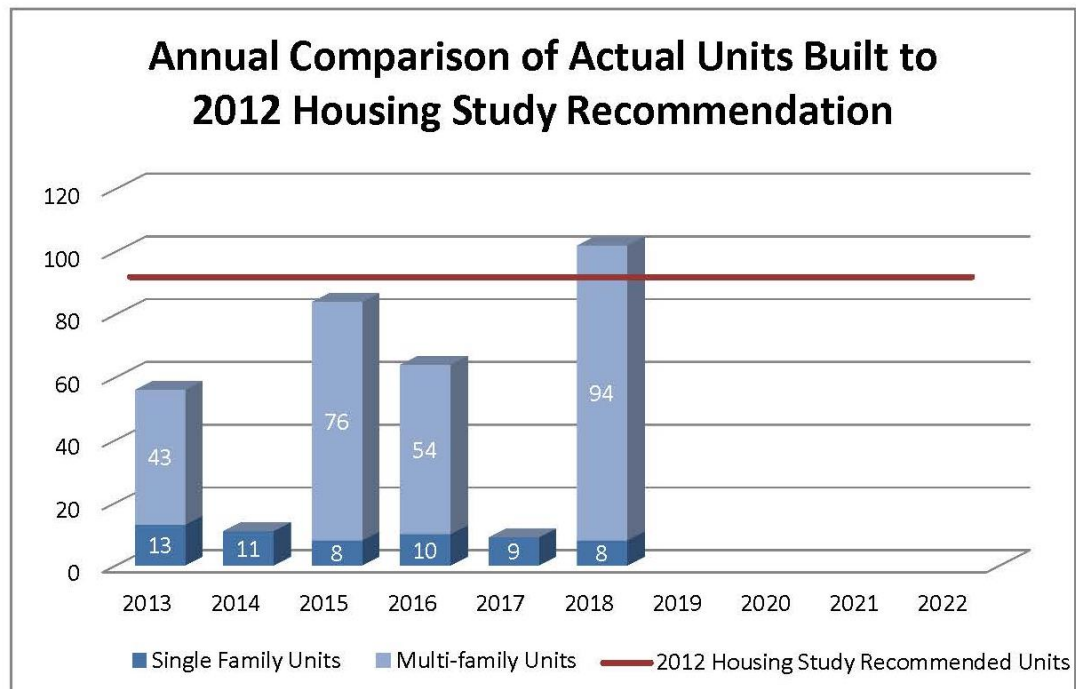
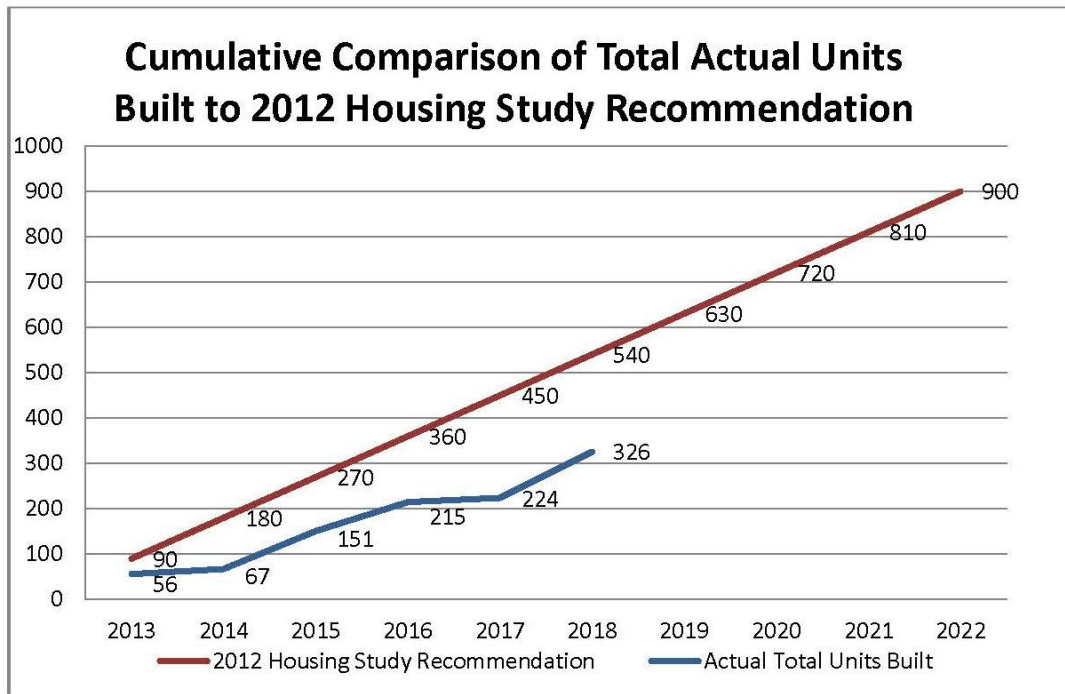
The trends and recommendations of the 2012 Housing Study are still relevant to the Comprehensive Plan update. The City has been successful in addressing the multiple-family rental housing demand but has not been able to entice development of an alternative owner-occupied housing supply. And within the sphere of multi-family development, residents would still like to see more variety and options outside of the apartment style homes being developed within the City.

11. In 2016, the City entertained the major redevelopment of the old hospital site located at First Street at the periphery of Thief River Falls' downtown. The redevelopment plan called for the demolition of the hospital and the construction of market rate and senior housing. The project was intended to bring 143 housing units into the downtown area. The redevelopment project achieves

- Redevelopment of an obsolete hospital building, removing the building from downtown area.
- Addresses the demand for additional housing within the City, providing both market rate labor force housing and needed age restricted housing.
- Introduces new residential units into the heart of downtown, providing the area with an influx of new consumers and workers.
- Creates the opportunity to improve the downtown and river front and enhance the streetscape and appeal of the area.

The majority of the interviewees identified the old hospital redevelopment as an on-going priority for the community reflective of the aforementioned benefits of such a project.

Comparison of Projected vs. Actual Housing Established 2013-2018



Source: City of Thief River Falls

Commercial Land Use

The interviews and surveys identified the following issues associated with Commercial Land Uses:

1. Regional Attraction/Customer Retention

The majority of interviewees expressed a desire to have commercial uses that not only address the needs of local residents but also provide a commercial destination that attracts and captures the potential customers that travel through Thief River Falls to shop at Grand Forks. Interviewees expressed a need for upper-end clothing stores, restaurants, more recreation and entertainment venues that will bring regional customers into the City with greater frequency.

2. Business Diversity

Many interviews identified the over-supply of hardware and fleet stores which all carry similar product lines. There is a need for greater diversity. Some expressed a desire for a second grocery store to provide more shopping choices and competitive prices. Others suggested the need to expand the variety of child day care facilities. The availability of quality affordable day care may assist in expanding the available labor force.

3. There is nothing to do in Thief River Falls

Both the interviews and surveys expressed a desire for more entertainment and recreation venues to address the issue of, “There is nothing to do in Thief River Falls.” Some complaints were that the businesses have limited evening business hours that allow for shopping after work shifts. Business owners indicated that they have limited staffing to accommodate extended hours.

4. Downtown Design

The majority of interviews and surveys express the need to revitalize the Thief River Falls downtown area. Many referenced the 2017 Thief River Falls “New Vision for Downtown Community Master Plan” as identifying improvements to enhance the downtown identity through gateways, streetscape improvements, pedestrian ways, river view enhancements, etc. This Master plan has created excitement and is intended to enhance the appearance and function within the Thief River Falls downtown.



5. Downtown Businesses

The “New Vision for Downtown Community Master Plan” provides a strong plan for physical improvements for the downtown. Interviews express concerns over the loss of businesses in downtown, specifically the vacancies of J.C. Penney’s, Elk’s Club, and Old Hospital. Most expressed concern over business composition within the downtown moving away from historically retail to more service businesses. There is a need to attract businesses into downtown that generate daily customer traffic; that contribute to the accumulative attraction of the entire downtown; that are complimentary to other businesses; and that promote business interchange. Complimentary businesses were identified as additional retail, upscale clothing stores, additional restaurants, entertainment venues, tap rooms, bakeries, etc.

6. Downtown Obstacles

Perceived obstacles of improving the downtown were identified as:

- High rents for downtown buildings
- Poor building upkeep of select downtown core buildings
- Perceived shortage of available parking
- Lack of consistent business hours of operation between businesses
- Vacated buildings

7. Labor Shortage

The labor shortage impacts all of the City’s local commercial businesses. Many of the local businesses cannot compete with the pay scale and benefit packages offered by the Thief River Falls major industries. The result is that they struggle to find competent employees to operate their businesses. This affects the quality of service, business profitability, and hours of operation.

8. Highway Commercial

The Thief River falls Comprehensive land use plan has guided area along US Highway 59, State Highway 1, State Highway 32, and CSAH 16 for commercial land uses. These areas have attracted larger highway-oriented retailers such as Walmart, fleet stores, and lumber yards that require larger land areas for their building and parking needs. While the interviewees expressed a desire to attract additional national retailers to the City to capture more of the regions shopping customers; they also expressed concern over the number of fleet stores within the City.

9. Highway Improvement

MnDOT has planned improvements for both US 59 and State Highway 1 that involve roundabouts at major intersections and frontage road improvements. These improvements will improve traffic flow within these areas of the City. The frontage road improvements will improve local access to highway businesses.

These major highway improvements provide opportunities to address the following issues:

- Improve the City gateways through landscaping, street design, and lighting. An issue for some of the highway commercial uses is the amount and appearance of outdoor storage and sales displays.
- Potential relocation of the County Fair Grounds. Through the interviews, it was offered that County Fair Grounds, a seasonal use, may be relocated to an alternative site allowing the current site to be redeveloped as new commercial land uses, taking advantage of this highly usable/highly accessible location.



Industrial Land Use

Thief River Falls has a significant industrial land use base anchored by Digi-Key and Textron/Artic Cat. These national companies contribute to the City employment opportunities and City tax base. The growth of these industries while encouraged has impacted the City in the following ways:

- The community surveys have indicated that job opportunities have been the primary reason for people to move to Thief River Falls.
- These national companies offer a starting wage and benefit packages that smaller businesses have trouble competing with. As such, they tend to attract quality employees away from other local businesses.
- Population and household growth have not kept pace with local industrial employment growth. The 2012 Housing Study indicated that the City was attracting one new household for each four jobs being created. Digi-Key added 350 new jobs in 2018 and projects 100 new jobs per year for the next ten years. They have implemented significant efforts to attract new employees including commuter busing, flexible work shifts, \$16.50 per hour starting wage for entry level positions, excellent health insurance, and education opportunities for company advancement.
- Digi-Key is currently expanding its campus that includes a new 2.2 million square foot building that is projected to come on line in 2019.

The success of the City's industries drives needed community improvements including but not limited to;

1. The extension of 150th Street west across the river to connect with 125th Avenue/Mark Boulevard.
2. With continued industrial growth there will be a need for airport improvements to accommodate increased shipping via larger planes.
3. The need for expanded housing to expand local labor force.

These improvements and needs place a financial burden on the City in an effort to keep pace with the industrial growth.



Community Service and Facilities

The majority of interviews were highly complementary of the City services and staff. Most interviewees recognized and appreciated the range of services and programs offered by the City, the quality of services being provided, and the City staff responsiveness to resident and business concerns.

The City has been very proactive in attempts to address City issues reflective of plans and programs the City has undertaken.

Plans

2006	Comprehensive Plan
2006	Housing Study
2012	Housing Study
2017	New Vision for Downtown Plan
2018	Comprehensive Plan Update
2018-2019	Airport Master Planning
Ongoing	Capital Improvement Planning
Ongoing	Pennington County Emergency Plan
Ongoing	Pennington County Tactics Plan

Programs

3-year tax abatement for new homes

Use of special assessments to reduce upfront street and utility costs for new subdivisions

Interest free down payment loans

Interviewees concerned with high local tax rates questioned how far the City has had to extend itself in attempts to resolve all of the issues facing the City. With this opinion, the interviewees cautioned that the City must be fiscally conservative in exploring its range of programs, improvements, and services to insure the high quality of existing primary services (Administrative, Public Safety, Public Works) does not decline.

Fire Department

The need for a new fire hall was identified within the interviews. There was some debate as to whether the fire hall location should remain in the downtown or be moved to an alternative location. The fire department likes the current fire hall location due to its central location within the City and street accessibility to all parts of Thief River Falls.

