



Committee of the Whole  
Tuesday, May 29, 2018 - 4:15 PM  
City Council Chambers

#### **1. CLOSEOUT PAYMENT FOR MINOT MILL DEMOLITION**

Pursuant to the demolition competitive bid, contractor was engaged to undertake demolition and site restoration for the building known as Minot Mill at 400 3rd Street NE. Demolition and site restoration was completed as required.

**It is recommended the Committee and Council approve payment of \$10,734 as final payment for demolition and site restoration of the Minot Mill by Dig It Up Backhoe Service, Inc.**

Documents:

[Minotmillretainagepaymentcouncilmemob.docx](#)  
[Invoice 2 - retainage minot mill.pdf](#)

#### **2. ROTARY BRUSH CUTTER (AIR068)**

A rotary brush cutter is an attachment for a skid loader that allows the operator to mow in areas that are difficult to reach with a conventional tractor/mower set-up, such as ditches and wetland areas. The Airport contains a number of these areas, and they have been identified by the wildlife biologist conducting the Wildlife Hazard Assessment as requiring mitigation. The Airport budgeted \$7,500 to purchase this equipment in 2018. As required, the airport obtained two quotes from vendors. Bobcat of Minot quoted a price of \$7,059.00, and Gooseneck Implement quoted a similar version for \$7,001.56. The Airport desires to purchase from Gooseneck Implement for the lower price.

**Recommend approval to purchase a rotary brush cutter in the amount of \$7,001.56 from Gooseneck Implement for the Airport.**

Documents:

[MEMO Rotary Brush Cutter \(1\).pdf](#)  
[Bobcat Quote.pdf](#)  
[John Deere Quote.pdf](#)  
[JD - Rotary Cutter \(1\).pdf](#)  
[JD - Rotary Cutter \(2\).pdf](#)

#### **3. SECURITY SYSTEM SUPPORT AGREEMENT**

The Airport currently uses Genetec Security System for its access control and security program. Due to the high level of technical expertise involved with the program, ongoing support is required for troubleshooting, maintenance, and software updates. The annual support agreement will provide remote and on-site technical support, necessary software updates, as well as additional training to airport staff.

- 1. Recommend approval of the annual support agreement with MEI/Parsons Technologies for the Airport's security system; and**
- 2. Authorize the Mayor to sign the agreement**

Documents:

[MEMO Parsons Support Agreement \(1\).pdf](#)  
[2018 Service Agreement Proposal - Minot Airport - 5-11-2018.pdf](#)

#### **4. JOINT POWERS AGREEMENT- CITY OF MINOT & MINOT PARK DISTRICT**

On August 7, 2017, the City Council considered the request of the Minot Park District with respect to improvements and enhancements to the Roosevelt Park Zoo, a community facility located in Minot, ND. The Council has given tentative approval for their finance request in the amount of one million dollars for the year 2018. This one million dollar contribution is contingent and subject to conditions.

1. **Move to approve the Joint Powers Agreement between the City of Minot and the Minot Park District and authorize the Mayor to sign the Agreement.**
2. **Move to pass an ordinance authorizing and appropriating, on a contingent basis, City sales tax proceeds derived from City ordinances 3560 and 4380, to the Minot Park District, for upgrading, remodeling, or construction of community facilities as permitted under section 1 of ordinance 4380 (at the time of the approval).**

Documents:

[Community Facilities\\_Minot Park District memo.pdf](#)  
[JPA- Minot Park District.PDF](#)  
[Roosevelt Park Zoo Ordinance.pdf](#)

#### **5. PROPOSED ORDINANCE TO ADOPT PERMIT FEES BY RESOLUTION**

Currently, the City's Building Inspection Department has their permit fees listed in the various sections of City ordinances. Meaning if council wishes to change any permit fee, the process takes two readings.

**Recommend Council pass on first reading an ordinance that adds section 9-2(d).1 and amends sections 9-2(f), 9-49, 12-54, 17-25, and 26-3 of the city of Minot code of ordinances.**

Documents:

[Proposed Ordinance to Adopt Permit Fees By Resolution Memo.docx](#)  
[2018.05.16\\_Permit Ordinance.docx](#)

#### **6. ACCOUNTS RECEIVABLE FINANCE CHARGES**

The Council had previously directed Staff to work to implement a finance charge on past due accounts. We have been able to successfully set up and calculate the charge. Upon approval of the language to be included in the forms, Staff will communicate the new charge and begin the assessment of the charge on June 30th.

**It is recommended the City Council implement the assessment of a finance charge of 1.75%/month for accounts more than 30 days past due and approve the account application form.**

Documents:

[COW May COW Finance Charge.pdf](#)  
[City of Minot Account Application.pdf](#)

#### **7. AMEND CDBG CITIZEN PARTICIPATION PLAN TO CHANGE TO CITY CLERK AS**

## **CITIZEN PARTICIPATION CONTACT PERSON**

HUD requires CDBG-DR and CDBG-NDR Grantees to have Citizen Participation Plans which both set forth the policies governing amendments to action plans as well as describing the rights and opportunities for citizens to comment, make complaints, and ask questions regarding the expenditure of all funds under such grants. The city recently changed the position responsible within the city government to handle citizen information requests from the Public Information Officer to the City Clerk.

**It is recommended the City Council amend the CDBG Citizen Participation Plan to replace the Public Information Officer with the City Clerk based on City Clerk becoming citizen information request contact person for city.**

Documents:

[CitizenParticipationPlanchangetoCityClerkCouncilmemo.pdf](#)  
[CitizenParticipationPlan201609.pdf](#)

## **8. APPROVE AMENDMENT 9 TO CDM SMITH ALLOCATION #2 AGREEMENT**

Pursuant to the Grant Agreement for CDBG-DR Allocation #2, all funds must be spent by July 9, 2019. As of the writing of this memorandum, 98% of the \$35 million has been spent. Funds remaining to spent are related to close of demolition and relocation. There is also a balance in administration which will cover costs of city staff involved in the closeout work. The \$65,000 to be added to CDM Smith contract will cover their costs related to the demolition and relocation work and the funds will come from those allocations. This will be the last amendment.

**It is recommended the City Council approve Amendment #9 adding \$65,000 to contract agreement with CDM Smith for program delivery services for CDBG-DR Allocation #2.**

Documents:

[CDMSmithAmendment9allocation2councilmemoa.pdf](#)  
[Minot CDM Smith CDBG Contract 2 Amendment 9\\_060418.pdf](#)

## **9. NEIGHBOR NEXT DOOR AMENDED LOT SALE AUTHORIZATION**

The original action approved by the City Council was to offer these lots to neighbors, the adjacent property owners, with a covenant to the deed barring construction and requiring it to be maintained in some form of acceptable green space resulting in the True and Full Value for assessment of these lots to fall below the cap to allow a private sale. The City Attorney and City Assessor were consulted and it was very evident that it would be almost impossible to be assured that uses of the lots if sold through private sale would result in the property value remaining below the threshold. Therefore, an alternative solution was developed which should accomplish the original desired goal of the Neighbor Next Door initiative, allow those who acquire the lots to undertake all the options suggested with the expressions of interest, and remain in compliance with the Century Code by disposing of the properties through public auction.

**It is recommended the City Council authorize the auction of properties acquired using state grant funds which were flood damaged with deed restriction barring permanent structures from being built on the lots.**

Documents:

[Draft Auction of Neighbor Next Door propertiesCity Council Memo2-16-18d.pdf](#)  
[Neighbor Next Door Auction Properties djb.pdf](#)

## **10. SPOT BLIGHT ACQUISITION POLICIES AND PROCEDURES**

HUD recently approved CDBG-DR Allocation #1 Substantial Amendment #1 authorizing the creation of an involuntary acquisition program to acquire homes meeting Spot Blight National Objective standards (Zombie Homes) with an allocation of \$800,000.

**It is recommended the City Council approve the policy and procedures to be used for acquisition of flood damaged properties which remain in disrepair from the flood with funding from CDBG-DR Allocation #1.**

Documents:

[Spotblightpoliciesandprocedurescouncilmemo.pdf](#)  
[SpotBlightAquisition Polices.pdf](#)

#### **11. ESTABLISHING A RENAISSANCE ZONE ADMINISTRATIVE APPLICATION FEE TO COVER COSTS**

It is a standard practice for such programs as the Renaissance Zone offering incentives and benefits, to have an application fee to cover the costs connected to a project review and monitoring as well as to establish a benchmark as to the viability of projects reflected in applications. The Board unanimously approved advancing the recommendation of establishing a fee but deferring to the City Council for a final decision.

Last month, it was decided to send the discussion back to the Committee of the Whole to deliberate further.

**It is recommended the City Council establish parameters and provide guidance to city staff to establish a Renaissance Zone Administrative Application fee.**

Documents:

[RenaissanceZoneFeeCouncilMemo.pdf](#)  
[Proposed Administrative Fee.pdf](#)  
[RikkiTestimony on RFO Audits 092817.pdf](#)  
[Ren Zone App Fee Email.PDF](#)

#### **12. AIRPORT ACTIVITIES, REPORTS, AND PROJECT UPDATES**

The Airport Director will be available for questions.

Documents:

[Airport Committee Presentation 052918.pdf](#)

#### **13. MINOT PUBLIC LIBRARY ANNUAL REPORT PRESENTATION**

Library Director, Janet Anderson, will present information regarding usage of and services offered by the Minot Public Library in 2017 as well as discuss events taking place in 2018 at the Library.



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** May 22, 2018

**SUBJECT:** CLOSEOUT PAYMENT FOR MINOT MILL DEMOLITION

**I. RECOMMENDED ACTION**

Authorize retainage payment of \$10,734 to Dig It Up Backhoe Service, Inc. for Minot Mill Demolition

**II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

**III. DESCRIPTION**

A. Background

Pursuant to the demolition competitive bid, contractor was engaged to undertake demolition and site restoration for the building known Minot Mill at 400 3<sup>rd</sup> Street NE. The demolition was delayed because of its proximity to the BNSF rail lines and contradictory requirements requested by BNSF. Clarity was finally obtained from BNSF and the contractor was able to proceed along the necessary timeline to have the site cleared in advance of commencement of the first three phases of the flood mitigation project.

B. Proposed Project

Demolition and site restoration was completed as required. Project is completed.

**IV. IMPACT:**

A. Strategic Impact:

Demolition of Minot Mill was part of the overall agreement with SHPO which resulted in SHPO allowing all but one property needed for the flood mitigation projects with what it determined to be historic significance to be demolished.

B. Service/Delivery Impact:

Demolition and site restoration completed on timely basis supports the initial phases of the flood mitigation work.

C. Fiscal Impact:

Funding comes from CDBG-DR Allocation #2

**V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

NA

**VII. LIST OF ATTACHMENTS**

- i. Copy of Final Payment Request and support docs



ATTACHMENT II-E

CONTRACTOR'S PAYMENT REQUEST

Date: 5/7/2018

Contract Amount: \$ 122,000.00

Change Order Amount: \$ 0

New Contract Amount: \$ 122,000.00

Contractor: Dig It Up Backhoe Service, Inc.

Address: 800 163rd Ave SE Minot, ND 58701

Type of Payment: Final            Retainage X

Contractor: I hereby request an inspection to receive payment for the amount of \$ 10,734.00. I certify that I have satisfactorily completed the necessary work to justify this request and that all bills incurred for labor used and materials furnished in making said repairs and improvements have been paid in full of this date. See attached schedule of values/work items completed and invoiced. See attached lien waivers from subcontractors and vendors.

