# Valley City Special Commission Meeting

## Tuesday September 13, 2021

## 5:00 PM Meeting

President Carlsrud called the meeting to order at 5:00 PM.

Members present: President Carlsrud, Commissioner Bishop, Commissioner Magnuson, Commissioner Erickson,

### Pledge of Allegiance (Please Stand)

### New Business

N2. Consider Raffle Permit for the Valley City Lions Club on September 14th, 2021.

Commissioner Bishop moved to approve, seconded by Commissioner Magnuson. Motion passed unanimously.

N1. Discuss Valley City Municipal Code Section 15-01-12.1 regarding Assessment of Unpaid Utility Charges.

President Carlsrud asked the public for comments.

Dick Lorenz stated he has some rental property and doesn’t object to it going on the taxes but feels the rental owners should get some sort of notice ahead of time. If the tenants are 30 days late there should be notice. It would also be nice to get notice when tenants disconnect.

City Administrator Crawford stated we do give notice about 45 days to both the landlord and tenant.

Dick requested notice sooner.

City Administrator Crawford explained our current deposit policy for new accounts. Also added that we trying to work things out. Before the landlords weren’t able to call in and check on a tenant’s bill. We are thinking of having the tenants sign something that makes the landlords able to check the status of the account.

Mike Payson questioned if anyone has thought about how this affects affordable housing? Some of the landlords may look at raising rent as a way to help cover the utility bills. The other concern is energy assistance. If the landlords are paying the utilities the tenants lose the ability to receive energy assistance.

City Administrator Crawford stated there may be some landlords that choose to do it that way but many won’t because they can’t control how much someone uses the utilities. For the energy assistance, yes, they have to have the utility in their name to receive the assistance.

Mike Payson added he did not feel the utility bills should not be placed on the landlords, that it should be put back on the city or government.

Dean Ross stated he doesn’t think it’s the landlord’s responsibility. He bases his rent including the utilities because it’s all electric heat so in the winter it’s substantial. What happened to making them responsible for paying for their utilities? Isn’t that why there is a deposit? What if you get a tenant that is upset with the landlord, will they purposely not pay their utility bill just so the landlord gets stuck with it?

City Administrator Crawford stated the city will still do what they can to get the bill paid. There is approximately $15,000 per year not getting paid. A lot has to do with once they are gone there is no way to get to them.

Commissioner Magnuson added that we are having this meeting to hear from the landlords because we didn’t do that prior to creating the ordinance. Magnuson questioned if Dean thought the unpaid bills should be put onto the rest of the people’s bills that are paying them because that’s where they’re going now?

President Carlsrud added that we did have 3 public meetings regarding this topic that were published in various places and no one showed up. It gets to be a cost if we send letters every time for people to show up. We are here today to listen to ideas because it’s not fair to the people of our community to have $15,000 to go on the tax roll.

Mike Payson added that this could be tough for young investors. If it’s an average of $15,000/year maybe they city could think about adding that into the budget?

Commissioner Magnuson requested a fair solution. Dean mentioned that $15,000 is pennies to the city but then someone else will come back and say we just spent $500 on garbage cans and that’s a great deal of money. So $15,000 we’ll just write off goes to everyone that’s paying utility bills. Are you okay with covering somebody that’s not paying their bills? Do you make the deposit $1,000? Chances are if they are renting they can’t afford that. Now you’re running the small investor out of business because they can’t rent to them because they can’t afford utilities. We’re open to suggestions.

Mike Payson suggested assessing it to everyone in the city because it would be such a small amount. I don’t see that it should be a burden on the landlords when it’s more of a governmental or energy assistance thing.

Commissioner Magnuson stated a question was presented to him by a couple that could not attend the meeting. Hypothetically if they rented from someone and didn’t pay their bill so the landlord was stuck with it and then they just jump to someone else’s apartment. Can we track if they’re delinquent?

City Administrator Crawford stated there could be a question added to the form when they apply.

Commissioner Bishop stated what we’re doing now is trying to fix the problem after it happens. What we need to focus on is not letting the problem happen. Do landlords run credit checks on their tenants or the city on people coming in to get utilities? Maybe your deposit is based on your credit score? Maybe that has to be worked out where the city and landlord has it worked out together.

Mike Payson stated there is a facility in town that has not been managed well and 50% of their units have not been rented. Think of the burden on that landlord when you’re down 50% of tenants and some that don’t pay rent on time and now they’re getting hit with unpaid utilities.

President Carlsrud stated if we work together we have a better chance of getting the cost causer to be the cost payer. We can come together to lessen the chance of those getting away with fraud or theft, whatever you want to call it.

City Attorney Martineck added that the ordinance was drafted to be discretionary so it’s not like on January 1st there will be a drop dead date. It’s just there if we need to use it.

### Adjourn

Meeting was adjourned at 5:44 PM.

Attested to by:

Avis Richter, City Auditor Dave Carlsrud, President of the

City of Valley City City of Valley City Commission