Public Works

The interviews were highly complementary of public works but noted the following issues;

- As the community grows, the public works responsibilities also grow. The City, like other local businesses are having some difficulty finding and hiring competent, qualified employees. Current staff becomes stretched in dealing with City street, utility and park needs.
- Some express issues with condition and maintenance of parks. Concerns for town maintenance, litter, and beach openings were raised.

Parks

The following table identifies the City's current parks. Through interviews, the following comments were offered:

1. Most interviewees were complementary of the parks system. Specifically, the MEC that offers play fields for organized sport leagues and tournaments. The availability as a community facility is seen as a huge benefit in serving the local residents but also making the community a destination for tournaments.
2. Some interviewed raised concerns over park maintenance. This perception is based on the following observations:
 - Goose problems at the public beach
 - Gates erected that raise questions as to whether the beach is open
 - Weed-infested horseshoe pits
 - General appearance of parks
 - The need for pet waste disposal facilities (sign, bags, disposal container) in Greenwood Trails

In response to this perception some people suggested an adopt-a-park program to allow volunteers to take care of a neighborhood park relieving some of the park maintenance from public works.

3. The river front parks and larger natural parks have been identified as major community assets providing attractive natural settings.
4. Some interviews present concerns regarding the safety and potential illegal activities occurring in the more isolated areas of the City's larger natural parks (Greenwood Trail and Oakland Park).
5. Some interviews were critical of the large number of smaller parks. These smaller parks have limited usable area and their size and location increase maintenance efforts and costs due to the need for frequent mobilization.

In response to these issues, it was suggested that the City acquire fewer/larger neighborhood parks. Future parks may have a larger service area. The larger parks may offer more recreational facilities while reducing City maintenance costs.



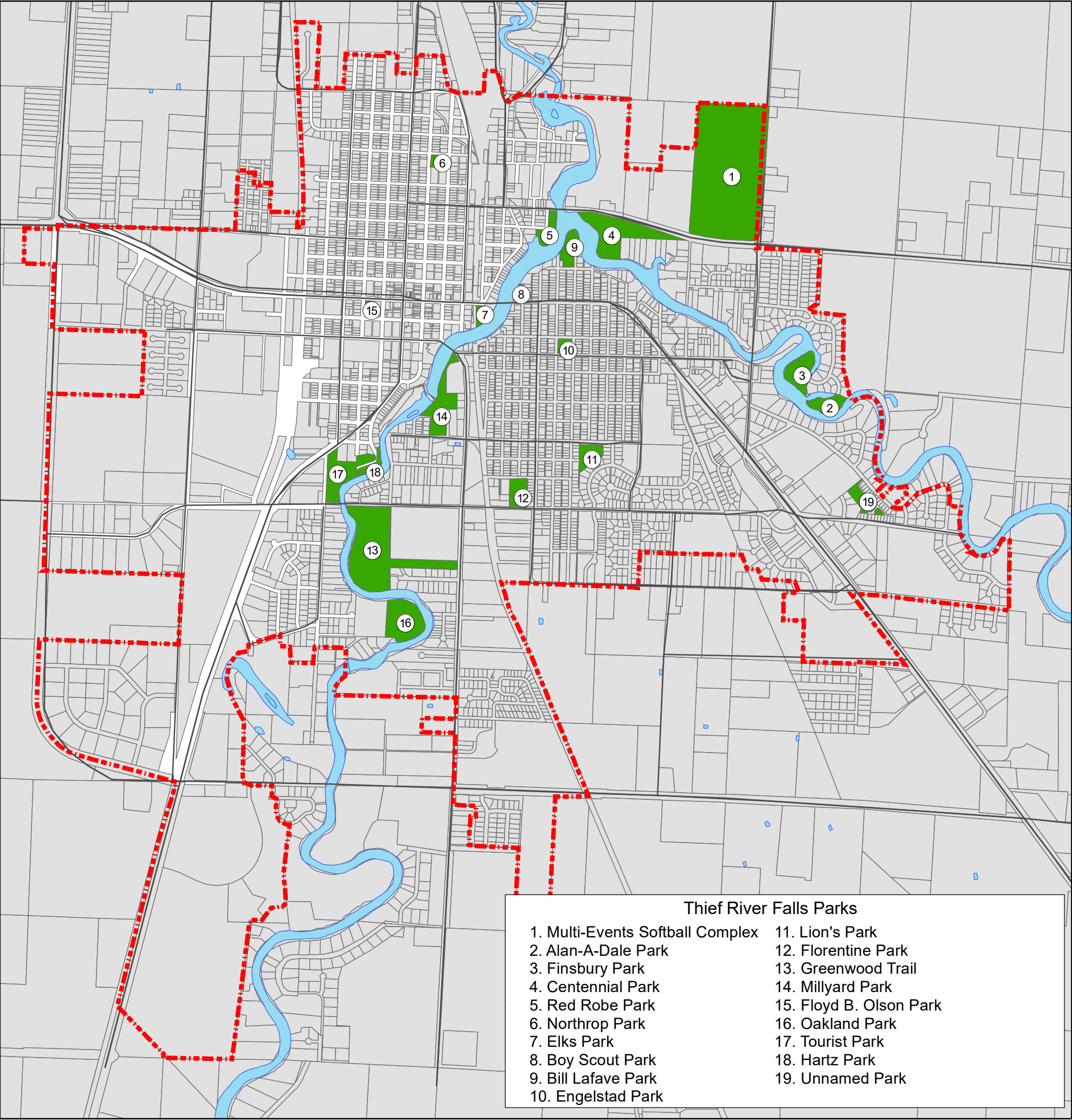
The following table and map identify the City's existing park system.

Thief River Falls Parks	
Park	Acreage
MEC	37.19
Alan-A-Dale Park	4.96
Finsbury Park	12.4
Centennial Park	9.2
Red Robe Park	3.31
Northrop Park	0.27
Elks Park	1.74
Boy Scout Park	1.49
Bill LaFarve Park	4.13
Engelstad Park	1.32
Lions Park	2.7
Florentine Park	4.13
Greenwood Trail	48.5
Millyard Park	3.8
Floyd B Olson Park	0.83
Oakland Park	16.12
Tourist Park	6.0
Hartz Park	6.0
Unnamed Park	1.55



Thief River Falls Parks

September 20, 2019



0 0.2 0.4 0.8 1.2 Miles

1 inch = 0.38 miles



Data Sources: City of Thief River Falls,
Pennington County, MNDNR, NAC Inc.



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Legend

 Parks

 City Limits

 Rivers

Ralph Englestad Arena

The interviews identified Ralph Englestad arena as a premier Ice Arena in northwestern Minnesota. However, a number of interviews expressed concerns with cost of long-term maintenance associated with the arena. Most expressed the need to expand the range of uses within the arena as a means of generating additional revenues.

Swimming Pool

A swimming pool/splash park was suggested by some interviewees as a means of providing another recreational component to the City's park system. The facility would provide another recreational attraction to the City, serving both local residents and bringing people into the City.

Contrary opinions to the swimming pool/splash park idea, expressed concern over the cost of such a facility, limited use of the facility if it is an outdoor venue, and the cost associated with the long-term operations and maintenance of such an amenity. Within the realm of all of the City's other projects, the swimming pool/splash park was a lower priority.

Airport

Thief River Falls has a regional airport that contributes to the City's economic development. The airport is governed by the Airport Authority which has its own County wide taxing authority.

Currently, the airport is used by both passenger airlines and freight transport (IFL, UPS, FedEx). Digi-Key ships most of its airfreight to Grand Forks but uses the Thief River Falls airport to handle late shipments.

As Digi-Key's sales continue to grow, there is an expectation of greater demands and airport use. In discussions with the airport manager, this use is not expected in terms of more flights but rather the use of larger planes. The Airport Authority has been in discussions with Digi-Key and IFL group in creating a plan for airport improvements needed to accommodate larger freight carrying planes. The plans include potential for lengthening and widening runways, relocating and upgrading navigational aids, and additional hangars/maintenance space.

While the airport improvements will benefit Thief River Falls, the City must be involved in the airport planning and recognize that these improvements will add to the City's overall tax rate.

Municipal Utilities

Through the interviews, it was identified that municipal utilities including water, sanitary sewer, electrical, and stormwater are all in good condition and have the capacity for future growth.

1. Planning and placement of sewer infrastructure has been laid out to provide the logical extension of sewer into the City's identified growth area.

2. The interviews did raise some questions with regards to the quality of City's potable water.
3. The City is undertaking a stormwater management project re-routing County ditch 70 around the City following 125th Avenue and Highway 32. The relocation of the County ditch will reduce stormwater drainage in the Greenwood Street area, reducing issues of flooding.
4. With each annexation of land into the City, the Thief River Falls electrical utility must compensate Red Lake Electric for lost service area.

Hospital

Sanford Health provides a critical access hospital in Thief River Falls. Their new campus is located in the southwest corner of the City. Sanford is an attractive participant within the City beyond providing medical services. Their philosophy is to be proactive in promoting community health and quality of life within the Cities where they are located. In this regard, Sanford promotes exercise, cycling, and active recreational programs.

Sanford has expressed concerns related to attracting qualified hospital staff. Their doctors are frequently from other countries working on a J-1 Work Visa. This requires a 3-year work tenure before the doctors may relocate. Sanford has not been successful in retaining doctors beyond the Visa requirements. As such, they experience cyclical turnover. The turnover is attributed to Thief River Falls is "not a destination and does not offer a lot of things to do" that appeal to doctors' families.

The local Northland Community College offers degrees in nursing and lab programs. However, in attracting nurses and care providers the Hospital, like other businesses, finds it difficult to compete with pay scale and benefit packages offered by Digi-Key.

The vast majority of the interviews cited Sanford Medical as a community asset, providing convenient quality medical services and high-quality facilities.

Sanford owns the old hospital located in the Thief River Falls downtown along the Red River and 1st Street East. This site is available for demolition and redevelopment. In 2016, the City approved a redevelopment plan that included 143 multiple family housing units. This redevelopment includes participation of Sanford Medical, City of Thief River Falls, Minnesota Department of Employment and Economic Development, and private developers. While the City was prepared to move forward with the project, the developer did not proceed.

Sanford has indicated that they wish to work with the City to make the redevelopment of the old hospital site a workable development project. The concept of introducing a quality housing project along the river in the downtown area will provide needed City housing, enhance the River corridor, and introduce people in close proximity to downtown businesses.

City Efforts

The issues identified through the interviews and surveys have been on-going for many years. In recognizing these issues, the City and City organizations have been proactive in establishing practices and programs to address various issues.

- 1. Residential development.** The City has made the following efforts to promote residential growth.
 - Use of special assessments to have the City install new street and utilities in new residential subdivisions to reduce upfront costs for developers.
 - Promotion of MnFHA and Rural Development Loan programs to provide affordable loans to home buyers.
 - Three-year tax abatement for new residential construction
 - Thief River Falls' Slow Second Zero Interest Mortgage Program available to new home buyers.
 - The City has provided tax incremental financing to facilitate housing projects and community redevelopment projects.
 - The City has pursued and secured grants from DEED to help facilitate a number of housing redevelopment projects.
 - The City has undertaken housing studies in 2006 and 2012 that serve to identify the housing needs and strategies for addressing need.

- 2. Commercial Development.** The City has also undertaken efforts to improve and enhance commercial properties.
 - The City undertook the Thief River Falls "New Vision of Downtown Community Master Plan" 2017
 - The City has established the Community Development Business Loan fund. The Business loan funds include:
 - a. Storefront renovation loans providing funding for ADA Disability compliance, energy conservation, exterior remodeling, signs and awnings. This loan program offers up to \$15,000 at a 3 percent interest rate for a term of 60 months.
 - b. Commercial Energy Renovation Loan. This program offers up to \$75,000 at 2 percent interest for a term not to exceed 84 months. The eligible projects include meeting ADA Disability requirements, energy conservation measures (including heating/cooling systems, insulation, window/door replacement, and roofing).
 - c. Revolving Loan Fund. This loan program is designed to assist local industries grow in Thief River Falls. The loan funds are available for construction of new industrial buildings or the purchase, renovation, or expansion of existing

industrial sites. The funds may also be used for the purchase of equipment or operating costs.

- The City has used economic development tools such as tax increment financing to promote continued commercial and industrial growth within the City.