Contractor's Signature: Rebecca Jo Cook Date: 5/07/2018

Program Administrator: I hereby certify that all work is completed as indicated on the Contractor's payment request and all required documentation was submitted and approved. I hereby request approval of the payment to the Contractor in the amount of \$ 10,734.00.

Program Administrator: Heslie Bean Date: 5/16/18

City of Minot: I hereby approve the payment to the Contractor in the amount of \$ 10,734.

City of Minot: [Signature] Date: 5/16/18

## Property Description

Address: Summary of Address for Invoice 1

400 3rd St NE-Structure Demolition and Site  
Restoration Project #3755.5  
Minot, North Dakota

Item	DESCRIPTION	UNITS	QTY	UNIT PRICE	AMOUNT
00001	400 3rd St NE	EACH	1	\$ 95,000.00	\$ 95,000.00
00002	Asbestos Abatement - Floor Material	SF	800	\$ 4.00	\$ 3,200.00
00003	Asbestos Abatement - Ceiling Material	SF	850	\$ 4.00	\$ 3,400.00
00004	Asbestos Abatement - Underground Asbestos Pipe or Wrap	LF	72	\$ 17.50	\$ 1,260.00
00005	Removal of Tree and Stump -greater than 8" and up to 36" Dia.	EACH	0	\$ 100.00	\$ -
00006	Removal of Tree and Stump -greater than 36" Dia.	EACH	0	\$ 100.00	\$ -
00007	Removal of Stump greater than 8" and up to 36" Dia.	EACH	0	\$ 100.00	\$ -
00008	Removal of Stump greater than 36" Dia.	EACH	0	\$ 100.00	\$ -
00009	Topsoil	CY	0	\$ 10.00	\$ -
00010	Borrow	CY	896	\$ 5.00	\$ 4,480.00
00011	Site Seeding	EACH	0	\$ 600.00	\$ -

### Invoice Total

\$ 107,340.00

Less 10% retainage

\$ 10,734.00

Amount Due This Invoice

\$ 96,606.00

### ENGINEER'S CERTIFICATE FOR PAYMENT

In accordance with the Contract Documents, based on on-site observations and the data composing this application, CDM certifies to the City of Minot that

AMOUNT CERTIFIED: \$ 10,734.00

(Attach explanation if amount certified differs from the amount applied.)

Dig it Up;

By:

*Rebecca Sp Cook*

Date:

5-7-18

CDM Smith:

By:

*Leslie Bean*

Date:

5-16-18

City of Minot:

By:

*[Signature]*

Date:

5/16/18

**400 3rd ST NE Structure Demolition and Site Restoration Project #3755.5  
Minot, North Dakota**

1  
4/27/2018

\$ 107,340.00



## CITY OF MINOT STRUCTURE DEMOLITION

### Work Order

Bid Package No. 400 3<sup>rd</sup> St NE Structure Demolition and Site Restoration Project #3755.5

Street Address: 400 3 <sup>rd</sup> St NE		Zip: 58703	
Contractor: Dig It Up		Subcontractor:	
Main Struc. Sq. Ft.: 9216	Add. Struc. Sq. Ft.: 0	Total Flat Work Sq. Ft.: 9216	Approved Pay Item No.: 00201
County: WARD			

#### ☐ CATEGORY A - C&D STRUCTURE

☒ 00001: 400 3<sup>rd</sup> St NE.

#### CATEGORY B - SUPPLEMENTAL BID ITEMS

- |   |                            |
|---|----------------------------|
| <input type="checkbox"/> 00002: Asbestos Abatement - Floor Material                               | X <u>800</u> SF            |
| <input type="checkbox"/> 00003: Asbestos Abatement - Ceiling Material                             | X <u>850</u> SF            |
| <input checked="" type="checkbox"/> 00004: Asbestos Abatement - Underground Asbestos Pipe or Wrap | X <u>72</u> LF             |
| <input type="checkbox"/> 00005: Removal of Tree and stump greater than 8" and up to 36" Dia.      | X <u>0</u> EACH            |
| <input type="checkbox"/> 00006: Removal of Tree and Stump - Greater than 36" Dia.                 | X <u>0</u> EACH            |
| <input type="checkbox"/> 00007: Removal of Stump greater than 8" and up to 36" Dia.               | X <u>0</u> EACH            |
| <input type="checkbox"/> 00008: Removal of Stump - Greater than 36" Dia.                          | X <u>0</u> EACH            |
| <input type="checkbox"/> 00009: Topsoil   | X <u>0</u> CY              |
| <input checked="" type="checkbox"/> 00010: Borrow   | X <del>100</del> CY 896 JR |
| <input type="checkbox"/> 00011: Site Seeding  | X <u>0</u> EACH            |

#### Comments:

Abatement of Bldgs complete w/ 12-16-17; demo started 4-5-18 SRIDE  
demo completed 4-18-18 DE, 72 LF asbestos gas line removed 4-25-18 DE

Complete Date: <u>4-25-18</u>	CDM Smith Monitor: <u>Miane M. Eriksen</u>
FINAL WALKTHROUGH AND INSPECTION	
CDM Smith Supervisor Name: <u>Justin Redding</u>	Contractor Supervisor Name: <u>Rebecca Cook</u>
Signature: <u>Justin Redding</u>	Signature: <u>Rebecca Cook</u>
Date: <u>4-26-18</u>	Date: <u>4-26-18</u>
QA/QC by: _____	_____
PRINT NAME	SIGNATURE



## ATTACHMENT II-C

### FINAL LIEN WAIVER AFFIDAVIT BY CONTRACTOR

Dig It Up Backhoe Service, Inc. has furnished or will furnish certain labor, materials, or equipment on the 400 3rd Street NE Structure Demolition and Site Restoration Project #3755.5 Project at [fill in address] 400 3rd Street NE Minot, ND 58701 (the "Project"). In consideration of the sum total of payments to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind (whether billed or unbilled), against: (a) the real property where the Project is located; (b) the improvements and other property located thereon; (c) the Owner and its title company and lender and their employees, officers, and agents; and, (d) the surety or sureties of the Owner.

In order to induce payment to be made to the undersigned, the undersigned certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the above-referenced Project.

The undersigned has executed this waiver voluntarily and with full knowledge of the undersigned's rights under law.

EXECUTED this 26th day of April, ~~2017~~ 2018

Name of Contractor Company: Dig It Up Backhoe Service, Inc.

By Authorized Representative: [Signature]

Printed Name: Travis Bohl

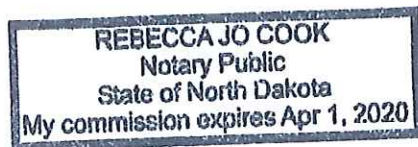
Title: Owner

#### Notary's Acknowledgement

Before me, the undersigned, on this day personally appeared Travis Bohl, who first being duly sworn by me to be the person whose name is subscribed to the foregoing Lien Waiver Affidavit, acknowledged that he/she has the authority to make this Lien Waiver Affidavit, and further acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 26th day of April, ~~2017~~ 2018

(Seal)



[Signature]  
Notary Public, State of North Dakota

My commission expires 04/01/2020



## ATTACHMENT II-D

### FINAL LIEN WAIVER AFFIDAVIT BY SUBCONTRACTOR

Dickens Trucking has furnished or will furnish certain labor, materials, or equipment on the 400 3rd Street NE Minot, ND 58701 Project at [fill in address] 400 3rd Street NE Structure Demolition and Site Restoration Project #3755.5 (the "Project"). In consideration of \$ 5080.00 representing the sum total of payments to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind against: (a) the real property where the Project is located; (b) the improvements and other property located thereon; (c) the Owner and its title company and lender and their employees, officers, and agents; and, (d) the surety or sureties of the Owner.

In order to induce payment to be made to the undersigned, the undersigned certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the above-referenced Project. The undersigned will indemnify the Owner and its lender and title company and the Contractor for all costs and expenses, including attorney's fees, incurred as a result of claims that any of the undersigned's subcontractors, suppliers, or employees have not been paid or relating to the enforcement of this paragraph.

The undersigned has executed this waiver voluntarily and with full knowledge of the undersigned's rights under law.

EXECUTED this 26th day of April, 2017-2018

Name of Subcontractor Company: Dickens Trucking

By Authorized Representative: Randy Dickens

Printed Name: Randy Dickens

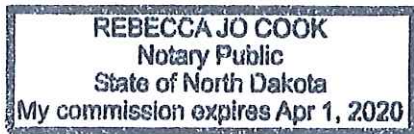
Title: Owner

#### Notary's Acknowledgement

Before me, the undersigned, on this day personally appeared Randy Dickens, who first being duly sworn by me to be the person whose name is subscribed to the foregoing Lien Waiver Affidavit, acknowledged that he/she has the authority to make this Lien Waiver Affidavit, and further acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 26th day of April, 2017-2018

(Seal)



Rebecca Jo Cook  
Notary Public, State of North Dakota

My commission expires 04/01/2020



# ATTACHMENT II-D

## FINAL LIEN WAIVER AFFIDAVIT BY SUBCONTRACTOR

Horsely Specialties Inc. has furnished or will furnish certain labor, materials, or equipment on the 400 3rd Street NE Minot, ND 58701 Project at [fill in address] 400 3rd Street NE Structure Demolition and Site Restoration Project #3755.5 (the "Project"). In consideration of \$ 7960.00 representing the sum total of payments to date and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned waives and releases any right which it now has or in the future may have to claim a mechanic's lien or any other lien rights, and waives and releases all other claims of any kind against: (a) the real property where the Project is located; (b) the improvements and other property located thereon; (c) the Owner and its title company and lender and their employees, officers, and agents; and, (d) the surety or sureties of the Owner.

In order to induce payment to be made to the undersigned, the undersigned certifies that it has paid all of its subcontractors, suppliers, and employees for all items connected with the above-referenced Project. The undersigned will indemnify the Owner and its lender and title company and the Contractor for all costs and expenses, including attorney's fees, incurred as a result of claims that any of the undersigned's subcontractors, suppliers, or employees have not been paid or relating to the enforcement of this paragraph.

The undersigned has executed this waiver voluntarily and with full knowledge of the undersigned's rights under law.

EXECUTED this 25 day of April, 2017- 2018.

Name of Subcontractor Company: Horsley Specialties, Inc.

By Authorized Representative:

*Tim Beets*

Printed Name: Tim Beets

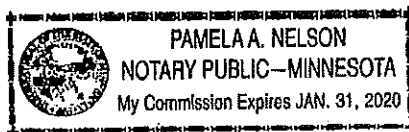
Title: Branch Manager

### Notary's Acknowledgement

Before me, the undersigned, on this day personally appeared Tim Beets, who first being duly sworn by me to be the person whose name is subscribed to the foregoing Lien Waiver Affidavit, acknowledged that he/she has the authority to make this Lien Waiver Affidavit, and further acknowledged to me that he/she executed the same for the purpose and consideration therein expressed.

GIVEN UNDER MY HAND AND SEAL OF OFFICE on this 25 day of April, 2017- 2018.

(Seal)



*Pamela A. Nelson*  
Notary Public, State of North Dakota

My commission expires January 31, 2020



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** Rick Feltner, Airport Director

**DATE:** May 11, 2018

**SUBJECT: ROTARY BRUSH CUTTER (AIR068)**

**I. RECOMMENDED ACTION**

1. Recommend approval to purchase a rotary brush cutter in the amount of \$7,001.56 from Gooseneck Implement for the Airport.

**II. DEPARTMENT CONTACT PERSONS**

Rick Feltner, Airport Director

857-4724

**III. DESCRIPTION**

A. Background

A rotary brush cutter is an attachment for a skid loader that allows the operator to mow in areas that are difficult to reach with a conventional tractor/mower set-up, such as ditches and wetland areas. The Airport contains a number of these areas, and they have been identified by the wildlife biologist conducting the Wildlife Hazard Assessment as requiring mitigation. The Airport budgeted \$7,500 to purchase this equipment in 2018. As required, the airport obtained two quotes from vendors. Bobcat of Minot quoted a price of \$7,059.00, and Gooseneck Implement quoted a similar version for \$7,001.56. The Airport desires to purchase from Gooseneck Implement for the lower price.

B. Proposed Project

The Airport will use this equipment to perform the required mitigation of wildlife habitat in the hard to reach areas of the airfield. Wildlife strikes by aircraft are a serious safety hazard to aviation, and the Airport has the responsibility to reduce this threat to the greatest extent possible.

C. Consultant Selection

Outside consultants were not utilized for this project

**IV. IMPACT:**

A. Strategic Impact:

This equipment will further aviation safety and meet regulatory compliance standards set forth by the FAA for wildlife habitat management.

B. Service/Delivery Impact:

The safety of aviators and the general public will be enhanced.

C. Fiscal Impact:

Project Funding  
Sales Tax Revenue

\$7001.56

**V. ALTERNATIVES**

Alt 1. The Council could deny the purchase of the equipment, and recommend that the Airport contract with a third party do perform the required work. This is likely to be a more expensive option.

**VI. TIME CONSTRAINTS**

Expeditious approval will allow the Airport to tackle this work as early as possible in the growing season.

**VII. LIST OF ATTACHMENTS**

:

- A. Bobcat of Minot price quote
- B. Gooseneck Implement price quote
- C. Brochure of John Deere RC72B Rotary Cutter



## Product Quotation

Quotation Number: 21446D022414

Date: 2018-05-04 15:44:38

Ship to	Bobcat Dealer	Bill To
Minot Municipal Airport Attn: Steve  Minot, ND Phone: 857-4708	Bobcat of Minot, Minot, ND 3915 BURDICK EXPRESSWAY EAST P.O. BOX 1238 MINOT ND 58701 Phone: (701) 837-9901 Fax: (701) 837-9904 ----- Contact: Pete Sigurdson Phone: (701) 837-9901 Fax: (701) 837-9904 Cellular: (701) 240-8043 E Mail: minotsales@swanston.com	Minot Municipal Airport Attn: Steve  Minot, ND Phone: 857-4708

Description	Part No	Qty	Price Ea.	Total
72" Brushcat (HF)	7233002	1	\$7,254.00	\$7,254.00
Total of Items Quoted				<b>\$7,254.00</b>
Dealer P.D.I.				<b>\$50.00</b>
Freight Charges				<b>\$263.00</b>
Dealer Assembly Charges				<b>\$0.00</b>
Discount	Discount			<b>(\$508.00)</b>
Quote Total - US dollars				<b>\$7,059.00</b>

### Notes:

All prices subject to change without prior notice or obligation. This price quote supersedes all preceding price quotes.

Customer Acceptance:

Purchase Order: \_\_\_\_\_

Authorized Signature:

Print: \_\_\_\_\_ Sign: \_\_\_\_\_ Date: \_\_\_\_\_

**Quote Id:** 17351835

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Prepared For:

**Minot Air Port**

Prepared By: **Brian Fauske**

Gooseneck Implement Company  
1425 Bypass E  
Minot, ND 58702

Tel: 701-852-0767

Fax: 701-838-8728

Email: [brianfauske@gooseneckimp.com](mailto:brianfauske@gooseneckimp.com)

Date: 08 May 2018

Offer Expires: 02 July 2018

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*Confidential*



JOHN DEERE

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**Quote Summary**

**Prepared For:**

Minot Air Port  
ND

**Prepared By:**

Brian Fauske  
Gooseneck Implement Company  
1425 Bypass E  
Minot, ND 58702  
Phone: 701-852-0767  
brianfauske@gooseneckimp.com

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**Quote Id:** 17351835  
**Created On:** 08 May 2018  
**Last Modified On:** 08 May 2018  
**Expiration Date:** 02 July 2018

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Equipment Summary	Suggested List	Selling Price	Qty	Extended
JOHN DEERE RC72B ROTARY CUTTER	\$ 7,001.56	\$ 7,001.56 X	1 =	\$ 7,001.56
<b>Equipment Total</b>				<b>\$ 7,001.56</b>

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**Quote Summary**

Equipment Total	\$ 7,001.56
Freight	\$ 0.00
SubTotal	\$ 7,001.56
Est. Service Agreement Tax	\$ 0.00
Total	\$ 7,001.56
Down Payment	(0.00)
Rental Applied	(0.00)
<b>Balance Due</b>	<b>\$ 7,001.56</b>

Salesperson : X \_\_\_\_\_

Accepted By : X \_\_\_\_\_

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*Confidential*



JOHN DEERE

# Selling Equipment

Quote Id: 17351835

JOHN DEERE RC72B ROTARY CUTTER			
Hours:			Suggested List
Stock Number:			\$ 7,001.56
			Selling Price
			\$ 7,001.56
Description	Qty	Unit	Extended
RC72B ROTARY CUTTER	1	\$ 6,247.00	\$ 6,247.00
Standard Options - Per Unit			
LESS FRONT WHEEL KIT	1	\$ 0.00	\$ 0.00
Standard Options Total			\$ 0.00
Other Charges			
Freight	1	\$ 454.56	\$ 454.56
Setup	1	\$ 300.00	\$ 300.00
Other Charges Total			\$ 754.56
Suggested Price			
			\$ 7,001.56
Customer Discounts			
Customer Discounts Total		\$ 0.00	\$ 0.00
Total Selling Price			\$ 7,001.56



# ROTARY CUTTERS

RC60B | RC72B | RC78B



1/2



# Rotary Cutters

RC60B | RC72B | RC78B



## Specifications

- Redesigned direct drivetrain eliminates the gearbox, for improved performance, durability, and reliability.
- Triple bidirectional blade design of 19.1-mm (0.75 in.)-thick high-grade steel helps stabilize balance, for smooth operation and increased cutting efficiency.
- Optional new pressure gauge is highly visible, allowing easy monitoring of blade capacities to prevent overheating and overloading.
- Optional new under-mounted front steel wheels provide even cuts, extend blade wear life by keeping it off the ground, and prevent scalping.
- Like all Worksite Pro® attachments, rotary cutters are optimized to work with John Deere skid steers and compact track loaders (CTLs). They're also compatible with most comparable competitive models. See your local John Deere dealer for details.

	RC60B	RC72B	RC78B
Overall height	610 mm (24 in.)	610 mm (24 in.)	610 mm (24 in.)
Overall length	1930 mm (76 in.)	2235 mm (88 in.)	2388 mm (94 in.)
Overall width	1626 mm (64 in.)	1930 mm (76 in.)	2083 mm (82 in.)
Weight	508 kg (1,120 lb.)	581 kg (1,280 lb.)	617 kg (1,360 lb.)
Minimum cutting height	51 mm (2 in.)	51 mm (2 in.)	51 mm (2 in.)
Cutting width	1524 mm (60 in.)	1829 mm (72 in.)	1981 mm (78 in.)
Cutting capacity	102 mm (4 in.)	102 mm (4 in.)	102 mm (4 in.)
Recommended output	57–95 L/m (15–25 gpm)	57–95 L/m (15–25 gpm)	57–95 L/m (15–25 gpm)
Flow	Standard	Standard	Standard
Required skid steer lift capacity	544 kg (1,200 lb.)	635 kg (1,400 lb.)	680 kg (1,500 lb.)
Vehicle compatibility	313, 315, 318D/E, and 320D/E Skid Steers; 319D/E and 323D/E CTLs	315, 318D/E, 320D/E, 326D/E, 328D/E, and 332D/E Skid Steers; 319D/E, 323D/E, 329D/E, and 333D/E CTLs	326D/E, 328D/E, and 332D/E Skid Steers; 329D/E and 333D/E CTLs
Required parts*	Severe-duty door (includes windshield wiper); severe-duty door hardware kit (for use with ROPS canopy units only — not required for cab units)		
Optional kits			
Pressure gauge			
Front wheels:			
Weight	30 kg (66 lb.)	30 kg (66 lb.)	30 kg (66 lb.)

\*Required to meet ISO 8084 Forestry Applications.

## WORKSITE PRO

This literature has been compiled for worldwide circulation. While general information, pictures, and descriptions are provided, some illustrations and text may include finance, credit, insurance, product options, and accessories NOT AVAILABLE in all regions. PLEASE CONTACT YOUR LOCAL DEALER FOR DETAILS. John Deere reserves the right to change specifications, design, and price of products described in this literature without notice.



DKARCCWP Litho in U.S.A. (15-01)

JohnDeere.com



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** Rick Feltner, Airport Director

**DATE:** May 15, 2018

**SUBJECT: SECURITY SYSTEM SUPPORT AGREEMENT**

## **I. RECOMMENDED ACTION**

1. Recommend approval of the annual support agreement with MEI/Parsons Technologies for the Airport's security system; and
2. Authorize the Mayor to sign the agreement

## **II. DEPARTMENT CONTACT PERSONS**

Rick Feltner, Airport Director 857-4724

## **III. DESCRIPTION**

### **A. Background**

The Airport currently uses Genetec Security System for its access control and security program. Due to the high level of technical expertise involved with the program, ongoing support is required for troubleshooting, maintenance, and software updates. The annual support agreement will provide remote and on-site technical support, necessary software updates, as well as additional training to airport staff.

### **B. Proposed Project**

To implement a support agreement to best serve the Minot Airport and ensure integrity with the security systems in place. Through the support agreement, Airport staff will receive the necessary support to properly address any concerns.

### **C. Consultant Selection**

MEI/Parsons Technologies installed the security system in the terminal and has been the provider of security support services since February 2016. The expertise and knowledge of the security industry provided by MEI/Parsons Technologies is paramount to the security operations at the Minot International Airport.

## **IV. IMPACT:**

### **A. Strategic Impact:**

Proper functioning of this system is a critical component of the safety and security of the Airport.

### **B. Service/Delivery Impact:**

Airport Staff, Tenants, and the Traveling Public all benefit from an operational security system

### **C. Fiscal Impact:**

The cost of this agreement was included in the 2018 budget in the Airport's Professional Service Contracts account.

Project Costs

Genetec Platform Upgrades	\$3,500
Training	<u>\$500</u>
Total	\$4,000

Project Funding

100-5000-501.03-22

**V. ALTERNATIVES**

Alt 1. City Council could recommend that this agreement not be executed and that MEI/Parsons be retained on a time and materials basis. This would likely result in expenditures in excess of 180% of the cost of the service agreement.

**VI. TIME CONSTRAINTS**

Council's timely approval of the recommendation will minimize any disruptions or lapses in security updates.

**VII. LIST OF ATTACHMENTS**

A. 2018 Service Agreement Proposal - Minot Airport - 5-11-2018



# Minot International Airport

## 2018 Annual Support Agreement

Genetec Security Systems

May 11, 2018

## **Scope of Work**

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The following describes the Systems Support Annual Maintenance Plan to be provided by MEI Technologies (MEI) for Minot International Airport (MOT) located at 305 Airport Rd in Minot, ND. This agreement runs from April 14, 2018 through December 31, 2018. See below for service descriptions.