City Promotion

Through the interview process, it becomes apparent the City recognizes that the growth issues confronted by Thief River Falls are not just community issues but extend beyond to the Northwestern Minnesota Economic Development region. In this respect, the City has again been proactive in attempting to address the branding and promotion of the City in the following ways:

- Hiring an Economic Development Consultant that may be used to contact local, regional, state, or national business or development companies to solicit their interest in Thief River Falls.
- The implementation of the “Marketing Hometown America” program and developing a “Making it Home” video as a mean of promoting Thief River Falls to attract new residents.
- Visit Thief River Falls, which promotes the City and local businesses. This connects with Explore Minnesota, community advertising, community events, and promotion. Visit Thief River Falls is integral to Thief River Falls’ branding and advertising.

“Nothing to Do”

In the interviews, when asked why people don’t come to or stay in Thief River Falls, the majority of interviews expressed “There is nothing to do in the City” that would keep them there. In further discussions, the following specifics were provided:

1. No nightlife that is appealing to young adults (early workforce age) that would attract them into the City.
2. Hours of business operations. Businesses have limited evening hours.
3. There is a need to attract recreation/entertainment businesses that are suitable for different age groups.
4. The priorities of people in the 18-24 years age group are unique to them. If the City does not hold their interest, they will move away.
5. Interviews expressed a need for additional restaurants, tap rooms, and entertainment venues.

The perception of “Nothing to do” is being combatted by the City in the following ways:

1. The City has a broad range of sports and recreation programs and attractive venues for these programs. Programs are organized for both children and adult participants.
2. Thief River Falls Entertainment Series provides seasonal entertainment events within the City.
3. Community theater.
4. Visit Thief River Falls has prepared a visitors’ guide of available activities.
5. Visit Thief River Falls advertises special events and programs.
6. The City has a River Walk which runs seven miles along the two rivers and takes you through nine parks and three forested trails.
7. Two rivers run through the middle of the City bringing excellent fishing with easy access to the water.
8. Thief River Falls offers over 500 miles of groomed snowmobile trails in the winter which have access to over 1,500 miles of trails in northwestern Minnesota. The USXC International 500 mile snowmobile race runs through the City.
9. The City’s distinction is “the most Norwegian City in America” and declared the week of May 17th to be Norwegian Heritage Week.
10. Thief River Falls has a disc golf course at Lions Park and a second disc golf course is being designed at Oakland Park. A disc golf league is held at Lions Park every Thursday during the summer months.



LAND USE



INTRODUCTION

The value of a Comprehensive Plan for Thief River Falls is only partially found in the plans, maps, and data. Although such information is a critical element of any plan, the changing nature of that information can give a community only a snapshot of its needs or direction. A more comprehensive review of the community and its direction can be found through its adopted goals and policies. Without this direction, the plans and programs which are presented are visionless attempts to improve the community.

The goals and policies do not provide information on the timelines and priorities needed for development or community improvements. Instead, it provides a series of criteria which can be used to direct general actions. Furthermore, the policies are not absolute directions for City staff, Planning Commission, or City Council members. Instead, they are guides to assist in decision-making and goal achievement. Moreover, the policies should be considered and utilized collectively. In some cases, a single policy may define and outline a course of action. More frequently, however, a group of policies will be applied to a given situation.

The flexibility and adoptability of the goals and policies is particularly useful when unanticipated development decisions emerge. It complements the maps, ordinances and City Code which are more static documents. In some instances, policies may not address a new situation in the community. In this case, the goals and policies should be updated or modified. This would give the Comprehensive Plan an up-to-date quality which will withstand the test of time.

In the sections which follow, the terms “goals” and “policies” are frequently used. These terms are defined as follows:

Goals: The generalized end products which will ultimately result in achieving the kinds of living, working and recreational environments that are desired.

Policies: Definite courses of action which lead to goal achievement. They serve as guides to help make present and future decisions consistent with the stated goals.

LAND USE

Land use goals create a vehicle by which the community can determine, organize and define the character and intensity of development and redevelopment in Thief River Falls. The policies will guide proposed land use through the stages of growth and change planned for the community. Related to land use, the protection of the natural environment is of major importance to Thief River Falls and the surrounding area. Additionally, the need to annex

additional land and extend roadways and utilities is important to this community to accommodate additional residential, commercial and industrial growth.

General Land Use

Goal 1: Provide for responsible and orderly expansion of the City's land area to accommodate development and provide for utility extension.

Policies:

- A. The City, in planning for future land use, transportation/community facilities or utility extensions, may include areas not within its municipal boundaries. This planning is done in anticipation of demand for services to accommodate future urban growth.
- B. The City shall extend utility service to only those areas that are within the City, annexed to the City or part of an orderly annexation agreement.
- C. The City shall plan its utility, service and street extensions to accommodate long term growth and expansion in the community.
- D. The City will work to achieve cooperation in annexation requests by discussing annexation issues with North and Rocksbury Townships.
- E. Orderly annexation will be considered in order to identify boundaries and target years for areas eligible for orderly annexation.
- F. The City shall encourage new annexations to be of a size and configuration to provide a development concept plan that demonstrates consistency with the Comprehensive Plan, compatibility with adjoining land uses, implements the City Transportation Plan and provides for the logical extension of City utilities.
- G. Promote residential growth that keeps pace with the City's economic growth and job creation.
- H. Continue to maintain and implement a five year capital improvement plan to allow the City to plan and budget for community improvements.
- I. Land use development shall be related to and reflect transportation needs, desired development, and community priorities.
- J. Discourage premature subdivisions that lack the adequate infrastructure (i.e., streets or utilities) to accommodate new growth.

Goal 2: A cohesive land use pattern which ensures compatibility and strong functional relationships among activities is to be implemented.

Policies:

- A. Maintain and strengthen the character of individual neighborhoods, commercial areas, and industrial areas.
- B. Prevent over-intensification of land use development, that is, development which is not accompanied by a sufficient level of supportive services and facilities (utilities, parking, access, etc.).
- C. Examine requested land use changes in relation to adjoining land uses, site accessibility, utility availability, and consistency with the Thief River Falls Comprehensive Plan and policies.
- D. Attempt to make transitions between distinctly differing types of land uses in an orderly fashion which does not create a negative (economic, social or physical) impact on adjoining developments.
- E. Infill development of compatible land uses shall be strongly encouraged.
- F. Where practical, conflicting and non-complementary uses shall be eliminated through removal and relocation.
- G. Encourage the development and redevelopment of under-utilized and blighted property throughout the City.
- K. Restrict the spot development of commercial businesses in Residential neighborhoods.

Goal 3: The preservation, protection and continued use of areas, buildings, and structures that have historic, aesthetic or community values is of benefit to Thief River Falls.

Policies:

- A. Where practical, safeguard the heritage of the City by preserving sites and structures that reflect elements of the City's cultural, political, economic, visual or architectural history.
- B. Foster community identity and civic pride by promoting the preservation and continued use of historic sites and structures for the education and general welfare of the people of Thief River Falls.

Goal 4: Maintain, promote and enhance Thief River Falls’ identity as a high quality community to live, work, shop and play.

Policies:

- A. Establish and maintain a cohesive image for the entire community through the uniform application of community promotion, design and service.
- B. Continue to work with local, regional, and statewide groups to advertise and promote Thief River Falls as an attractive place to live, work, shop and recreate.
- C. Build on community strengths such as strong residential neighborhoods, quality local government, quality municipal infrastructure, and excellent school and park amenities in defining the City’s identity.
- D. Remain proactive in addressing outstanding City issues or concerns that may detract from the City’s identity.
- E. Encourage and promote the City’s strong volunteer and civic organization in the planning, maintenance, and improvement of community facilities, programs, and services.
- F. Maintain Thief River Falls historic downtown as a focal point of the community.

Residential Land Use

Goal 1: Provide a variety of housing types, styles and values to meet the needs of the community and the changing demographics of the City and region.

Policies:

- A. Existing, undeveloped, residential land shall be developed in a manner responsive to determined market needs and compatible with the surrounding area.
- B. Encourage design and planning innovations in housing units and land development.
- C. Encourage the development of townhouses, condominiums and non-traditional home types to supplement existing conventional single family homes, and apartments, giving due consideration to local market demands.
- D. Provide housing opportunities which are attractive to persons of all ages and income levels and which allow them the ability to maintain residence within Thief River Falls throughout the various stages of their lives.

- E. Encourage development of housing options to meet the needs of all segments of the population, including the disabled, and age restricted housing through life cycle housing.
- F. Develop housing options and/or services that will meet the continuing demand for senior assisted living.
- G. Housing units identified as substandard shall be rehabilitated, or redeveloped with an appropriate guided land use, wherever possible.
- H. The HRA shall pursue state and federal funding mechanisms for provision of new and rehabilitated housing.
- I. Investigate Private/Public sector strategies that will accelerate new residential growth within Thief River Falls.

Goal 2: Maintain and enhance the strong character of Thief River Falls' single family residential neighborhoods.

Policies:

- A. Promote private reinvestment in the City's single family housing stock.
- B. Pursue the redevelopment of substandard single family homes when it is judged not economically feasible to correct the deficiencies.
- C. Actively pursue single family home rehabilitation programs through the HRA.
- D. Pursue alternative housing styles to allow turnover of the City's older affordable residential neighborhoods.
- E. Enforce City codes, relative to property use, maintenance, and nuisance issues.

Goal 3: Promote multiple family housing alternatives as an alternative life cycle housing option.

Policies:

- A. Consider the redevelopment of substandard multiple family properties that display deteriorated building conditions, no site amenities, poor site design, or incompatible land use patterns.

- B. Encourage high quality design and construction standards for new construction and redevelopment projects.
- C. Encourage developers of medium and high density developments to provide adequate accessory amenities such as garages, parking, open space, landscaping, and recreational facilities to ensure a safe, functional, and desirable living environment.
- D. Consider mixed land uses as an alternative land use option in planning and redevelopment of obsolete commercial, industrial, or residential areas.
- E. Encourage development of multiple family housing units above retail and service uses in the downtown commercial area.
- F. Avoid high concentrations of multiple family dwellings and apartments in the City. Locate such housing within appropriately designated zoning districts and in proximity to areas which offer a wide range of existing supportive services, commercial and recreational facilities.
- G. Aggressively pursue the redevelopment of the Old Hospital site for high density residential land use to address housing needs and provide market support for the downtown businesses.
- H. Pursue medium and high density maintenance free residential housing that may appeal to the City's empty nester and independently living elderly households to encourage turnover of the City's existing single family housing stock.

Goal 4: Maintain and improve the mobile home neighborhoods in Thief River Falls.

Policies:

- A. Consider implementation of an inspection program to assure the housing units are compliant with all building, fire and nuisance codes.
- B. The HRA shall pursue funding mechanisms or loan programs to assist in housing upgrades or improvements.

Commercial Land Use

Goal 1: Maintain and improve Thief River Falls' commercial areas as vital retail and service locations.

Policies:

- A. Encourage communication with local business people to gain an understanding of the changing needs of the business environment.
- B. Promote a full and broad range of office, service, retail, and entertainment uses within the commercial areas of Thief River Falls.
- C. Attract new businesses to Thief River Falls that will contribute to the customer attraction and business interchange of the local commercial areas.
- D. Limit commercial land uses to the identified commercial areas of the Comprehensive Plan, and try to direct more service-based businesses downtown.

Goal 2: Promote continued development, investment and enhancements in the downtown area.

Policies:

- A. Implement the design and land use recommendations of the “Thief River Falls New Vision for Downtown Community Master Plan” (October 2017 as may be amended)
- B. Retain the Thief River Falls downtown as a vital commercial and community service center within the City.
- C. Office, service, retailing and entertainment uses are to be promoted in the downtown commercial core area.
- D. Uses identified as needed or desirable for the downtown are to be actively pursued, promoted, and assisted by the City. Consider high density or mixed use land uses as a redevelopment option at the periphery of the downtown to introduce more people/customers to the downtown area.
- E. Promote the expansion of existing businesses in the downtown area to obtain a higher level of sales and business attraction.
- F. Promote the attraction of new businesses in the downtown that are complementary to existing businesses and will contribute to customer attraction and business interchange.
- G. Maintain the downtown as the government service center of the City.
- H. Aggressively pursue the redevelopment of the Old Hospital site to high density residential to bring potential customers in close proximity to downtown businesses.