### ***Genetec Software Upgrades***

Genetec platform upgrades ensure MOT is equipped with the latest software releases. These updates can include security, feature, and performance improvements and support for new types of hardware. MEI Technologies estimates two upgrades per year.

The current Genetec Advantage Annual Software Maintenance Agreement (SMA) runs through December 31, 2018. Renewal of the license is not included in this proposal and will be included in the support proposal for 2019. For more information, see previous agreement.

### ***Remote Technical Support***

- MEI Systems Specialists will provide remote technical support for all components of the security system installed by MEI Technologies.
- MEI offers remote technical support services on a time and materials basis at \$125.00 per hour.
- The rate for after-hours systems specialist support will reflect 1.5 hours. For holidays and weekends, 2.0 hours will apply for each hour spent.
- Remote technical support will be charged a minimum of 0.5 hours.

### ***On-Site Technical Support***

- In cases where remote troubleshooting by a MEI Systems Specialist cannot resolve an issue, MEI will send either a local service technician or an MEI service technician to MOT for repair.
- MEI offers on-site technical support services on a time and materials basis at \$100.00 per hour.
- Scheduling of the on-site repair will be agreed upon between MOT and MEI.
- Travel and materials will be invoiced separately. MEI will only authorize travel and/or materials after MEI has received authorization from MOT.
- If after-hours support is required, the rate will reflect 1.5 hours. For holidays and weekends, 2.0 hours will apply for each hour spent.

### ***Training***

Remote training for Minot Airport's Genetec system will be provided by a Systems Specialist. This training will offer step-by-step navigation of the more commonly used features of the Genetec system as well as an interactive Q&A session. Following the training, a summary report will be provided.

### ***Status and Reporting***

For the period of this agreement, reporting will be sent to MOT on a monthly basis, beginning June 1, 2018. The report will consist of the following:

- Order Number
- Issue
- Date Opened
- Date Completed
- Technician or Engineer Name
- Number of Hours
- Comments and Notes
- Open tickets and hours posted to date
- Rollover hours from previous agreement

Auditing of the report will be completed by the Systems Support Manager, Coordinator, Systems Specialist, and Technician on a monthly basis before the delivery of the monthly report.

Status meetings to review support hours will be set on an every other month basis and as needed. Meetings will be scheduled collaboratively at times available for MEI/Parsons and MOT. Status meetings will be attended by Parsons Systems Support Manager and MOT.

### ***Equipment Repairs***

- Materials covered under the manufacturer's warranty will have a replacement facilitated by MEI Technologies and provided at no cost. Every attempt will be made to expedite the product to the site.
- This agreement excludes parts, labor, shipping, and taxes incurred by the manufacturer/repair facility and MEI Technologies. Labor required to repair equipment, whether in warranty or out of warranty, can be invoiced directly to the customer. MEI will only proceed with labor for repairs after MEI receives authorization from MOT.
- Materials required to resolve issues that are not under warranty will be invoiced separately to MOT.
- MEI Technologies will evaluate failed equipment before sending it out to manufacturer/third party vendor repair facilities. If it is determined that the customer's equipment require manufacturer repair, the equipment will be sent to the manufacturer's repair facility or a third party vendor's repair facility. MEI will provide a repair quote to the client when available. Any resulting repair quote will be forwarded to the client for approval before the execution of any repair work. MEI will only authorize repair work on faulty equipment after MEI has received authorization from MOT.

### ***MEI Technologies Responsibilities***

- All services will be performed by properly trained and competent personnel who hold current licenses or certifications if required. Technicians and specialists will perform services in a safe, professional and workmanlike manner.

- MEI Technologies will provide all necessary equipment, materials and labor to perform all required services. Replacement equipment, materials, and parts shall meet or exceed MOT and manufacturer's specifications and original installation.
- To the fullest extent possible, technicians will perform all services in such a manner as to not unreasonably interfere with MOT's business operations.
- Technicians will ensure that all debris and materials generated in connection with this agreement are collected, transported, and disposed of by all applicable laws.

### ***MOT Responsibilities***

- MOT will provide an Admin ID for the Security Systems Specialist to access the access control servers.
- MOT will supply the appropriate level of access, either on-site or remotely, to all locations where service is required. If the technician cannot access the location, the customer will incur time at the standard hourly rate.

### **Requesting Service**

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- Contact the Systems Support Team at 763-528-2888 or [support@parsonscorp.com](mailto:support@parsonscorp.com). Be prepared to describe the issue, the location of the issue, the contact information of the requestor, and any other relevant information needed to assess and make appropriate plans for resolution.

### **Hours of Coverage**

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The coverage window specifies the time during which services are delivered onsite or remotely.

- Standard business hours and standard business days, service is available between 7:00 am and 5:00 pm Central Time, Monday through Friday, excluding national holidays.
- After hours, weekend, and holidays, service is available for planned and emergency requests.

### **Response Time**

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The Systems Support team is positioned to serve your ongoing needs as follows:

- Comprehensive support is available, Monday through Friday 7:00 a.m. to 5:00 p.m. Central Time.
- Same day response is guaranteed during standard business hours to support requests initiated by email or phone to our Systems Support group. Our team will diligently work to resolve each request via phone support and/or by remote system access.
- If a field technician is required for any support request that cannot be resolved by phone or remote support, non-emergency turnaround time is typically 1-2 business days.
- Response to mission-critical issues will be handled on a case-by-case basis. Work falling outside standard business hours are charged at the overtime rate.

### Parties, Contact info

MEI/MEI TEAM	CONTACT NAME	PHONE	EMAIL
SYSTEMS SUPPORT DIVISION MANAGER BILLING	Dawn Hadel	763-528-2888	<a href="mailto:support@parsonscorp.com">support@parsonscorp.com</a>
	Jason Eich	218-725-3420	<a href="mailto:jason.eich@meitechnologies.com">jason.eich@meitechnologies.com</a>
	Jenny Knutson	763-528-7787	<a href="mailto:jenny.knutson@parsonscorp.com">jenny.knutson@parsonscorp.com</a>

MOT TEAM	CONTACT NAME	PHONE	EMAIL
AIRPORT DIRECTOR	Rick Feltner	701-857-4724	<a href="mailto:Rick.Feltner@minotnd.org">Rick.Feltner@minotnd.org</a>
AIRPORT OPERATIONS MGR	Deanna Stoddard	701-857-4725	<a href="mailto:Deanna.Stoddard@minotnd.org">Deanna.Stoddard@minotnd.org</a>
AIRPORT SERVICES COORDINATOR	Maria Romanick	701-857-4724	<a href="mailto:Maria.romanick@minotnd.org">Maria.romanick@minotnd.org</a>

### Investment Summary

Description	Total
Genetec Platform Upgrades	\$3,500.00
Training	\$500.00
<b>Total</b>	<b>\$4,000.00</b>

### 2018 Hourly Rates

Classification	Straight Time*	Overtime*	Doubletime*
Security Technician	\$100.00	\$150.00	\$200.00
Systems Specialist	\$125.00	\$187.50	\$250.00

\* Travel and expenses for on-site technician invoiced separately.

### Terms & Conditions

- The information contained herein, whether in part or in whole, is the property of MEI and shall remain confidential until such time that a contract between MEI and MOT is fully-executed.
- MEI assures compliance with federal, state, and local laws, regulations and code requirements as they apply to work performed under this Scope of Work.
- All pricing under this Scope of Work remains valid for thirty (30) days.

## **Exclusions**

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- To the extent applicable, pricing does not include the following: electrical, permits, premium time, expedited freight, and any and all other items not specifically identified in the Scope of Work.
- Heights exceeding 12 feet requiring special equipment will result in additional costs.

## **Commencement, Expiration, Renewal of Agreement**

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- The agreement shall commence upon the receipt of a purchase order or other acceptable payment guarantee.
- The effective period of this agreement is April 14, 2018 through December 31, 2018.
- Genetec software license is valid through December 31, 2018.
- To provide continuous and uninterrupted service, this agreement will be automatically extended for successive one-year periods. The same terms and conditions will apply except pricing. Pricing changes could occur based on installation upgrades and/or market labor rates. New rates, if applicable, will be sent to MOT ninety days (90) before the end of the agreement period. MOT will provide MEI with notice of non-extension at least thirty (30) days before the current expiration date.

## **Payment**

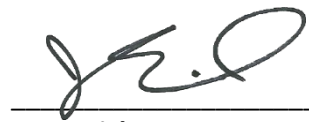
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- Payment is to be made in one (1) installment. An invoice will be presented after the signing of the Agreement and will be due and payable within (30) days.
- In addition to any other remedy available to MEI, if MOT fails to make payment pursuant to these Terms & Conditions, interest shall accrue and be payable on such unpaid amount(s) from the date on which the payment became due at the rate of 18% compounded annually.

Please do not hesitate to notify us if you require additional information. Thank you for providing us with this opportunity.

Sincerely,

**MEI TECHNOLOGIES**



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**Jason Eich**  
**Division Manager**

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**Mayor Chuck Barney**  
**City of Minot, North Dakota**



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**Amy Patiuk**  
**Systems Support Manager**



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** Kelly Hendershot

**DATE:** May 22, 2018

**SUBJECT: JOINT POWERS AGREEMENT- CITY OF MINOT & MINOT PARK DISTRICT**

**I. RECOMMENDED ACTION**

1. Move to approve the Joint Powers Agreement between the City of Minot and the Minot Park District and authorize the Mayor to sign the Agreement.
2. Move to pass an ordinance authorizing and appropriating, on a contingent basis, City sales tax proceeds derived from City ordinances 3560 and 4380, to the Minot Park District, for upgrading, remodeling, or construction of community facilities as permitted under section 1 of ordinance 4380 (at the time of the approval).

**II. DEPARTMENT CONTACT PERSONS**

Kelly Hendershot – (701) 857-4755

**III. DESCRIPTION**

On August 7, 2017, the City Council considered the request of the Minot Park District with respect to improvements and enhancements to the Roosevelt Park Zoo, a community facility located in Minot, ND. The Council has given tentative approval for their finance request in the amount of one million dollars for the year 2018. This one million dollar contribution is contingent and subject to (1) the passage of the attached ordinance; (2) the execution and signature of the attached Joint Powers Agreement; (3) determination by the City Finance Director that sufficient funds have been collected upon the city sales tax which adequately fund the NAWS project and further permit distributions of the one million dollar sum for improvements and enhancements to Roosevelt Park Zoo; and (4) proof to the City Finance Director that, prior to disbursement of any monies by the City and no later than December 31, 2018, the Minot Park District raised an additional five hundred thousand dollars for the improvement and enhancement of the big cat exhibits at the Roosevelt Park Zoo.

The Minot Park District has approved and executed the attached Joint Powers Agreement.

**IV. IMPACT:**

One million dollars from the prior community facilities portion of the sales tax collections will be contributed to the Minot Park District upon approval of the attached Joint Powers Agreement and passage of the attached ordinance.

**V. ALTERNATIVES**

The City Council could amend or reject the attached Joint Powers Agreement and/or ordinance.

## **VI. TIME CONSTRAINTS**

The Joint Powers Agreement and ordinance must be approved prior to the City contributing any monies to the Minot Park District for the cat exhibits at Roosevelt Park Zoo.

## **VII. LIST OF ATTACHMENTS**

1. Joint Powers Agreement between City of Minot and Minot Park District;
2. Proposed ordinance.

JOINT POWERS AGREEMENT  
City of Minot Park District and  
City of Minot, North Dakota

THIS JOINT POWERS AGREEMENT ("Agreement") is between the City of Minot, North Dakota, (the "City") and the Board of Park Commissioners of the City of Minot (the "Park District"), both entities constituting political subdivisions under the laws of the State of North Dakota.