- I. Promote the development of housing options and revitalization of upper stories for dwelling units.
- J. Promote reinvestment in downtown Businesses through the City Storefront Renovation Loan.
- K. Consistent with the “New Vision for Downtown Community Master Plan,” provide for sidewalk and trails that allow for convenient and safe pedestrian, and bicycle movements to downtown destinations and between businesses.
- L. Address parking issues and review supply and demand, signage and education programs for better parking utilization.
- M. Implement architectural design guidelines to develop a theme and guide the downtown’s development and redevelopment. Continue to promote the City Storefront Renovation Loan program.
- N. Assist in organizing a downtown business organization for the purpose of promotion, improvements, common business hours and coordination of central business district events.
- O. Where practical, use the Red Lake River as a natural amenity that complements and contributes to the theme and identify the Thief River Falls downtown.

Goal 3: Encourage continued development and redevelopment activities along the City’s highway corridors.

Policies:

- A. Encourage private commercial investment in the Highways 1, 32, and US 59 corridors.
- B. Highways 1, 32, and US 59 serve as primary entrances to the community and should be considered as gateways with appropriate signage and attractive, functional development.
- C. Encourage investment in rehabilitation and redevelopment of substandard properties along the highway corridors.
- D. Highway commercial developments must be respective of future Highway improvements with regard to setbacks, lot size, access, and parking.

- E. Commercial and service centers shall be developed as cohesive, highly interrelate and coordinated units with adequate off-street parking and appropriate regulated points of access.
- F. Direct property access to U.S. Highways shall be limited and the development of a frontage or backage road system shall be encouraged.
- G. Promote the highest quality commercial development/redevelopment possible through the site plan and architectural review.
- H. Restrict outdoor storage on commercial sites to designated areas of the site. All outdoor storage areas shall be defined on site and screened from adjoining lots and streets.

Industrial Land Use

Goal 1: Retain and expand Thief River Falls’ industrial land uses to ensure a diverse tax base and local employment opportunities.

Policies:

- A. Continue the efforts of the City of Thief River Falls to attract and retain industry and business in the area.
- B. Maintain an adequate supply of appropriately zoned land for industrial development in the new industrial park and in existing industrial areas.
- C. Participate with private developers and other agencies to encourage industrial development.
- D. Develop programs and land or building space to assist homegrown industry or facilitate expansion of spin off businesses in Thief River Falls.
- F. Continue to maintain open lines of communication with local industries and be aware of their changing needs. Work cooperatively with local industries to address the ancillary community needs of the industries related to housing, services, transportation and utilities.
- G. Promote the development of industrial uses in proximity to the Thief River Falls’ Regional Airport.

- H. Work with existing industries and other governmental agencies in the expansion and improvement of the Thief River Falls Regional Airport.
- I. Investigate residential strategies to promote community growth on pace with job growth, to provide a quality labor base for growing industries and businesses.
- J. Maintain a high level of community services that benefit both businesses and community residents.

Goal 2: Maintain a high standard of industrial development including appearance of sites, buildings and outside storage areas.

Policies:

- A. Encourage site upkeep and maintenance to promote a positive industrial and commercial image for Thief River Falls.
- B. Promote high quality industrial construction to ensure building durability and an aesthetically attractive appearance.
- C. Industrial areas shall be adequately screened from residential areas according to City codes.
- D. Existing industrial uses and new industrial development shall not cause pollutants or contaminants to be emitted into the surrounding environment (including air, soils, ground water, drainageways, sanitary sewer and storm sewer) in excess of state and federal regulations.
- E. Industrial development shall provide adequate off-street parking and loading facilities.
- F. Outside storage of equipment and materials shall be screened and landscaped to eliminate any negative visual impact.
- G. Pursue communication technology and/or services that would aid in the promoting of high technology industries within the City.
- H. Investigate opportunities to encourage alternative energy technologies within the industrial park (geothermal, solar, wind energy).

Institutional Land Use

Goal 1: Cooperate with new and expanding institutional facilities to ensure compatibility and a high level of design.

Policies:

- A. Transitions between differing types of land uses must be done in an orderly fashion while minimizing impacts on adjoining development.
- B. All institutional development proposals must be analyzed to determine the most appropriate land uses within a neighborhood and the community as a whole.
- C. Adequately screen, landscape and buffer institutional facilities to minimize the impact on surrounding uses and enhance the neighborhood and community in which they are located.

GROWTH MANAGEMENT

Thief River Falls' population and household growth has not kept up with job growth within the City. This has created a competition for quality employees among the City's businesses and industries. The ripple effect of this trend is:

1. Smaller businesses cannot compete with the pay scale and benefit packages of larger industries as such they have difficulty finding and retaining quality employees. This limits their service delivery and hours of operation.
2. New businesses interested in locating in Thief River Falls must consider the competition for employees (pay scale, benefit packages) in their business planning to determine if they are capable of staffing their business and whether they can be profitable within this environment.
3. Commuter employees remove disposable income from the City's local economy.
4. The aging of the City population will create an increasing demand for employees as the older age cohort nears retirement.

Through the inventory and interview process, the following opportunities and improvements were identified pertaining to the City's residential growth.

Opportunities

The City has been successful in attracting high density rental apartment buildings. Between 2014 and 2016, the City experienced the construction of 169 new apartment dwelling units and approved projects that would add another 558 apartment dwelling units. These projects have experienced rapid occupancy upon completion. These projects have been successful because there is a concentration of dwelling units within a single site. This concentration reduces construction costs, construction times, and project holding costs. This market will continue to produce demand and will remain a financially feasible housing option.

Owner-occupied housing options have been more limited in their development over the past decade. However, the 2012 Housing Study update estimated a need for 16 to 30 owner-occupancy housing units per year. This forecast has been supported by the community and Digi-Key Surveys where participants suggested that more contemporary owner occupied housing option are needed. The current housing supply offers limited housing choices due to low vacancy and turnover and very limited choices for new construction. The surveys indicated

that there is a need for more affordable housing but must include move up housing and alternative housing types (townhomes, condominiums, etc.) that may offer maintenance free lifestyles.

Affordability

84% of the City's existing housing stock is valued at less than \$200,000 and is considered affordable. Most of the people interviewed feel that the existing residential neighborhoods are in very good condition. The existing housing supply has limited availability due to low vacancy rate and low turnover. The provision of alternative owner-occupied housing options would allow existing households more housing choices that may address changing lifestyle needs such as growing households (move-up housing) and empty nesters (low or no maintenance housing). The provision of greater housing choices will make the existing affordable housing available to new families.

The Northwest Minnesota Housing Cooperative (NWMHC) is the largest home builder in Thief River Falls. The "Build a Better Neighborhood" subdivision along Nelson Drive is a 10-lot subdivision in which NWMHC is able to build 8 new homes in a two-year timeframe.

Move Up Housing

The 2019 community survey revealed the need for move up owner occupied housing (\$200,000+ value) that offer living space and contemporary amenities that appeal to growing families. Currently the City has limited opportunities for move up housing.

Empty Nester Housing

In 2017, approximately 33% of Thief River Falls population was older than 55 years of age. The community surveys and population trends reveal a need for alternative housing options that may appeal to empty nesters and aging households.

Elderly Housing

The City has successfully provided expanded age restricted housing with development of Thief River Care Center which provides assisted living and memory care housing. The 2017 age characteristics for Thief River Falls reveals that 12.7% of the City falls into the 55-64 year category. Many of these residents will reach retirement age in the next ten years. This suggests an immediate growing need for housing appropriate to these residents, including independent living as well as housing with services.

The City's housing studies, the community surveys and the current development activities suggest that there is a market demand for a variety of housing in Thief River Falls. Where there is a demand, there is opportunity to make money, so what has restricted residential growth?

Challenges

Lack of Developers

Northwest Minnesota Housing Cooperative (NWMHC) is the largest home builder in Thief River Falls. They have undertaken some smaller subdivisions and have been successful in developing and selling their Build a Better Neighborhood affordable housing product.

Beyond NWMHC, other home builders are generally smaller builders that do not undertake land development but rather construct homes on existing lots. The limited number of home builders presents an obstacle in housing choices.

Competition for Labor

When NWMHC was asked if they could build more homes, they expressed concerns related to finding employees to fill construction crews. With home construction being somewhat seasonal employment, they have experienced the loss of quality employees to the City's larger industries.

Increasing Construction Costs

Interviews revealed construction costs for housing have tripled over the last decade. These costs include land acquisition, infrastructure costs (streets, utilities, etc.), lumber, and steel. Each of these, along with employee pay scale influence the price of homes. These costs also influence the pace of development. The costs associated with the development of a new resident subdivision present a financial risk to a developer if the project does not successfully build out within a forecasted timeline. Development holding costs present a significant concern for developers who do not have confidence in their ability to sell lots or meet construction schedules.

To reduce the financial risk, the new developments have been confined to smaller plats and limited to a single neighborhood. The City has attempted to address the financial risk to developers by allowing public improvements to be assessed against the plat and paid over time rather than an upfront cost to the developer.

Taxes

The interviews revealed that a deterrent for many people considering relocating to Thief River Falls is higher property tax rates compared to the communities in which they currently reside. This perception is unfair for the City in that Thief River Falls City tax rate compares favorably with surrounding cities and Minnesota Cities of comparable size. The accumulative tax rate, including the County, School District and Airport Authority presents a significant impact on total local accumulative property tax rate.

In developing a growth management strategy, the City must recognize this perception of taxes. Additionally, the City must recognize future Capital Improvement Projects (US Highway 59 improvements, County Road 61, river crossing, ditch realignment, potential airport expansion, etc.) will likely require additional property tax revenues from each of the local taxing jurisdictions. With this reality, the City must recognize that it will be limited in its ability to address the promotion of additional residential development and on-going economic development on its own.

GROWTH MANAGEMENT GOALS AND POLICIES

The opportunities suggest that there is a housing demand within Thief River Falls. If there is a demand, there should be a means for the private sector to make money. The challenges suggest that their resolution cannot be accomplished solely by the City and will require a joint effort between the private and public sectors.

Based on current demographics and economic trends, the City of Thief River Falls needs to attract more households and more population. This has been an ongoing issue for the last decade. The growth management portion of the land use plan attempts to outline goals and policies for increasing community growth.

Goal 1: Promote expanded residential growth within the City.

Policies:

- A. Promote annexation in accordance with established orderly annexation plans.
- B. Establish an Extraterritorial Land Use Plan that allows for examination of land use, transportation and utility patterns beyond the City's current boundaries.
- C. Promote growth patterns that capitalize on the capacity of in-place infrastructure and the City's existing investments.

- D. Examine public/private partnerships to make land development and home building more affordable for smaller residential developers and home builders.
- E. Examine local development costs, City fees and charges, to be competitive with other communities.
- F. Look to private sector investment in the promotion of residential development to reduce the financial burden of the City.
- G. Continue the availability of current City housing programs to entice households to the City and to buy a home.
- H. Continue to aggressively market the City to attract new households.
- I. Promote a variety of housing types, styles, prices, and neighborhoods to offer housing choices within the City.

Goal 2: Promote housing stock diversity.

Policies:

- A. Promote the City to regional, state, and national builders to attract more building interest by advertising the City housing programs and infrastructure assessment policies.
- B. Look to provide a variety of housing types that fit the changing life cycle needs of the City's residents such as affordable housing, rental housing, move up housing, maintenance free housing, and elderly housing (both independent living and assisted living).
- C. Continue to promote both rental and owner-occupied housing options.
- D. Continue to aggressively market the City to attract new households through Visit Thief River Falls, the Chamber of Commerce, and other civic organizations.
- E. Investigate a public/private partnership to invest in the creation of new subdivisions that would allow smaller builders to buy developed lots for new home construction.

GROWTH MANAGEMENT STRATEGIES

The following strategies will be implemented to promote and manage Thief River Falls growth.

Extraterritorial Plan

Use the Extraterritorial Land Use Plan to lay out desired land use patterns. Promote orderly residential growth in areas that have the following characteristics.

1. Direct development to areas that can be served by the City's in place infrastructure to capitalize on existing City investment and to utilize the existing capacity within the City utility network.
2. Promote residential development in a variety of locations, and build neighborhoods offering a variety of housing styles, types and densities.
3. Development in the area of the Airport shall be designed to be consistent with Airport zoning and performance standards.
4. Subdivision design and land development shall be sensitive to areas of floodplain, wetlands, woodlands, and natural drainageways.
5. Identify locations for medium and high density housing that are compatible with surrounding land use, accessible to goods and services and provide market support to the City's commercial land uses.