PRELIMINARY STATEMENT

The City of Minot is a Home Rule City organized and operated under its Home Rule Charter pursuant to Chapter 40-05.1, North Dakota Century Code. The Park District is a Parks and Recreation District organized under Chapter 40-49 of the North Dakota Century Code. Both the City and the Park District have authority to enter into a Joint Powers Agreement pursuant to Section 54-40.3-01 of the North Dakota Century Code.

The purpose of this Agreement is to provide for financial assistance to the Park District for improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo, a community facility located in Minot, North Dakota. Funding for these contemplated improvements and enhancements has been requested from the City of Minot, North Dakota, pursuant to Ordinance No. 4380, which was lawfully adopted by the City of Minot in June of 2011. Section 1 of Ordinance No. 4380 authorizes the City of Minot to allocate revenues collected from a city sales tax previously adopted, Ordinance No. 3560, for potential expenditures of upgrading, remodeling and constructing community facilities which include, but are not limited to, arenas, auditoriums, and facilities for conventions, tourist and sporting events conducted in the city. This authorization is for allocation of up to 30% of the proceeds collected on a yearly basis from the sales tax, and is contingent upon the City Finance Director further determining that there is sufficient funding derived from the sales tax to fund the City's share of the current Northwest Area Water Supply Project and to complete the necessary construction for such project.

The City Council for the City of Minot, North Dakota, has considered the request of the Park District with respect to improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo, a community facility located in Minot, North Dakota, and pursuant to a public hearing at its regular meeting on August 7, 2017, and the first reading of an ordinance at its regular meeting on \_\_\_\_\_, has given tentative approval for financial support of this request from the Park District totaling one million dollars (\$1,000,000). This contribution of one million dollars (\$1,000,000) is contingent upon and subject to (1) the passage of an appropriate Ordinance, the execution and signature of a Joint Powers Agreement between the City and the Park District through the Commissioners of the Park Board; (2) a determination by the City Finance Director that sufficient funds have been collected upon the city sales tax which will adequately fund the NAWS project and further permit a distribution of one million dollars (\$1,000,000) to assist in the improvements and enhancements of the Park District property identified as the Roosevelt Park Zoo as specified in this Joint Powers Agreement; and (3) proof to the City Finance Director that, prior to disbursement of any monies by the City and no later than December 31, 2018, the Park District raised an additional five hundred thousand dollars

(\$500,000) for the improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo, located in Minot, North Dakota.

THEREFORE, for valuable consideration and pursuant to North Dakota Century Code Chapter 54-40.3, THE PARTIES HEREBY AGREE AS FOLLOWS:

1. Purpose. The purpose of this Agreement is to provide for funding for improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo, a community facility located in Minot, North Dakota, and which is under the supervision and jurisdiction of the Park District. The Park District and the City agree that potential funding for these improvements and enhancements will be derived from the proceeds collected under the city sales tax authorized by City Ordinance 3560 and 4380, and that the sum of one million dollars (\$1,000,000) will be awarded in the year 2018. The parties further specifically agree that the monetary sum of one million dollars (\$1,000,000) is also subject to the terms and provisions of Section 3, which is listed immediately below and is contained within the terms and provisions of this Agreement.
2. Effective Date and Term. This Agreement shall become effective on the date signed by the last party to sign the Agreement and following required approval and passage of an appropriate ordinance passed with two readings. With respect to the allocation of any sales tax proceeds from the City for the project and construction activity specified herein to the applicable Park District property, this payment of one million dollars (\$1,000,000) shall be made during the year 2018. However, with reference to the potential and general use of the enhanced and improved park facilities supervised by the Park District and specified in this Agreement, the duration of these provisions shall be continuous and without a time limitation following the completed execution of this Agreement. (See Section 5 below).
3. Financing of Improvements and Enhancements. Both the City and the Park District understand and agree that the potential payments totaling one million dollars (\$1,000,000) under this Agreement are contingent upon full compliance with all of the following factors:
  - (1) Completion and execution of this Joint Powers Agreement by the parties' authorized representatives;
  - (2) Final passage of Ordinance No. [REDACTED] by the Minot City Council authorizing the foregoing and described Joint Powers Agreement and appropriation of the one million dollar (\$1,000,000) sum described herein for the year 2018;
  - (3) Determination by the City Finance Director, in consultation with the City Council, that sufficient funds have been generated and received by the city sales tax which will adequately meet the requirements of Section 1 of City Ordinance 4380 and will also permit for adequate funding and construction of the Northwest Area Water Supply Project to the City of Minot; and

- (4) Proof, submitted prior to disbursement of any monies and on or before December 31, 2018, that the Park District raised an additional five hundred thousand dollars (\$500,000) for the improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo. The proof shall be submitted to the City Finance Director in a form acceptable to the City Finance Director.
4. Title to Improvements and Administration, Management and Operation. Legal title to the real property constituted by the Roosevelt Park Zoo located in Minot, North Dakota, shall completely remain with the Park District. Additionally, the parties agree that the administration, management and operation of the foregoing facilities shall be under the complete direction and authority of the Park District.
5. General Use. Both the City and the Park District agree that based upon the improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo contemplated by this Agreement, said facility shall be operated as public facility and shall be made available to other public and private entities and individuals. The parties further agree that the Roosevelt Park Zoo described herein shall be utilized for community activities and events that promote wellness and fitness, provide recreational and sporting opportunities to the community and surrounding areas residents and visitors, promote visitor attraction and economic development, and enhance the quality of life of the community and surrounding area residents. Furthermore, the uses of the facilities and properties shall be pursuant to the current terms of use of said facilities already adopted by the Park District, with the Park District reserving the right to amend those terms of use, including fee amounts, from time to time.
6. Financial Administration – City. Both the City and the Park District agree that the disbursement of proceeds from the city sales tax in accordance with the terms and provisions of this Joint Powers Agreement shall be made through the Office of the City Finance Director. This distribution of one million dollars (\$1,000,000), made in the year 2018, and meeting the contingent requirements specified in this Agreement, shall be made by the City Finance Director following receipt of sufficient documentation (such as invoices, billings, or contracts) which the City Finance Director finds sufficient and in accordance with the improvements and enhancements described herein to the Park District property constituted as the Roosevelt Park Zoo. Any payments made pursuant to this Agreement shall be disbursed to the Park District Board.
7. Liability and Insurance. The Park District will acquire appropriate liability and property insurance to cover the Park District property specified in this Agreement to ensure the continued operation of such property and to sufficiently cover any liability that might be imposed in connection with the operation of the Roosevelt Park Zoo. In these respects, the Park District shall adopt and enforce reasonable rules regarding liability insurance for users of such property or facilities.
8. Miscellaneous.

- (a) The parties further agree that all site preparation and construction contracts utilizing the one million dollars (\$1,000,000) proceeds distributed in 2018 and derived from the city sales tax shall be entered into solely by the Park District and shall be the sole responsibility of the Park District.
- (b) This Agreement may be amended at any time and from time to time upon written agreement of the parties.
- (c) This Agreement is personal to the parties and neither the rights nor the obligations of either party may be assigned without the written consent of the other. This Agreement contains the parties' entire agreement and may not be varied except by an instrument in writing signed by the parties. This Agreement with respect to its validity and lawfulness shall be governed and construed under the laws of the State of North Dakota.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT

Dated this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

Attest:

CITY OF MINOT:

By: \_\_\_\_\_  
Kelly Matalaka, City Clerk

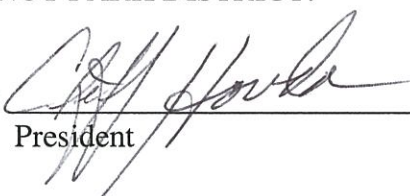
By: \_\_\_\_\_  
Chuck Barney, Mayor

Dated this 20<sup>th</sup> day of February, 2018

Attest:

MINOT PARK DISTRICT:

By:   
Ron Merritt, Director

By:   
President

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE AUTHORIZING AND APPROPRIATING, ON A CONTINGENT BASIS, CITY SALES TAX PROCEEDS DERIVED FROM CITY ORDINANCES 3560 AND 4380, TO THE MINOT PARK DISTRICT, FOR THE UPGRADING, REMODELING OR CONSTRUCTION OF COMMUNITY FACILITIES AS PERMITTED UNDER SECTION 1 OF ORDINANCE 4380.**

WHEREAS, the City of Minot and the Minot Park District are either a home rule political subdivision, political subdivision, or a board or institution of the State of North Dakota, legally authorized to enter into joint powers agreements or other agreements for the sharing or undertaking of certain powers or functions;

WHEREAS, the City of Minot has adopted and implemented a city sales tax ordinance which permits the proceeds generated from such sales tax to be expended to upgrade, remodel and construct community facilities within the City of Minot, North Dakota;

WHEREAS, the City of Minot has subsequently received from the Minot Park District a request for financial assistance for improvements and enhancements to the big cat exhibit at Roosevelt Park Zoo, a community facility located in Minot, North Dakota, which is under the control of the Minot Park District;

AND WHEREAS, the City of Minot conducted a public hearing for the request from the Minot Park District on August 7, 2017, and subsequently determined that the Council would authorize or grant, subject to certain contingencies being met, the request from the Minot Park District.

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MINOT:

- §1: The City of Minot shall appropriate the sum of one million dollars (\$1,000,000.00) to provide financial assistance to the Minot Park District for improvements and enhancements to the big cat exhibits at the Roosevelt Park Zoo, a community facility located in Minot, North Dakota. The awarding of these funds is contingent upon full compliance of all of the following conditions: (1) the execution and acceptance of a joint powers agreement between the City of Minot and the Minot Park District; (2) a yearly determination by the Minot City Finance Director that adequate funding exists in the city sales tax fund to defray the construction and completion costs of the city's share of the Northwest Area Water Supply Project, and further, that adequate funds have been received and exist in the city sales tax fund to award the request of one million dollars (\$1,000,000.00) to the Minot Park District for expenditures incurred for the improvement and enhancement of the big cat exhibits at the Roosevelt Park Zoo located in Minot, North Dakota; and (3) prior to disbursement of any monies, the Minot Park District shall raise an additional five hundred thousand dollars for the improvement and enhancement of the big cat exhibits at the Roosevelt Park Zoo and shall provide proof to the City Finance Director no later than December 31, 2018. Should all of the foregoing

contingencies not be met, the City is not obligated, and the City Finance Director shall not disburse, the one million dollar (\$1,000,000.00) sum requested.

§2: This Ordinance shall be in effect from the later date of either its passage and approval by the Minot City Council, or from the completion and execution dates indicated in the Joint Powers Agreements described herein.

PASSED FIRST READING:

PASSED SECOND READING:

ATTEST:

APPROVED:

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Kelly Matalka, City Clerk

Chuck Barney, Mayor



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** Lance Meyer, P.E., City Engineer

**DATE:** 5/23/2018

**SUBJECT: PROPOSED ORDINANCE TO ADPOT PERMIT FEES BY RESOLUTION**

**I. RECOMMENDED ACTION**

1. Recommend council pass on first reading an ordinance that adds section 9-2(d).1 and amends sections 9-2(f), 9-49, 12-54, 17-25, and 26-3 of the city of Minot code of ordinances.

**II. DEPARTMENT CONTACT PERSONS**

Lance Meyer, City Engineer	857-4100
Mitch Flanagan, Building Official	857-4102

**III. DESCRIPTION**

A. Background

Currently, the City's Building Inspection Department has their permit fees listed in the various sections of City ordinances. Meaning if council wishes to change any permit fee, the process takes two readings.

B. Proposed Project

Modifying the existing ordinance sections to adopt any permit fee changes by resolution allows the Council to have a more direct process to modify fees. In addition, the setting of fees by resolution is the common way to set fees, not by ordinance.

If Council wishes to modify the ordinance, the proposed resolution to list the fees will be brought to Council next month.

C. Consultant Selection

N/A

**IV. IMPACT:**

A. Strategic Impact:

N/A.

B. Service/Delivery Impact:

N/A

C. Fiscal Impact:

N/A

**V. ALTERNATIVES**

Alt 1. The Council can keep the permit fees as listed in the ordinance instead of changing the ordinance.

**VI. TIME CONSTRAINTS**

N/A

**VII. LIST OF ATTACHMENTS**

A. Permit Ordinance

**ORDINANCE NO. \_\_\_\_**

AN ORDINANCE ADDING SECTION 9-2(D).1 AND AMENDING SECTIONS 9-2(f), 9-49, 12-54, 17-25, AND 26-3 OF THE CITY OF MINOT CODE OF ORDINANCES

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF MINOT:**

§1. The Code of Ordinances, City of Minot, North Dakota, is hereby amended by adding a section to be numbered 9-2(d).1, which said section reads as follows:

(d).1 IBC 109.2 is hereby amended to read as follows:

**109.2 Schedule of permit fees.**

On buildings, structures, electrical, gas, mechanical, and plumbing systems or alterations requiring a permit, a fee for each permit shall be paid as required, in accordance with the schedule as established by resolution of the city council. ~~by the applicable governing authority.~~

§2. That section 9-2(f) of the Code of Ordinances, City of Minot, North Dakota, is hereby amended to reads as follows:

(f) IBC 109.5 is hereby amended to read as follows:

**109.5 Related fees.**

The city council shall establish all related fees for building permits by resolution.

§3. That section 9-49 of the Code of Ordinances, City of Minot, North Dakota, is hereby amended to reads as follows:

**Sec. 9-49. – Moving permit fee.**

The city council shall establish the fee for a moving permit required by this code by resolution.

§4. That section 12-54 of the Code of Ordinances, City of Minot, North Dakota, is hereby amended to reads as follows:

**Sec. 12-54. – Electrical permit fees.**

The city council shall establish the fee for an electrical permit required by this code by resolution.

§5. That section 17-25 of the Code of Ordinances, City of Minot, North Dakota, is hereby amended to reads as follows:

**Sec. 17-25. – Permit fees.**

The city council shall establish the fee for a mechanical permit required by this code by resolution.

§6. That section 26-3 of the Code of Ordinances, City of Minot, North Dakota, is hereby amended to reads as follows:

**Sec. 26-3. – Permit fees.**

The city council shall establish the fee for a plumbing permit required by this code by resolution.

§7. This Ordinance shall become effective upon final passage and approval.

Passed 1st Reading:

\_\_\_\_\_

Passed 2nd Reading:

\_\_\_\_\_

ATTEST:

APPROVED:

\_\_\_\_\_  
Kelly Matalka, City Clerk

\_\_\_\_\_  
Chuck Barney, Mayor



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** David Lakefield, Finance Director

**DATE:** May 24, 2018

**SUBJECT:** **Accounts Receivable Finance Charges**

**I. RECOMMENDED ACTION**

- A. Implement the assessment of a finance charge of 1.75%/month for accounts > 30 past due.
- B. Approve the Account Application Form.

---

**II. DEPARTMENT CONTACT PERSONS**

David Lakefield, Finance Director                      701-857-4784

**III. DESCRIPTION**

A. Background

The Council had previously directed Staff to work to implement a finance charge on past due accounts. We have been able to successfully set up and calculate the charge. Upon approval of the language to be included in the forms, Staff will communicate the new charge and begin the assessment of the charge on June 30<sup>th</sup>.

B. Proposed Project

Begin attaching the finance charge to all new invoices and assess the charge on all invoices > 30 days past due.

C. Consultant Selection

N/A

**IV. IMPACT:**

A. Strategic Impact:

The implementation of the finance charge would encourage customers to pay in a more timely manner.

B. Service/Delivery Impact:

The implementation will require modification of the charge codes in the Sunguard System, the addition of language to print on the invoices and statements as well as the addition of language to applications for accounts with the City. We would also update the applications for existing accounts.

C. Fiscal Impact:

Potential finance charges could be as much as \$12,250 per month.

**V. ALTERNATIVES**

Continue operations as they are today.

**VI. TIME CONSTRAINTS**

ASAP

**VII. LIST OF ATTACHMENTS**

A. City of Minot Account Application



## ACCOUNT APPLICATION

### BUSINESS CONTACT INFORMATION

Title		Date business commenced	
Company name		<input type="checkbox"/> Sole proprietorship	
Phone   Fax		<input type="checkbox"/> Partnership	
E-mail		<input type="checkbox"/> Corporation	
Registered company address City, State ZIP Code		<input type="checkbox"/> Other	
Type of Waste to be hauled	<input type="checkbox"/> Building Material	<input type="checkbox"/> Household garbage	<input type="checkbox"/> Other/Specify_____
Geographical Area		Waste Haulers Permit #	

### OWNERS/OFFICERS

Name		Phone	
Address		Fax	
City, State ZIP Code		E-mail	
Name		Phone	
Address		Fax	
City, State ZIP Code		E-mail	
Name		Phone	
Address		Fax	
City, State ZIP Code		E-mail	

### BUSINESS AND CREDIT INFORMATION

City, State ZIP Code		Bank name:	
How long at current address?		Primary business address City, State ZIP Code	
Phone		Phone	
Fax			
E-mail			

### AGREEMENT

By signing this credit application, applicant agrees to keep their account in good standing. All accounts that are > 30 days past due are subject to a finance charge of 1.75%/month and subject to their account being closed until payment is made in full. Any accounts that are past due for 6 months or more are subject to being closed with the City of Minot and the services of the City will no longer be allowed. Any further transactions, if allowed to be utilized with the city of Minot, will be on a cash basis only. Any accounts > 90 days past due may be referred to an outside collection agency.

### SIGNATURES

Signature		Signature	
Name and Title		Name and Title	
Date		Date	



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** May 21, 2018

**SUBJECT:** **AMEND CDBG CITIZEN PARTICIPATION PLAN TO CHANGE TO CITY CLERK AS CITIZEN PARTICIPATION CONTACT PERSON**

**I. RECOMMENDED ACTION**

Approve amendment to CDBG Citizen Participation Plan to designate City Clerk as Citizen Participation Contact Person

**II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

**III. DESCRIPTION**

A. Background

HUD requires CDBG-DR and CDBG-NDR Grantees to have Citizen Participation Plans which both set forth the policies governing amendments to action plans as well as describing the rights and opportunities for citizens to comment, make complaints, and ask questions regarding the expenditure of all funds under such grants. The city most recently updated its Citizen Participation Plan in August, 2016. The city recently changed the position responsible within the city government to handle citizen information requests from the Public Information Officer to the City Clerk. HUD encourages the CDBG Citizen Participation Plan to be as consistent as possible with city policies and roles.

B. Proposed Project

Wherever there is mention of the Public Information Officer in the CDBG Citizen Participation Plan, such reference be changed to City Clerk along with any commensurate changes in contact information for the City Clerk.

**IV. IMPACT:**

A. Strategic Impact:

This amendment will meet HUD expectations for consistency with city policies and contact information.

B. Service/Delivery Impact:

Avoids any confusion among citizens in making inquiries by creating one point of contact.

C. Fiscal Impact:

There is no fiscal impact.

**V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

NA

**VII. LIST OF ATTACHMENTS**

- i. Copy of the August, 2016 CDBG Citizen Participation Plan



## **CITIZEN PARTICIPATION PLAN**

### **COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM DISASTER RECOVERY**

Prepared for:

**City of Minot  
P.O. Box 5006  
515 2<sup>nd</sup> Avenue SW  
Minot, ND 58702-5006  
(701)857-4784**

Prepared by:

**City of Minot**



Revised August 2016

CITIZEN PARTICIPATION PLAN  
COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM  
DISASTER RECOVERY

Table of Contents

SECTION 1. INTRODUCTION.....	3
SECTION 2. SCOPE OF PARTICIPATION .....	3
SECTION 3. PUBLIC HEARINGS, ACTION PLANS, AND AMENDMENTS.....	4
SECTION 4. WEBSITE/ALTERNATE ACCESSIBILITY.....	7
SECTION 5. COMMENTARY PERIODS .....	7
SECTION 6. CITIZEN PARTICIPATION CONTACT PERSON .....	8
SECTION 7. CITIZEN PARTICIPATION PLAN AMENDMENTS.....	9
SECTION 8. TECHNICAL ASSISTANCE .....	9
SECTION 9. PROGRAM INFORMATION .....	9
SECTION 10. PROCEDURES FOR COMMENTS, OBJECTIONS AND COMPLAINTS.....	10
SECTION 11. AUTHORITY.....	11

## SECTION 1. INTRODUCTION

The City of Minot has designed this community-wide Citizen Participation Plan to provide for and encourage citizen participation in the Community Development Block Grant Disaster Recovery (CDBG-DR) program and the follow-on National Disaster Resilience competition (NDR). This plan is an essential element of the City of Minot's present and future community development process and has been developed to comply with federal regulations and requirements, including applicable waivers and alternative requirements. The CDBG-DR and NDR programs are administered by the City of Minot.

The city may also explore alternative public involvement techniques to encourage and measure citizen participation in a shared vision for change in communities and neighborhoods. These alternative techniques could involve focus groups, use of the Internet, or others.

The primary goal of this Citizen Participation Plan is to provide all citizens of the community with an opportunity to participate in the planning, implementation, and assessment of the city's CDBG-DR and NDR programs. The plan sets forth policies and procedures for citizen participation which are designed to maximize involvement in the community development process. Attempts will be made to reach all citizens, with special emphasis placed on encouraging participation by persons of low to moderate incomes, local and regional institutions (businesses, developers, non-profits, etc), public and assisted housing residents, and residents of areas where community development funds have been or are proposed to be used.

Citizens are encouraged to participate in all phases of the CDBG-DR and NDR programs and will be provided full access to program information. However, final responsibility and authority for the development and implementation of CDBG-DR and NDR programs lies with the city.

## SECTION 2. SCOPE OF PARTICIPATION

As part of the plan requirements and to maximize citizen interaction, the City of Minot shall:

1. Provide citizens with reasonable and timely access to local meetings, information and records relating to the City's proposed method of distribution.
2. Provide public hearings to gather citizen viewpoints and respond to questions during the community development program.
  - a. Topics such as proposed activities, action plan amendments, and performance review may be addressed.
  - b. Hearings will be held after adequate notice (seven calendar days) in the official newspaper, at times and locations convenient to potential beneficiaries - with accommodations for disabled persons.
3. Provide a period for citizen comment following meetings and document publication.
4. Provide for and encourage citizen participation with particular emphasis on persons of low to moderate income who are residents of slum or blighted areas, and residents of areas where funds are proposed to be used.

5. Provide technical assistance to groups representative of persons noted above, that request such assistance in developing proposals.
6. When needed, incorporate the City of Minot Limited English Proficiency Plan to address communication services for non-English speaking residents at public hearings.
7. Provide a written procedure which will accommodate a timely written response, within fifteen days, where able, to written complaints and grievances.
8. Encourage the participation of citywide institutions and other organizations, including businesses, developers, residents of public and assisted housing developments, and community and faith-based organizations, involved with or affected by programs or activities covered within the CDBG-DR or NDR process.
9. Written minutes of the hearings will be maintained by the City Clerk's Office.