Annexation

The City shall annex land in accordance with its orderly annexation plan to provide needed land supply for community growth. With each annexation petition, the City will require:

1. A completed petition form for annexation and associated fees.
2. Site survey
3. Resource inventory (including transportation systems, topography, wetlands, woodlands etc.)
4. Conceptual Subdivision/Development Plan (including general street layout, number and type of housing units, building size/placement, stormwater management provisions, environmental precautions, etc.)
5. Phasing Plan (if applicable).

The concept plan must demonstrate a development pattern that represents a logical expansion of the City with regard to proximity to existing City boundaries, consistency with Thief River Falls Comprehensive Plan, compatibility with adjoining land uses, compatibility with City street network, and that the proposed annexation area will not overburden City utilities serving the site.

Residential Growth

The following strategies are offered to promote residential growth within the community.

1. **City Programs.** The following City housing programs are available and will be continued to promote residential growth in the community;
 - Thief River Falls Slow Second Mortgage Program. This program offers home buyers a no-interest loan up to \$12,500 for a term of ten years. This loan is available for the construction of a house with a garage of not more than three stalls.
 - The City is willing to consider installing and financing public improvements (streets and utilities) for new subdivisions through special assessments against newly created lots. This practice allows development to occur by not requiring the developer to front end finance these required improvements.
 - The City has offered 3-year tax abatement for newly constructed homes to offset costs for new homeowners.
 - The City shall continue to be involved in Community Advertising and promotion to attract interest.
2. The City will periodically review its development fees and charges to be sure that they cover City expenses but are equivalent with other comparable cities.
3. The City will conduct an outreach to local and regional home builders and real estate professionals to solicit input as to what efforts may be appropriate to encourage additional residential development. This outreach should address a variety of housing types both rental and owner-occupied.
4. Reach out to the City's major employers, bankers, real estate professionals, builders, and building material suppliers to discuss the possibility of creating a private community development corporation that would work with the City to develop a variety of residential subdivisions/lots. The development corporation would acquire the land and design the plats, and the City would design and install the public improvements and assess the cost to lots. The roles of the public/private sector partnership would be:

Development Corporation:

- Acquire land at a variety of locations within the City for the development of residential neighborhoods.
- Design subdivisions creating a plat design, street patterns, and a residential lot supply.
- Contact local developers to solicit interest and to market available lots.
- Paid special assessment for the newly created lots until they are sold.
- Set lot prices to make the Development Corporation and City financially whole.

City:

- The City will design and construct subdivision infrastructure for the subdivisions.
- The City will finance and special assess all City fees, charges and public improvements associated with the subdivision development.
- The City shall continue to promote the residential development through the continuation of its housing loan programs.

The concept of a Development Corporation/City Partnership is intended to address the current challenges to residential growth while working with the various home builders in Thief River Falls and surrounding regions.

1. The composition of the Development Corporation could include the community's financial, employment and real estate professionals that may offer the expertise in residential development, financing, and marketing home sales.
2. Through the Development Corporation and working with local smaller home builders, the City may create a variety of neighborhoods at different locations, which may expand the choices of new housing in Thief River Falls to new home buyers.
3. Through the Development Corporation and the City, the expense of financing improvements and their holding costs are removed from the home builder allowing the builder to be more aggressive in their investment in construction activities.
4. While there is risk with all new development, the use of this type of public/private partnership will spread the risk between the participants. The risk may be reduced with discussion with local and regional builders to determine commitments for lots and housing types.

INTRODUCTION

Based upon the foundation established by the inventory, interviews, surveys, and the Goals and Policies, this section provides the framework to guide community growth and improvements. The Land Use Plan is a narrative and graphic description that provides the background and rationale for land use designations as represented on the Proposed Land Use Map. The plan has an educational and decision-making function, helping to improve the general understanding of how physical development in the City of Thief River Falls should take place. Although the emphasis of this section is on land development, other areas such as transportation, community service and facility needs are also addressed.

The Land Use Plan is divided into two main categories. The first section describes the basis for Thief River Falls' community plan, including population and land use development projections. The second section describes general land use plan elements, including a discussion of the Proposed Land Use Map, future direction in the core downtown area of the City, discussion of residential, commercial, industrial, and institutional development, and a specific plan for annexation.

Basis of the Community Plan

Thief River Falls has a history of community plans, with plans from 1995 and 2006. These plans have been used to guide development, transportation, public infrastructure improvements and City investments. The Comprehensive Plans have been followed, amended and kept up to date as issues facing the community have changed. Through the comprehensive planning process, the City has the ability to develop strategies and goals that address the City's needs and maintain an attractive living and working environment.

The success of the City's major industries (Digi-Key, Arctic Cat, Sanford Health) is driving the need to reexamine the City's opportunities and needs. The local job growth is surpassing the City's population and household growth. In this regard, the 2030 Comprehensive Plan must give attention to the City's need for growth, infrastructure to accommodate growth, and the means to address these issues in a fiscally responsible manner.

Population and Household Growth

In 2006, the Comprehensive Plan provided the following Household and Population forecast based on straight line projections of historic growth. Comparison of the forecasts with 2010 census information (population 8,573 / households 3,862) and 2017 estimates (population 8,709 / households 3,948), shows that actual growth did not achieve the forecasted expectation.

HOUSEHOLD AND POPULATION PROJECTIONS THIEF RIVER FALLS			
	2010	2020	2030
State Demographer			
Population	8,719	8,918	9,063
Households	-	-	-
NAC Inc.			
Average Growth Population	8,580	8,950	9,470
Average Growth Households	3,990	4,260	4,620
Rapid Growth Population	8,870	9,513	4,620
Rapid Growth Households	4,125	4,530	5,070
Source: State Demographer, NAC Inc.			

Between 2010 and 2017, the City experienced growth of 76 new households, or 11 new households annually. To achieve the projected growth for 2030, the City will need to average between 27 to 40 new households each year. This is generally consistent with the forecasted residential demand of the 2012 housing study update. The recent success of the apartment development has expanded the number of available dwelling units. With the alternative housing options, the range of forecasted growth may be achievable in the future.

The population growth forecasts provide a target range for growth. However, with continued expansion of the City's industrial base, the City should work to exceed these forecasts to keep pace with expanding job opportunities. The Land Use Plan identifies a land supply that will provide opportunities for growth.

Annexation

The City currently has a very low supply of vacant developable lots for residential development within the community. Commercial and industrial land within the City is more available for development or redevelopment.

In 2006, the City identified those areas in the short and long term that will be considered for annexation, as well as areas anticipated for annexation to accommodate utility extension. Since 2006, a number of properties have been brought into the City. Additionally, the City has planned its utility infrastructure in a manner that makes utility extension into the short term annexation area immediately available. These utilities, (sanitary sewer and water), have been planned and sized for the anticipated development of the short term annexation areas. Long term annexation areas will be evaluated at the time of annexation petition, based on the proposed land use and determination of adequate utility, consistency with Comprehensive Plan, and the logical extension of the City street system.

Thief River Falls - Future Annexation / Utility Extension Planning Area

Legend

- State & County Highways
- City Streets
- Rivers
- City Limits
- Short Term Annexation Area
- Future Annexation Area
- Utility Extension/Annexation Area

0 0.5 1 Miles

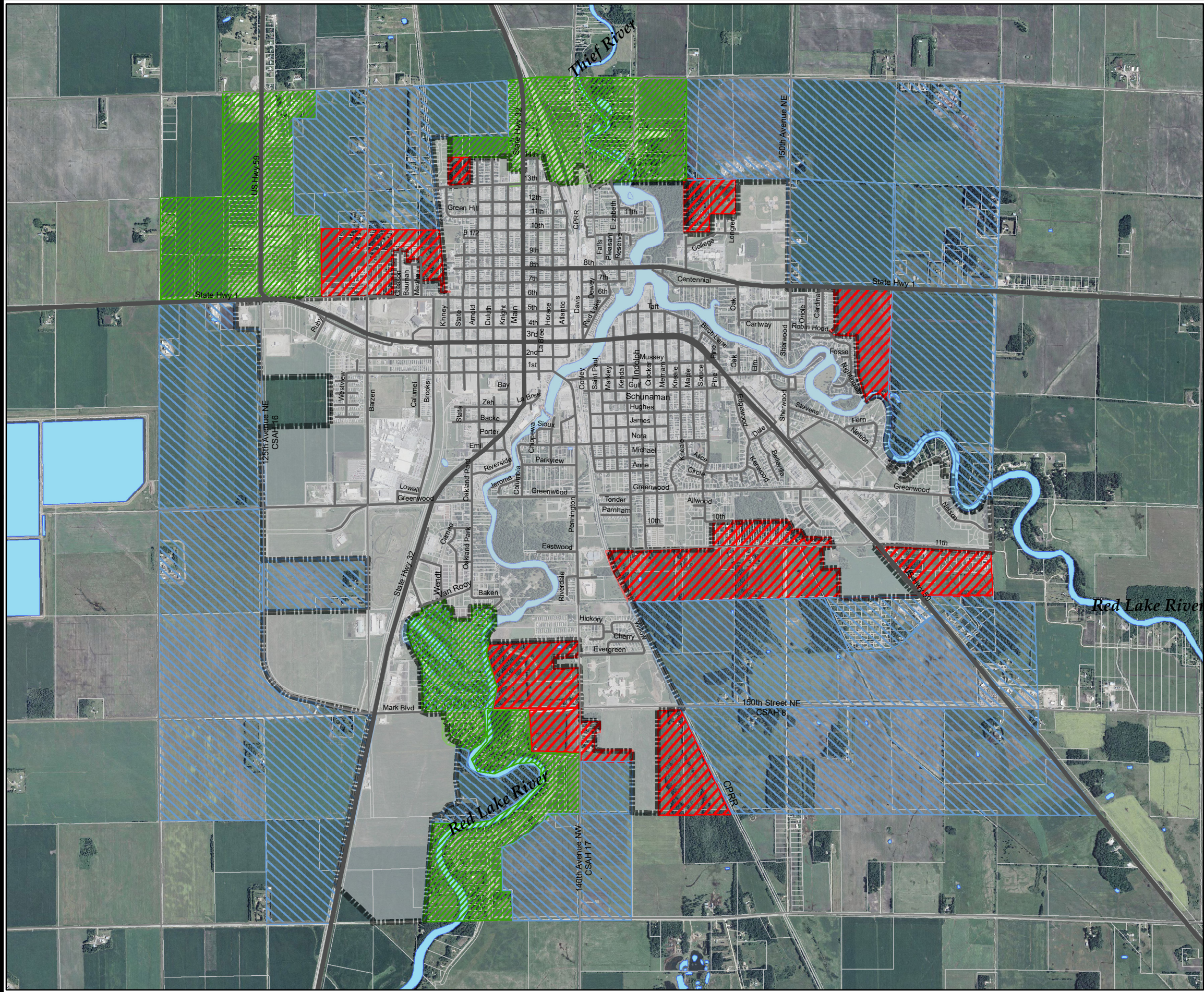


Map Created September 2019

Sources:
City of Thief River Falls
Minnesota DNR
Northwest Associated Consultants



NORTHWEST ASSOCIATED CONSULTANTS, INC.
4150 Olson Memorial Highway, Ste. 320, Golden Valley, MN 55422
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The future annexation/utility extension planning areas map also identifies utility extension areas. These areas contain existing development with private sewer and wells. These areas have not been given a specific timeline for annexation moving south of the City. Rather, utility plans must consider a potential response to the possibility of failing private utility systems.

Thief River Falls and Rocksbury Township have established an orderly annexation plan between the two jurisdictions. This will guide the annexation process. There is currently no orderly annexation plan between Thief River Falls and North Township. While the City will continue to pursue ongoing dialogue with North Township on growth and annexation, the City may consider alternative forms of annexation in the absence of an orderly annexation plan.

Minnesota Statutes also allow for annexation by ordinance with a property owner's petition for a property of 120 acres or less. The land must be contiguous to the City limits and the property owner cannot petition more than once a year to annex parcels of land that are contiguous to previously annexed parcels. Additionally, parcels that are completely surrounded by the City can be annexed by the City by approval of an ordinance. While it is preferred that the City negotiate annexation with the townships through orderly annexation agreements, for smaller developments or infill development of annexation by ordinance, will be considered by the City.

In planning for development of undeveloped land, the City must address the need for orderly growth that is promoted through the logical extension of streets and utilities. Existing development, property ownership patterns, and physical barriers will greatly influence land use patterns, however, development must occur in a manner that capitalizes on in-place infrastructure and facilitates the financing of new capital improvements. Future growth will be evaluated on both its physical and financial impact on the City.

Future growth must also be sensitive to the natural and environmental constraints of land. Local, state and federal regulations pertaining to floodplain, shoreland, and wetland preservation will require the avoidance, mitigation and/or integration of the natural features into future subdivisions or site development.

The Proposed Land Use Map plans an orderly growth pattern for the City of Thief River Falls. To implement this stated development objective, the City will discourage the premature annexation and subdivision of land. The following guidelines will be used in determining whether a proposed subdivision is considered premature for development.

1. The land is not within a planned annexation area.
2. The subdivision is not contiguous to or near existing development and a logical extension of utilities cannot be completed at the time of the request.
3. Lack of adequate storm water drainage capacity or systems.
4. Lack of adequate municipal water supply.

5. Lack of adequate municipal sewage collection system.
6. Development is inconsistent with the Comprehensive Plan.
7. Lack of adequate roads or highways to serve the subdivision or development.
8. Lack of adequate public support facilities (e.g., parks, recreation, police and fire protection, etc.).

Developers must provide a development concept plan for the proposed annexation site and evidence to demonstrate that subdivisions are not premature or will agree to assure the majority of costs for extending utilities, streets, and services to the property before development approvals will be given. The City will utilize existing methods of funding street and utility extensions through assessing streets, sewer and water utility for all new development.

GENERAL LAND USE PLAN ELEMENTS

General Land Use Plan

Thief River Falls is near fully developed within its existing corporate boundaries. In this regard, the City has established and planned for growth beyond its current boundaries.

The Land Use Plan applies the City's goals and policies to formulate a description of desirable locations for future land uses. The plan, when used in conjunction with land use narrative and City ordinances, provides a graphic description of future land uses within the community. The Land Use Plan should serve as a graphic guide in assessing future development requests and how they affect or relate to the desired land in a given area.

Extraterritorial Areas

The City must address the need for orderly growth that promotes the logical extension of streets and utilities. Existing development, property ownership patterns, and physical barriers will greatly influence land use patterns, however, development must occur in a manner that capitalizes on in-place infrastructure and helps in the financing of new capital improvements. Future growth will be evaluated on both its physical and financial impact on the City.

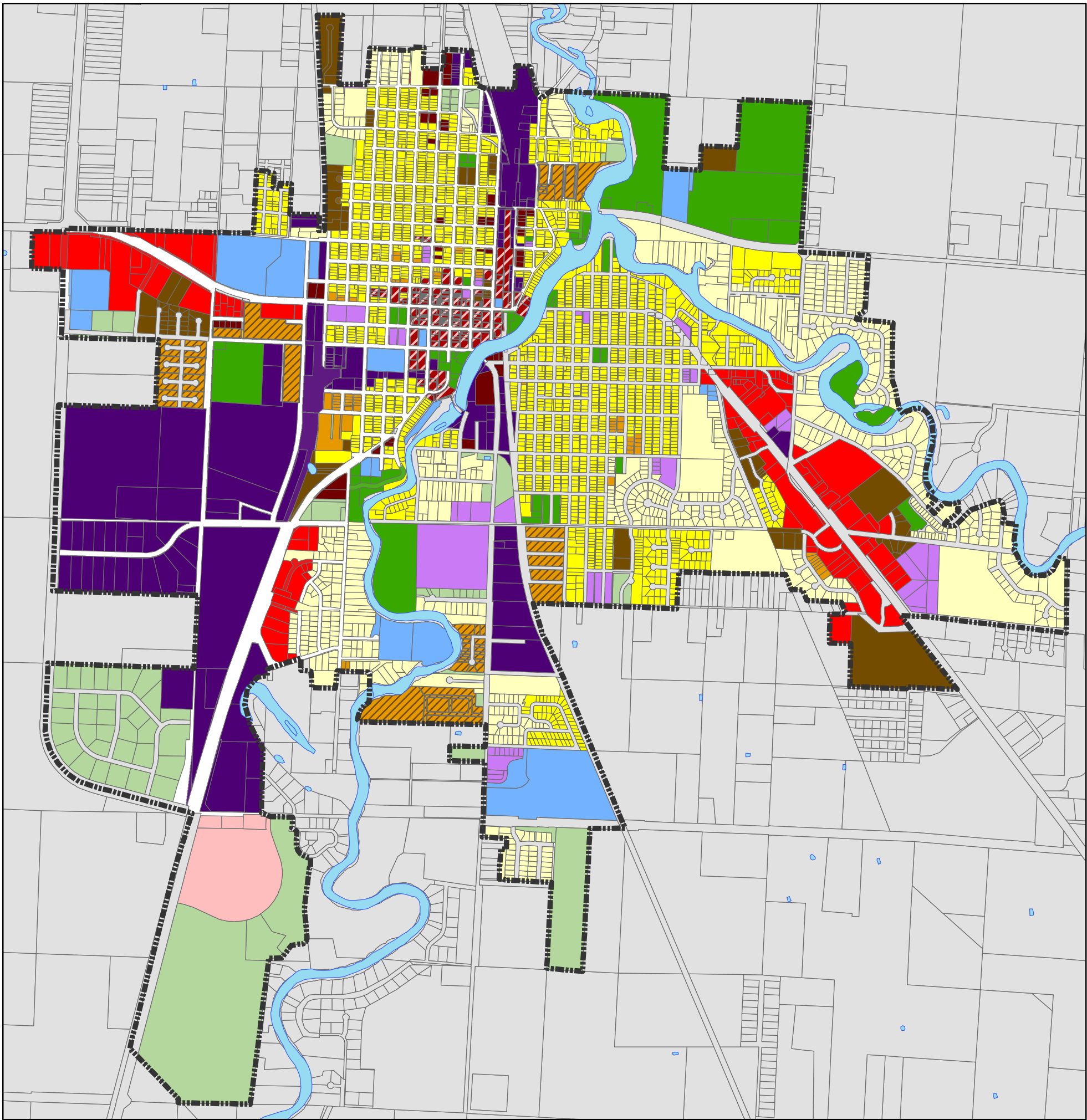
Future growth must also be sensitive to the natural and environmental constraints of land. Development within environmentally sensitive areas in the past has resulted in problems with regard to flooding, storm water problems, high water table, and the need for soil correction due to poor soils. New local, state and federal regulations pertaining to floodplain, shoreland, and wetland preservation will require the avoidance, mitigation, and/or integration of the natural features into future subdivisions or site development.

The Thief River Falls Land Use Plan proposes an orderly growth pattern that avoids the premature extension of utilities and services. To implement this stated development objective, the City will not encourage the premature annexation or subdivision of land within Thief River Falls. The growth managements guidelines, along with the standards outlined in the City's zoning and subdivision codes will be used in determining whether an annexation or subdivision is considered ripe or premature for development.

The property owner or developer must provide evidence to demonstrate the annexation or subdivision is not premature or will assume the majority of costs for extending utilities, streets, and services to the property before development approvals will be given. Through this process, the City will have the ability to evaluate new annexation requests with regard to the site's context within the City, the need for utility improvements, costs related to development, and the City's long range planning goals.

Existing Land Use - Thief River Falls

September 20, 2019



0.55 0.275 0 0.55 Miles



1 inch = 0.37 miles

Land Use Category

- Low Density Single-Family
- Low-Medium Density Residential
- Medium-High Density Residential
- High Density Residential
- Manufactured Home Park
- Central Business District
- General Commercial

- Highway Commercial
- Industrial
- Open Space
- Parks
- Schools and Public Buildings
- Semi Public
- Hospital

- City Limits
- Rivers

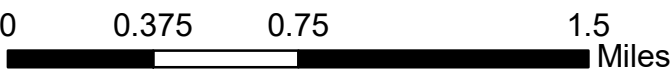
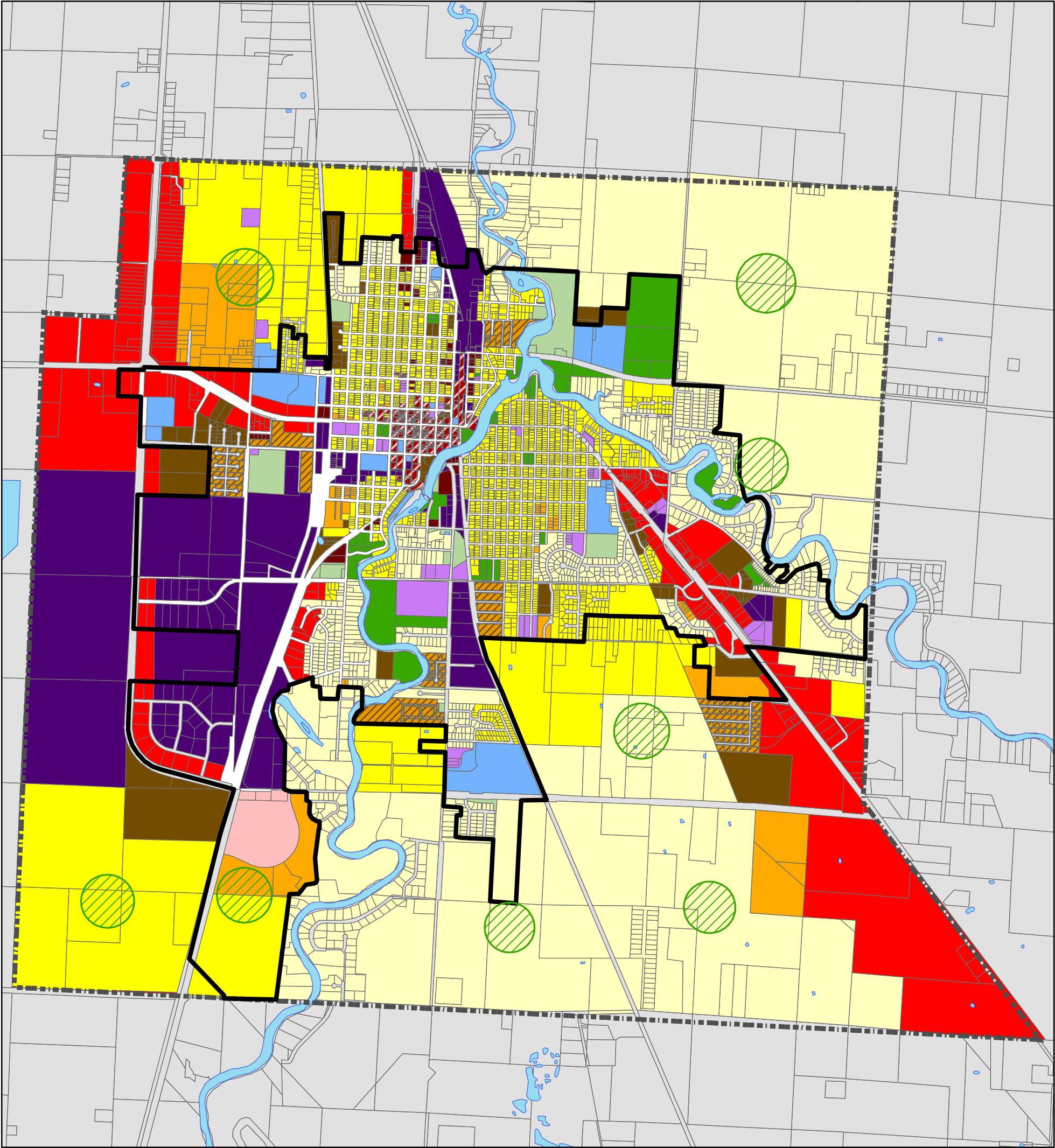
Data Sources: City of Thief River Falls, Pennington County, MNDNR, NAC Inc.





















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Proposed Land Use - Thief River Falls

September 20, 2019



Land Use Category		
	Low Density Single-Family	 Highway Commercial
	Low-Medium Density Residential	 Industrial
	Medium-High Density Residential	 Open Space
	High Density Residential	 Parks
	Manufactured Home Park	 Schools and Public Buildings
	Central Business District	 Semi Public
	General Commercial	 Hospital
		 City Limits
		 Future Annex Area
		 Rivers
		 Park Search Area

Data Sources: City of Thief River Falls,
Pennington County, MNDNR, NAC Inc.