### SECTION 3. PUBLIC HEARINGS, ACTION PLANS, AND AMENDMENTS

This Citizen Participation Plan establishes public hearings as the primary mechanism for involving citizens in the community development and resilience projects, along with potential changes to those applications/action plans. The city's disaster recovery website plays a key role as well, and is discussed later in this document. Citizen participation will be conducted on a community-wide basis and will actively involve the views and proposals of all citizens, especially low and moderate income persons and residents of areas where CDBG-DR activities are proposed or on-going.

Public hearings are held to allow citizens to voice opinions and offer proposals concerning the development, progress, and performance of CDBG-DR and NDR programs. The public hearing notice shall be published in the official newspaper and on the city website no less than seven days prior to the hearing date. Citizen comments will be addressed to the best extent possible by city officials and consultants at the hearing, proceedings will be transcribed in the meeting minutes, and follow-up actions will be scheduled as needed with appropriate city agencies to resolve citizen comments or concerns. Citizens may also express comments and views concerning the community development process or any specific CDBG-DR/NDR project to the City Council of Minot at any regularly scheduled meeting held the first Monday of each month at 6:30 P.M. in City Hall.

The City of Minot may review multiple HUD project funding request(s) at one hearing when more than one amendment to the action plan is to be submitted during the same fiscal year. Each such hearing shall be held prior to the City Council of Minot approval.

## **3.1 Public Hearing Topics**

Since there are several public laws covering CDBG-DR and NDR fund usage, there are multiple mandatory requirements. CDBG-DR grants awarded prior to June 9, 2014 have no public hearing requirement. Awards following June 9, 2014 (including NDR) require one public hearing prior to substantial amendment submission - *however*, CDBG-DR grants awarded after Oct 21, 2014 that seek substantial amendment (only) due to the \$1 million threshold are not subject to the meeting requirement.

## **Application/Action Plan**

Since all current applications have been submitted and accepted, no further public hearings will be conducted regarding grant applications until a new opportunity arises. At that point, new grant requirements will be published in a Federal Register and the Citizen Participation Plan will be tailored accordingly.

## **Substantial Amendments**

CDBG-DR and NDR grant Action Plans may need to be changed during the course of a grant agreement. Those changes are categorized as substantial or non-substantial, and only substantial amendments follow the public hearing requirements outlined above (one or none).

- *CDBG-DR substantial amendments are defined as:* a change in program benefit or eligibility criteria; the allocation or re-allocation of more than \$1 million; or the addition or deletion of an activity.

- *NDR substantial amendments are defined as:* any change to the funded portions of Phase 1 or Phase 2 application that would result in a change of more than 5 points in the score for Capacity or Soundness of Approach factors; any change to the Most Impacted and Distressed target area(s); any change in program benefit, beneficiaries or eligibility criteria; the allocation or reallocation of more than \$1 million; or the addition/deletion of an eligible activity.

- Amendments to the action plan that do not fall within the definitions above are considered non-substantial amendments and no public hearing is required; however an effective date of five business days following amendment submission to HUD shall be established.

These public hearings are intended to provide citizens and other interested parties a reasonable opportunity to examine the proposed amendment's contents, and afford an opportunity to make comments/ask questions.

*For NDR grant only*, concurrently with the public meeting, the city shall publish the proposed substantial amendment, including a section that identifies exactly what content is being added, deleted, or changed, and whether the city believes the change would affect the (HUD NDR competition) scoring under the rating factors, and thus, potentially trigger a substantial amendment; a chart or table that clearly illustrates where funds are coming from and to where they are moving; and a revised budget allocation table that reflects the entirety of all funds, as amended.

## City of Minot, ND

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Notice of hearings will be made via the official newspaper at least seven calendar days prior to the event, and also on the city's CDBG website. The notice shall inform citizens of:

- a. Proposed submission date for the substantial amendment
- b. Topic of proposed substantial amendment
- c. Location(s) where proposed substantial amendment details can be viewed or obtained

Those unable to attend will have reasonable access to the proposed amendment via the city website, and an appropriate period for comment following the hearing date.

### **3.2 Additional Hearings**

Other public hearings may be held, as deemed necessary, by the City of Minot in order to inform citizens of community development or resilience project(s) and activities, and to solicit citizen opinions and comments.

### **3.3 Public Hearing Times and Locations**

Hearings will be held at times and locations convenient to potential or actual beneficiaries, with accommodations made for individuals identified with disabilities and non-English speakers.

Hearings will normally be held at the City Hall – Council Chambers- **2nd Floor, 515 2nd Ave SW, Minot, ND 58701** because this site is centrally located and generally accessible to all citizens, including persons with disabilities. However, the city has the option to hold hearings at alternate locations, which shall be specified in the public hearing notice(s).

### **3.4 Accessibility to Persons with Disabilities and Non-English Speaking Individuals**

The City of Minot has followed HUD's regulations to determine reasonable actions to facilitate participation of persons with disabilities and non-English speaking individuals. The city's Limited English Proficiency Plan outlines the communication plan, and disability consideration is incorporated into event planning. Local officials will undertake reasonable actions necessary to allow such persons to participate in the community development process.

Requests for disability accommodations must be made *five days prior to any public meeting*. Non-English speakers, individuals with disabilities, those needing sign language services, or others who require auxiliary aids or services necessary for participation may contact Tami Stroklund, Executive Secretary, at PO Box 5006, Minot, ND 58702-5006; (701) 857-4750; or [tami.stroklund@minotnd.org](mailto:tami.stroklund@minotnd.org). Alternatively, they may access the State of North Dakota assistance at the following numbers:

800-366-6888 or 711:TTY  
800-435-8590 or 711:Spanish  
800-366-6889 or 711:Voice  
877-366-3709:900 Services  
877-366-3709:Speech to Speech

Sprint-Relay  
CapTel

### **3.5 Public Hearing Notice**

Notice of public hearings will be published in the *Minot Daily News*, the official newspaper, and at <http://cdbg.minotnd.org> at least seven days prior to the hearing date. Each hearing notice shall typically include the time, date, place, and topics/procedures to be discussed. Notices for public hearings may be run or posted, separately or together, as may be deemed necessary by the Mayor of the City of Minot.

### **3.6 Accessibility to Low and Moderate Income Persons**

The public hearing procedures outlined herein are designed to promote participation by low and moderate income citizens, as well as residents of blighted neighborhoods and CDBG-DR or NDR project areas.

Local officials may take additional steps to further promote participation by such groups, or to target program information to these persons, if there is concern these citizens may otherwise be excluded.

Activities to promote additional participation may include: posting of notices in places frequented by low and moderate income persons. The city may also hold public hearings in low and moderate income neighborhoods or areas of existing or proposed project activities for CDBG-DR or NDR.

## **SECTION 4. WEBSITE/ALTERNATE ACCESSIBILITY**

The City of Minot has a dedicated website at <http://cdbg.minotnd.org> used to promote understanding and make materials available to the public, relating to CDBG-DR and NDR grants. Action Plans, Substantial Amendments, and Performance Reports, along with other useful information will be posted there. Notifications to citizens regarding public hearings, and means to receive public comments will be displayed prominently.

For ease of understanding, every amendment (substantial or not) to an Action Plan (CDBG-DR or NDR) will be sequentially numbered and posted to the website.

Materials available on the website shall also be made available upon request for timely access, in an accessible form to persons with disabilities and/or limited English proficiency.

## **SECTION 5. COMMENTARY PERIODS**

Following a public hearing and/or publication of a proposed action plan/substantial amendment to the website, in all cases there is a period for public review and commentary before the proposal becomes final. Due to several applicable laws, the periods vary depending on grant award date. If the CDBG-DR grant was awarded before June 9, 2014, the public comment period is seven days following the hearing/website publication date. CDBG-DR grants awarded after June 9, 2014 must have 30 days for public comment - *however*, CDBG-DR grants awarded after Oct 21, 2014 that seek substantial amendment (only) due to the \$1 million threshold are

## City of Minot, ND

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only required a seven day comment period. All NDR grant substantial amendment proposals shall have a 15 day comment period following the public meeting/website publication date.

Comments will be directed to the Public Information Officer for aggregation. Citizen comments or views received in writing (and/or orally at public hearings) will be considered by the city before a final determination is made. They will then be summarized by topic, any city response(s) noted, and submitted with the proposed Action Plan or Substantial Amendment for approval by the city council. *NDR substantial amendments also require a listing of commenters by name or organization.* If approved, the package will be forwarded with a transmittal letter signed by the Mayor, to the US Department of Housing and Urban Development for review.

### SECTION 6. CITIZEN PARTICIPATION CONTACT PERSON

The Mayor of the City of Minot has designated the Public Information Officer to serve as the contact person for all matters concerning citizen participation activities. This individual shall be responsible for overseeing citizen participation throughout the community development/resilience project process, and implementation of all citizen participation activities and functions, except those which may be specifically delegated to other parties by this plan.

The specific duties and responsibilities of the Public Information Officer relating to CDBG-DR and NDR grants shall include, but not necessarily be limited to:

1. Disseminating information concerning proposed projects and status of current project activities;
2. Acting as liaison for various groups which may be participating in the community development process;
3. Receiving written comments;
4. Serving as a liaison by which ideas, comments, and proposals from local residents may be transmitted to local officials and/or program staff; and,
5. Monitoring the citizen participation process and proposing modifications as needed.

The Public Information Officer may be contacted at (701) 857-4727 or (701)500-7503, during regular business hours. All questions concerning citizen participation should be addressed to:

***Attention: Public Information Officer  
City of Minot  
PO Box 5006  
Minot, ND 58702-5006***

Information from the city's project files shall be made available for examination and duplication, on request, during regular business hours. CDBG-DR and NDR program information and materials concerning specific projects will be available and distributed at public hearings as outlined in this plan. Furthermore, information concerning any CDBG-DR or NDR project will be available at regularly scheduled city council meetings where the program is discussed.

## SECTION 7. CITIZEN PARTICIPATION PLAN AMENDMENTS

The City of Minot may, from time to time, modify the provisions outlined herein through amendment to this Citizen Participation Plan. Changes are primarily driven by regulatory requirements and are mandatory. However, performance or effectiveness concerns by citizens may be discussed at public hearings held in conjunction with the disaster recovery/resilience program, or submitted online. The most current version of the Citizen Participation Plan will always be available for review on the CDBG-DR website.

## SECTION 8. TECHNICAL ASSISTANCE

The staff of the City of Minot and any consultant hired by the City in this capacity shall provide technical assistance to individual citizens and citizen groups, especially those groups representative of persons of low or moderate income, residents of blighted neighborhoods and minorities, as may be required to adequately provide for citizen participation in the planning implementation and assessment of CDBG-DR and NDR programs. Such technical assistance is intended to increase citizen participation in the community development decision making process and to ensure that such participation is meaningful. Technical assistance shall also be utilized to foster public understanding of CDBG-DR and NDR program requirements.

Technical assistance shall be provided on request and may include, but not necessarily limited to:

1. Interpreting the CDBG-DR and NDR programs, their rules, regulations, procedures and/or requirements;
2. Providing information and/or materials concerning the CDBG-DR program; and,
3. Assisting low and moderate income citizens, and any individual requiring extra assistance, to develop statements of views, identify their needs, and develop activities and proposals for projects which, when implemented, will resolve those needs

Technical assistance may be obtained by contacting the Public Information Officer.