Residential

The City of Thief River Falls needs to promote residential growth within the City to keep pace with the City's growing economy. The residential opportunities and challenges have been identified and are located in the Growth Management section of this plan.

The City has been aggressive with programs and efforts to attract new households and promote new residential development. While these efforts have been successful, primarily in the area of high density rental housing. Owner occupied housing alternatives (i.e., single family, townhome, condominiums) have had much more limited growth.

The land use chapter of the Comprehensive Plan identifies the residential patterns appropriate for low density, medium density, and high density housing land use.

Low Density Residential

This land use classification consists of single family homes that have a density of 0 to 4 units per acre. The City's existing low density land use consists primarily of older single family residential neighborhoods radiating out from the City's downtown commercial area. Within these neighborhoods, the housing stock is 40 years or older and is affordable. The homes are generally in good condition and have a high rate of occupancy with little turnover. In review of these neighborhoods, there are scattered homes that are in disrepair and in areas surrounding the downtown, some smaller businesses have leaked into the neighborhood, creating compatibility issues for the adjoining homes related to business activities and parking. Larger lot single family neighborhoods have been developed the areas along the City's rivers.

The existing housing stock is a valuable housing resource for the City, providing affordable owner occupied opportunities. The shortage of new alternative housing choices produced a very low vacancy rate and a limited turnover within the existing homes. Local real estate professionals have indicated that homes available for sale have a very short sale time.

These existing neighborhoods need to be protected and preserved through the following strategies:

1. Prevent the spot infiltration of small businesses into single family neighborhoods.
2. Homes within a residential block that have declined to a condition that renders the site to be a blight on adjoining lots must be redeveloped. The City will work with local builders to encourage scattered site redevelopment to introduce a new home to these sites.
3. Enforce local codes related to parking, storage, building condition, and nuisance issues to address problem properties before the property deteriorates to the point of blight.



The City of Thief River Falls Housing Study update 2012 forecasted a market demand for 16 to 30 single family housing units a year. The study broke this forecast down to the following price points:

Entry level new construction (generally priced at \$170,000 or less). Potential for 4 to 8 units per year.

Moderately priced new construction (generally priced at \$170,000 to \$275,000). Potential for 9 to 17 units per year.

High priced new construction (generally \$275,000 and above). Potential for 3 to 5 units per year.

The past housing studies, Comprehensive Plan interviews, community surveys, and the low turnover rates of existing housing stock all suggest that there is an on-going market for owner occupied housing options within Thief River Falls. The interviews and surveys respondents suggest the lack of choices in housing products curbs market sales in the City.

The growth management chapter of this plan identifies the opportunities and identifies strategies for promoting residential growth.

The expansion of residential growth into newly annexed areas of Thief River Falls will be done in an orderly staged manner that gives specific attention to utility availability, and the City's growth management objectives. The proposed extraterritorial identifies large areas suited for low density land uses to provide a variety of locations and options for low density residential neighborhoods.

Thief River Falls will require new residential subdivisions to be sensitive to natural resources and physical constraints within the defined growth area. The following strategies will be implemented to integrate new residential subdivisions within environmentally sensitive areas:

1. The City will require subdivision applications for new residential subdivisions to include information on existing environmental conditions, including wetland delineation, tree cover and natural vegetation, slope areas and hydric soils, to allow an accurate evaluation of subdivision design relating to existing conditions.
2. The City will continue to implement its current development regulations relating to buildable lot size, wetlands, floodplain, shoreland protection, tree preservation, and slope protection.
3. The City will consider the environmental features of the site in determining the appropriate zoning district to be applied (i.e., large lots in woodland areas to preserve significant tree stands).
4. Planned residential land uses south of the City must consider the impact of the expanding Thief River Falls Regional Airport. Any development in this proximity to the airport must abide by the airport zoning, avoiding flight safety zones. Residential development must be cognizant of airport operations, related nuisance (noise, vibrations) in establishing location for new subdivisions and design homes.

A goal of the Comprehensive Plan is housing diversification within the low density residential land use categories. This would include both affordable and higher value housing alternatives. The following are offered for providing greater low density residential diversity:

1. The City will evaluate its low density zoning districts to provide a greater range of lot sizes and performance standards. Single family zoning districts offering smaller lots and flexible setbacks will be pursued to provide more efficient development patterns and affordable owner-occupied housing opportunities. The small single family lot zoning districts will be applied where there are no environmental constraints and relatively flat lands, without heavy tree vegetation, steep slopes, or wetlands.
2. The City will update its existing planned unit development (PUD) regulations to promote innovative and diverse residential development patterns. Utilizing this zoning mechanism, the City will protect environmentally sensitive areas through residential clustering, development compaction, and design flexibility in subdivisions to achieve attractive and affordable low density residential neighborhoods.
3. The City will examine the need for a larger lot zoning district as a means of providing higher end homes.

4. The City will continue to examine its zoning standards in the older portions of the community related to setbacks, accessory buildings, etc. as a means of promoting private reinvestment into the older homes through expansion or modernization.

Low Density to Medium Density Residential (0 to 8 units per acre)

The Land Use Plan illustrates a low to medium density land use category at various locations within the designated growth area. This land use category anticipates that a range of residential densities may be appropriate for this area pending adjoining development patterns, traffic generation, environmental protection, and housing demand. The actual density that may be permitted will be defined through zoning.

The low to medium density residential land use areas may also offer opportunities for a mix of residential housing types (single family, twin homes, townhomes) within the same subdivision. These opportunities will be further defined through zoning.

Medium/High Density Residential

Medium density (5 to 8 units per acre) and high density (9 or more units per acre) residential land uses are key elements to providing housing diversity and affordability in the community. Medium and high density housing options will include twin homes, townhomes, apartments, and condominiums.

The community and Digi-Key survey indicated a desire for greater diversity in the types and styles of housing. Specific recommendations were for the development of medium density, low maintenance or maintenance free housing options. This housing would include association managed condominiums, townhomes, and detached townhomes. These housing options would appeal to both young first time home buyers and empty nesters looking to move out of the current single family homes and do not want to deal with the daily demands of house and yard maintenance.



The provision of medium density housing will serve to expand owner occupied housing options in the City. This will also help to free up existing single family housing stock, by providing a maintenance free housing option to current residents of single family homes looking to move within the City and put their current home up for sale.

High density residential development has been the popular housing development choice over the last decade. The City has had 169 new apartment units added to the City's housing stock between 2014 and 2018. The City has approved another 558 apartment units in development stages. The high density development has been popular in that it provides a concentration of density within a single site, reducing the financial risk to the developer. The high density housing projects to date have been successful in achieving full occupancy soon after construction completion.

As community's population continues to age, there will be a growing demand for both assisted and independent living age restricted housing. In 2017, 20.3 % of the City's population was 65 years and older, with another 12.7% of the population in the 55 to 64 years age group. The existing age restricted housing facilities have waiting lists for households interested in this housing type. Age restricted housing will be addressed through the application of zoning within the guided medium and high density land use areas.

The City has mobile home parcels within the City that fit the density range for medium density residential land use. The mobile homes provide an affordable housing option within the City. There are, mixed opinions pertaining to the existing parks and the future expansion of this housing type. The contrasting opinions are offered below:

Pro:

1. The mobile home offers much needed affordable housing within the City.
2. With strong park management these facilities can provide an appealing living environment.

Con:

1. Mobile homes do not age well. Unlike other homes, mobile homes do not offer options for renovation or rehabilitation. Older mobile homes frequently cannot be relocated due to changing building codes and mobile home park standards.
2. Poor park management and lack of rule enforcement can result in declining mobile home park conditions.
3. The mobile homes, while requiring municipal services, do not generate the property tax of a more permanent single family home.

Future consideration of mobile homes will be through the application of zoning within areas guided for medium density residential land use.

The Policy Plan encourages providing a variety of housing opportunities that are sensitive to income levels and lifestyles of all the people who are interested in living in Thief River Falls. Through the provision of a diverse housing stock, the City will retain population by providing housing alternatives that are attractive to the young and the community's elderly population.



The City recognizes the need for additional medium and high density housing options to insure diversified housing stock for both homeowners and renters. In promoting future medium and high density residential development, the City will strive to avoid the problems associated with similar existing development. The General Land Use Plan illustrates locations for future medium density residential (five to eight units per acre) and high density residential (nine plus units per acre) land uses. These locations are identified to expand the variety of housing in Thief River Falls and to take advantage of the following characteristics:

1. The medium and high density residential land uses are intended to provide a compatible land use transition between low density residential neighborhoods and more intense commercial or industrial land uses.
2. Medium and high density residential development is located at the periphery of single family neighborhoods along major streets, to provide easy access without intruding on the lower density residential neighborhoods.
3. Medium to high density residential uses have been identified as desirable land use options in the redevelopment of sites in the Thief River Falls downtown and as support for the highway commercial areas. Medium to high density residential uses are proposed to be located in close proximity to the downtown and other commercial areas to take full advantage of the services provided in these areas. In addition, medium and high density housing developments help provide the customer support for community commercial land uses.
4. A priority for the City is the redevelopment of the Old Hospital site located on First Street and abutting the Red Lake River. This redevelopment site would remove an obsolete building from the downtown and replace it with contemporary high density

housing. The City will aggressively pursue this project to accomplish the following stated community goals:

- Provide much needed housing to the City.
 - Enhance the Riverfront, and make the River an amenity within the downtown area.
 - Bring a concentration of residents to the downtown area to provide market support for downtown businesses and spur improvements and investment in the downtown area.
5. Medium and high density residential land use have been guided to locations in close proximity to the City's Highway Commercial and Industrial areas to provide both market support and labor support for local businesses and industries.

Regardless of housing type and density, the City of Thief River Falls will pursue only the highest quality residential development. In this regard, the City will also establish development performance standards focusing on the long range maintenance, appearance, and conditions of the medium and high density residential areas. Specific attention will be given to the following:

1. The City will require that medium and high density residential structures have high quality, durable and low maintenance exterior wall treatment to insure long term attractive housing units.
2. The City will require homeowner associations to be established within all owner-occupied medium density and high density residential developments as a means for insuring site maintenance. The City will require that a homeowners association be established with sufficient rules and financial standards to insure long term maintenance of the development and enforcement of its bylaws.
3. The City will promote through its development performance standards and site plan review process, quality site design and amenities within medium and high density residential areas including, but not limited to, open space, recreational facilities, pedestrian ways, guest parking, garages, landscaping, etc.
4. The City will work with a development cooperation or local builder to solicit interest in the development of medium density housing (i.e. townhomes, detached townhomes) options within the City.

Commercial

Thief River Falls has historically been the commercial center for the community and surrounding counties. Today, Thief River Falls retailers compete with larger regional commercial centers in Grand Forks as well as internet retailers that are changing the shopping environment nationwide. The changing retail markets will influence the planning for future commercial land uses.

Looking to the future, the Comprehensive Plan interviews identified the following commercial goals:

1. The City wishes to be a regional attraction, capturing and retaining consumers that would otherwise travel to Grand Forks to shop. The City wishes to not only retain its local consumer base but also capture those people traveling through or by Thief River Falls to shop Grand Forks.
2. Promote community growth, to expand local market support for local businesses. Through growth expand the labor supply for all businesses. Through the expanded local labor force, quality employees would be available to smaller businesses that will allow business growth, improved service, and expanded hours.
3. Expand business diversity that will increase the accumulative attraction for all businesses in the City. Interviewees identified a predominance of hardware and fleet stores which each carry similar product lines. There is a need for greater business diversity to become the regional attraction. The interviewees identified the need for upper end clothing stores, restaurants, and more recreational and entertainment venues to attract non-local consumers to the City with greater frequency.
4. Preservation of the Thief River Falls downtown as a commercial focal point within the City.

The proposed Land Use Plan guides the commercial land uses to the City's historic downtown and along its major highways.

Downtown

The downtown or central business district of Thief River Falls has traditionally been the commercial center of the community with the retail, service, and governmental features contained within a multiple block area. Much of the community's commercial and service entities exist in the downtown and this is expected to continue. There is a strong desire in the community to continue a high level of investment in the downtown to retain its retail and service functions. Reflective of this ambition, the City undertook the Thief River Falls New Vision for Downtown Community Master Plan October 2017. Through these planning efforts,

the City identified physical improvements and on-going activities to enhance the downtown environment and shopping experience. The recommendations address traffic circulation, street design, parking, pedestrian needs, landscaping, and storefront improvements.

The 2017 Downtown Master Plan will serve to guide the physical improvements within the downtown. The City will undertake the following efforts to implement the improvements:

1. Downtown street, sidewalk, parking and streetscape improvements will be incorporated into the City's Capital Improvement Planning. Improvements shall be conducted in a phased manner to be least disruptive to local businesses.
2. The City will continue its storefront renovation loan program, to encourage private reinvestment in downtown buildings. Promote the maintenance and reinvestment in the downtown buildings.
3. Develop an inventory of vacant downtown buildings and properties with regard to address, floor space, and amenities as base data to address inquiries of perspective new businesses.
4. Redevelop the Old Hospital site with high density residential land uses to bring potential customers to the downtown. Make safe and convenient pedestrian connections between the redevelopment site and downtown commercial areas.
5. Implement gateway sign improvements to direct pass through traffic to the downtown.
6. Work with Minnesota Department of Transportation on assuring safe vehicle and pedestrian crossings across highway corridors.



While the City can assist in the physical improvements of the downtown, the operation and promotion of the downtown must rest with the local businesses. The local businesses have to be proactive in organizing and functioning as a team. Success in the future will be reliant on continuing the following strategies for downtown businesses:

1. Work with the established commercial core businesses to help satisfy their operational and growth needs. This effort reinforces the City's confidence in the established business community and helps solidify the existing downtown anchor businesses.
2. Encourage local businesses to consider ways to avoid directly competing with larger regional retailers:
 - Emphasize customer service.
 - Change inventory levels.
 - Carry higher quality product lines than discount retailers.
 - Offer product servicing and repair.
3. Promote the accumulative attraction of the downtown businesses and business interchange among the businesses:
 - Establish common store hours.
 - Encourage joint advertising of downtown businesses.
 - Establish a downtown directory of businesses.
 - Continue with the Chamber of Commerce on active promotion of the community through special events. Establish active schedule for special events throughout the year.
 - Coordinate special events with Visit TRF for promotion and assistance.
 - Participate in private redevelopment efforts to rehabilitate buildings under a common downtown theme.
 - Utilize the City's Economic Development Consultant to actively pursue desired downtown businesses (high end clothing, entertainment venues, tap rooms, etc.) by contacting like businesses to solicit interest in Thief River Falls.
4. Promote the introduction of a variety of new land uses and businesses in the downtown area:
 - Promote medium and high density residential redevelopment on sites at the periphery of the commercial core to increase local customer base and customer convenience in the downtown area. Aggressively pursue the redevelopment of the Old Hospital site for high density land use.
 - Continue to allow and provide rehabilitation for second story apartments above the commercial buildings as an alternative tenant option and revenue source for the property owner.

- Promote development of commercial uses including, but not limited to, specialty retail, restaurants, entertainment, hotel, professional offices, service-oriented businesses.
 - Consider non-traditional downtown uses such as production uses that include some retail, (i.e., brewery/tap room, art studios, artisan bakery) that may be useful to fill vacant buildings.
5. Continue to maintain the downtown as the community service focal point of the City. The downtown includes numerous public buildings, service industries, and attractions which help provide identity to the area and attract people to the downtown on a daily basis.
6. Parking:
- Provide on street parking per Downtown Master Plan.
 - Investigate the need for additional downtown parking lots.
 - Consider the establishment of a downtown parking assessment district to help cover the costs of land acquisition and parking lot construction.
 - Evaluate the site at the time of sale for potential downtown parking lots.

Highway Commercial

The proposed land use plan provides areas along Highways 1, 32, and US 59 for Highway Commercial land uses. These areas provide excellent visibility and access to the traffic on the major thoroughfares. The land areas identified provide larger lots and building sites for larger contemporary retailers, which have large building footprints and large parking lots.

In guiding the Highway Commercial areas, the following considerations are offered:

Highway 1 and US 59 at the northwest corner of the City represents a location of existing commercial uses. In examining this area, the following recommendations are offered:

1. US Highway 59 extends north out of Thief River Falls into the township. This area has existing businesses that are served by private wells and sewers. This area may be annexed if the extension of utility service becomes necessary and cost effective. This guides land use reflective of the current land use pattern.
2. MNDot is proposing improvements to Highways 1 and US 59 in the northwest corner of Thief River Falls. These improvements include highway reconstruction and round-about construction at Brooks Avenue, Brazen Avenue, and CSAH 1 intersections. With these improvement opportunities exist opportunities for improvements to streetscape and

enhancement of the adjoining commercial properties. Through this project, the gateway to the City will be enhanced.

3. The County Fairgrounds fronts on US Highway 59 in this area of the City. The fairgrounds is only a seasonal use located on a prime commercial location. Relocation of fairgrounds and redevelopment of the site may be a future goal of the City to take advantage of the site's locational advantages of the site for commercial land use.

Pursuit of this redevelopment of the current fairgrounds will only be considered with the following conditions being addressed:

- Identification of an acceptable fairgrounds alternative site for relocation. The City wishes the site to be in close proximity to Thief River Falls to retain the fair as a major community attraction.
- The site is ripe for development. The City has a development project that can make redevelopment a timely reality.
- The costs of property acquisition, relocation, new fairground development, and site preparation, are all considered and can be financed using available redevelopment tools with minimal risk to the City and County.



4. The Ralph Engelstad Ice Arena is located along US Highway 59 in northwestern Thief River Falls. This facility is one of the premier ice arenas in the State of Minnesota. This event facility provides opportunities attracting people regionally to the City. Concerns have been expressed pertaining to the costs of operation and maintenance of the facility. In response to these concerns, the City hopes to expand the use of the facility to more events as a means of generating revenues to cover City costs. Successful management and greater utilization of the Ice Arena may generate the following extraneous benefits for the City:

- An expanded event schedule that goes beyond hockey and skating will help address the perception that there is nothing to do in Thief River Falls.

- The expanded schedule will provide a regional attraction for the City that will bring people to the City. This will generate spin off benefits to local businesses with regard to shopping, dining, and hospitality services.
- As a more constant traffic generator, the arena may generate commercial business interests to this area of the City.



5. Some of the commercial businesses in northwestern Thief River Falls present issues for site appearance and outdoor storage. In conjunction with the State Highway improvements, the City will use code enforcement to address site cleanup and screen outdoor storage areas of businesses.

Highway 32 north of the City is also zoned for Highway Commercial. Land use in this area consists of a lumberyard, welding contractor, other contractors, fuel storage and an automobile junkyard. This area exhibits issues with site conditions related to building quality, outdoor storage, landscaping and hard cover. The mix of uses in this area fall between commercial and industrial functions. In this regard, the City may consider a light industrial zoning district that is specific to the uses in this area of the City, with performance standards specific to these sites.

US Highway 59 east and southeast of the City has been guided for Highway Commercial areas. Building on the existing land use pattern, Highway Commercial land use has been extended to the southeast beyond the City's current boundaries. The Highway Commercial in this area consists primarily of undeveloped land, which provides for larger commercial lots desirable to more contemporary retailers.

The timing and opportunity to open this land for development will be determined by the City through annexation and zoning.

The MNDot has plans for the upgrade of US Highway 59 between First Street and Greenwood Street. With these improvements, the City will pursue frontage and intersection improvements.

Issues with site standards, including signage, landscaping and building quality have been identified as issues within each of the highway commercial land use areas. While newer development has been of high quality, some older sites and buildings are seen as detractors from the development of attractive commercial corridors. To enhance the highway commercial

areas in Thief River Falls and provide a more consumer friendly environment, the City would promote the following:

1. Work with the State and County to implement Highway improvements that improve traffic flow, provide safe intersections, provide for pedestrian movements and enhance the appearance of the City's major highways.
2. Limit direct access to the City's highways and provide access to commercial lots via frontage or backage roads wherever possible.
3. In conjunction with Highway improvements, implement pedestrian and bicycle improvements that provide safe travel along the major highways, safe highway crossings and pedestrian and bicycle access to Thief River Falls highway commercial businesses. Design for pedestrian access through development projects with connections to the overall sidewalk and trail system.
4. Elimination of code violations and non-conforming uses through redevelopment efforts. Utilize City investment programs, when projects are in the public's best interest, to assist in project development.
5. Promote private rehabilitation and investment in the highway commercial corridor.
6. Encourage commercial development/redevelopment that offers joint shared access through the development of frontage roads between commercial sites to encourage businesses interchange and reduce traffic movements onto the highway.
7. Manage the expansion of highway commercial land uses through annexation and zoning to avoid premature development to control the supply of commercial zoned land and to ensure that future highway commercial development and uses meet the commercial goals and policies of the City.
8. Encourage high standards for quality by addressing appearance and function as follows:
 - Commercial sites must be designed with adequate area to accommodate building construction, off-street parking, internal circulation, pedestrian access, and green space.
 - Encourage an image compatible with standards expected of high quality development in Thief River Falls.
 - Commercial parking, loading and outside storage should be screened from public rights-of-way and residential zones.
 - On-site storm water management will be required as necessary.

Other Commercial

Other than the downtown and highway commercial corridors, there is very little commercial development within the City. In some older areas of the community, especially north of the downtown, small pockets of commercial or industrial development have leaked into residential neighborhoods. These spot commercial and industrial sites have created compatibility issues with the surrounding residential neighborhoods related to site appearance, business operations, and parking. Code enforcement and incentives for relocation to more appropriate business development areas should be appropriate for these areas.

To protect the residential neighborhoods, the City must prevent future commercial and industrial encroachment into residential areas. Existing businesses may continue as legal nonconforming uses; however, the uses cannot expand or intensify. The City will use code enforcement to address nuisance complaints. The City may work with the businesses to provide assistance and incentives to relocate the two more appropriate land use areas and offer sites that may facilitate business growth.



Industrial Land Use

Thief River Falls has been very successful in its promotion and retention of industrial land use. The success of the City's industries has created a labor shortage as the growth of job opportunities continues to out pace residential and population growth. For the City's commercial and industrial growth to continue, the City must continue to grow its workforce. The Growth Management and Residential sections of the Comprehensive Plan provide strategies to promote growth.



The City will continue to be aggressive in its promotion and retention of industrial land use. The proposed land use expands the City's existing industrial land use patterns along C.S.A.H. 16 on the west side of the City. This location offers the following characteristics that are valuable for new industries.

1. Proximity to other industry use that may promote business interchange and cooperation between businesses.
2. These areas of the City offer a degree of isolation from less intense residential and commercial land uses. The isolation allows the industrial uses to operate in an unencumbered manner, without concerns for nuisance impacts on neighboring land uses.
3. This area of the City offers excellent access via C.S.A.H. 16. This is a major collector street designed for industrial traffic. With the construction of the River crossing at C.S.A.H. 8, the proposed industrial area will have a travel route around the City that does not penetrate the City's residential and commercial areas. The route provides excellent travel routes in all directions from the City.
4. The proximity to the airport is excellent for the proposed industrial area.
5. This area of the City provides a land supply that can offer building site of a variety of sizes to meet the needs of different industries.
6. This area of the City offers municipal utilities located and sized for industrial growth.
7. Development in this area of the City will need to be cognizant of soil conditions that may require special construction techniques.
8. With the realignment of Ditch 70 following C.S.A.H. 16 and outletting to the Red Lake River; utility and street extension to property west of C.S.A.H. 16 must be properly located and planned to work with the ditch location and design.

The City also has industrial uses along the Canadian Pacific railroad that pass north and south through the center of Thief River Falls. Industries in these areas present compatibility issues with adjoining residential neighborhoods, related to site conditions, outdoor storage, and traffic. Efforts shall be pursued to encourage local businesses and the railroad to clean up their sites and to screen outdoor storage areas from adjoining residential neighborhoods.



Public and Institutional

The public/institutional land uses are significant in that they constitute approximately 8 percent of the City's land and includes public buildings and schools, churches, and cemeteries. Large areas of land are devoted to the Northland Community College, Pennington County, schools and cemeteries. Other than the Multi-Events Center, the Proposed Land Use Map does not anticipate that the amount of public institutional land inventory will grow. There are no significant expansions of any of the public and institutional facilities expected in coming years that would necessitate large areas of additional annexation.

Within its Comprehensive Plan, the City of Thief River Falls is interested in the continuation of these facilities as they contribute to the character and economic vitality of the community.