## SECTION 9. PROGRAM INFORMATION

Citizens will be provided full access to the CDBG-DR and NDR program information during all phases of projects. City of Minot officials shall make reasonable efforts to ensure program information availability to all citizens, especially those of low and moderate incomes and those residing in blighted or Limited English Proficiency neighborhoods and/or CDBG-DR & NDR project areas via posting on the City of Minot CDBG website.

To facilitate citizen access to CDBG-DR and NDR program information, the Public Information Officer will be a focal point for all document-related requests of files located at:

***City of Minot  
515 2<sup>nd</sup> Avenue SW  
Minot, ND 58701  
(701)857-4750***

## City of Minot, ND

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Information from the city's project files shall be made available for examination and duplication, on request, during regular business hours. CDBG-DR and NDR program information, along with materials concerning specific projects will be available and distributed to the public at the regularly scheduled public hearings as outlined in this plan. Additionally, information concerning a specific CDBG-DR or NDR project will be available at regularly scheduled council meetings where the program is discussed.

Materials to be made available for comment shall include, but are not necessarily limited to, the Citizen Participation Plan, records of public hearings, mailing and promotional materials, prior CDBG-DR or NDR program applications, letters of approval, grant agreements, the environmental review records, financial and procurement records, project design and construction specification, labor standards materials, performance and evaluation reports, other reports required by HUD, proposed and approved CDBG-DR and NDR program application(s) for the current year or project, written comments or complaints received concerning the community development/resilience program, written responses from the City of Minot, and copies of the applicable federal and state rules, regulations, policies, requirements and procedures governing the CDBG-DR and NDR program.

In no case shall the City of Minot disclose any information concerning personally identifiable information of any program participant(s) which may be required to document program eligibility or benefit. Furthermore, the City of Minot shall not disclose any information which may, in the opinion of the Mayor, be deemed of a confidential nature.

### SECTION 10. PROCEDURES FOR COMMENTS, OBJECTIONS AND COMPLAINTS

The public hearings scheduled, as described in this Citizen Participation Plan, are designed to facilitate public participation in all phases of the community development process.

Citizens are encouraged to submit their views and proposals on all aspects of community development and/or resilience programs at the public hearings. However, to ensure citizens are given the opportunity to assess and comment on all aspects of the community development program on a continuous basis, citizens may, at any time, submit written comments or complaints to the City of Minot.

Additionally, citizens are encouraged to comment on this Citizen Participation Plan and/or any substantial amendments to it. Comments may be brought to a public hearing or sent directly to the City of Minot using contact information below.

Any citizen or citizen's group desiring to comment or object to any phase of the planning, development or approval of the application for CDBG-DR funds, or implementation of any CDBG-DR program, should submit such comments or objections in writing to the Public Information Officer. Should, after a reasonable period, a party believe that his/her comment or

## City of Minot, ND

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complaint has not been properly addressed or considered, then the aggrieved may appeal his/her case to higher authority such as the City Manager, Mayor, and/or City Council.

***City of Minot  
Citizen Participation Plan Coordinator  
PO Box 5006  
Minot, ND 58702***

The Public Information Officer shall make every effort to provide written responses to citizen proposals or complaints within fifteen working days of receipt, if possible.

Citizens may, at any time, contact the Mayor or City Council directly to register comments, objections or complaints concerning the City of Minot CDBG-DR and/or NDR programs. Citizens are encouraged, however, to attempt to resolve any complaints at the City Manager's office, as outlined above, prior to contacting the Mayor or City Council.

All comments or complaints submitted to the Mayor, City Council, and/or HUD shall be addressed in writing to:

***City of Minot  
Office of the Mayor  
PO Box 5006  
Minot, ND 58702***

Records of all comments, objections and/or complaints by citizens concerning the City of Minot CDBG-DR and NDR programs, and subsequent action taken in response to those comments, shall be maintained on file at the CDBG Clerk's Office, City of Minot, 515 2nd Avenue SW, Minot, ND, and shall be made available for public inspection upon request.

## SECTION 11. AUTHORITY

*No portion of this Citizen Participation Plan shall be construed to restrict the responsibility and authority of the elected officials of the City of Minot in the development, implementation and execution of any Community Development Block Grant program.*

***APPROVED this the*** 6<sup>th</sup> ***day of*** September, 2016.

  
(Chief Elected Official)

## SECTION 12. APPROVAL AND REVISION TRACKING

<b>Plan Name</b>	Citizen's Participation Plan	<b>Original Approval Date</b>	May 7, 2012
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No.	Brief Description of Revision	Date sent for Approval
1	Added items for clarification: streamlined procedures, and procedures for requesting auxiliary aids.	6/3/2013
2	Added new public hearing and posting requirements for P.L. 113-2. Replaced reference to Minot Recovery Web site with the CDBG-DR Web site address.	5/2/16
3	Added NDR requirements	9/5/2016



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** May 22, 2018

**SUBJECT: FINAL CDM SMITH CONTRACT EXTENSION FOR CDBG-DR ALLOCATION #2**

## **I. RECOMMENDED ACTION**

Authorize amendment to CDM Smith Support Services Agreement for CDBG-DR Allocation #2 final extension to June, 2019 and final added funds of \$65,000

## **II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

## **III. DESCRIPTION**

### **A. Background**

Pursuant to the Grant Agreement for CDBG-DR Allocation #2, all funds must be spent by July 9, 2019. As of the writing of this memorandum, 98% of the \$35 million has been spent. Funds remaining to spent are related to close of demolition and relocation. There is also a balance in administration which will cover costs of city staff involved in the closeout work. The \$65,000 to be added to CDM Smith contract will cover their costs related to the demolition and relocation work and the funds will come from those allocations. This will be the last amendment.

### **B. Proposed Project**

Working with the Finance Department staff we have further reduced the scope of work necessary for CDM Smith to complete the close out of Allocation #2 on a timely basis. Sufficient funds have been set aside in the administrative line to cover city staff salary costs that can be charged for work involving Allocation #2. The remaining work for CDM Smith will involve finishing a few remaining demolition projects and closing out relocation agreements with homeowners which remain open.

## **IV. IMPACT:**

### **A. Strategic Impact:**

This agreement continues the process of shifting lead roles in the oversight and management of the CDBG-DR and CDBG-NDR grants to city departments and staff.

### **B. Service/Delivery Impact:**

This final CDM Smith agreement amendment for CDBG-DR Allocation #2 assures the timeline and process is in place to meet the HUD imposed deadline for complete close out of Allocation #2 by July 9, 2019.

### **C. Fiscal Impact:**

Funding comes from CDBG-DR Allocation #2

## **V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

*NA*

**VII. LIST OF ATTACHMENTS**

- i. Copy of Amendment #9 to CDM Smith Allocation #2 contract

**AMENDMENT NO: 9  
TO AGREEMENT  
BETWEEN  
CITY OF MINOT AND PROGRAM ADMINISTRATOR**

This Amendment No: 9 is made and entered into this 4th day of June, 2018 to the Agreement between CDM Smith Inc. (CDM Smith) ("Program Administrator") and City of Minot ("OWNER") dated May 6, 2013, ("the Agreement").

WHEREAS, PROGRAM ADMINISTRATOR and OWNER entered into the Agreement for Community Development Block Grant Disaster Recovery Management Services for Minot CDBG-DR Allocation #2, and

WHEREAS, the parties desire to amend the Agreement so as to amend the scope of work, time periods of performance and payment, and/or responsibilities of OWNER; and

WHEREAS, the Agreement provides that any amendments shall be valid only when expressed in writing and signed by the parties.

NOW THEREFORE, in consideration of the mutual understandings and Agreements contained herein, the parties agree to amend the Agreement as follows:

1. The Basic Services of PROGRAM ADMINISTRATOR as described in the Agreement are amended and supplemented as follows:

Continued Acquisition/Relocation, and Demolition Management services per the scope in Attachment #1.

2. The responsibilities of OWNER as described in the Agreement are amended and supplemented as follows:

N/A

3. The time periods for the performance of PROGRAM ADMINISTRATOR's services as set forth in the Agreement are amended and supplemented as follows:

The contract end date is extended from June 30, 2018 to May 31, 2019.

4. The payment for services rendered by PROGRAM ADMINISTRATOR shall be as set forth below:

The contract amount is increased by \$65,000 per the estimate in Attachment #1, to a new NTE upper limit of \$9,046,705.

5. Except as herein modified, all terms and conditions of the Agreement shall remain in full force and effect.

IN WITNESS WHEREOF, the parties hereto have executed this amendment on the date indicated above for the purpose herein expressed.

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Program Administrator  
Steven L. Wolsfeld  
Vice President  
DATE: June 4, 2018

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City of Minot  
Chuck Barney  
Mayor  
DATE: June 4, 2018

**City of Minot, ND**  
**Community Development Block Grant Disaster Recovery**  
**Management Services-Allocation #2**  
**Amendment No. 9 - Attachment No.1**  
**Scope of Services and Estimated Fees**  
**CDM Smith**  
**June 4, 2018**

**Scope of Services:**

**Task 1: Relocation Services for Acquisition Program**

CDM Smith will provide continued services to complete the relocation services for the remaining acquisition/relocation program properties. All services are to be provided in accordance with 49 CFR Part 24 Uniform Relocation Assistance and Real Property Act Acquisition for Federal and Federally-Assisted Programs Act also known as the Uniform Act.

**Task 2: Demolition Management Services**

CDM Smith will provide demolition management services including: field monitoring for data collection and recordation, data compilation and administration, environmental coordination, contractor management, project management, and file closeout for the remaining demo program properties.

**Estimated Fees:**

**Task 1:**

Relocation Services: 70 hours @ \$125/hr; \$8,750

**Task 2:**

Demolition Management: 450 hours @ \$125/hr; \$56,250

NOTE: Included in these estimates are CDM Smith's administrative services for invoicing, quarterly reporting, action plan updates and amendments, assistance with cost and obligations tracking, and remaining file closeout.

**Total: \$65,000**



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** May 19, 2018

**SUBJECT: NEIGHBOR NEXT DOOR AMENDED LOT SALE AUTHORIZATION**

## **I. RECOMMENDED ACTION**

Authorize Auction of Neighbor Next Door Lots with Use Restrictions Prohibiting Construction of Permanent Structures and Requiring Compliance with Existing Code and Zoning

## **II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

## **III. DESCRIPTION**

### **A. Background**

Chapter 40-11-04 of the Century Code sets forth that when property to be disposed by a city is estimated by the governing body of the municipality to be of a value below a minimum dollar threshold, then the property may be sold at private sale upon the proper resolution of the governing body but otherwise must be sold through public auction or sealed bid. The city through various non-federal funding sources has acquired properties which were flood impacted in the flood inundation zone but not in the flood mitigation buyout areas. These properties have been cleared and are now vacant properties for which when funding was secured it was contemplated that there would be no use connected to the flood control projects including flood walls, levees, or flood retention areas. For many of these properties the city envisioned several years ago partnering with non-profit entities such as a Land Trust to convey the properties to them for the construction of single family homes for low/moderate income homeowners. Because of the evolving designs for the flood control projects, some of these acquired properties now fall within or bump up against the boundaries of the flood mitigation measures. The reality for the remaining properties is that these lots are within the FEMA 100-year flood zone which means if homes are constructed, there will be the requirement to carry flood insurance and will be required to be elevated. In addition to the reality that it becomes cost prohibitive to construct affordable homes on such lots, it is a prudent policy for the city to not encourage or create opportunities for vacant lots within the FEMA 100-year flood zone to become occupied with permanent structures to promote resilience measures with unimproved properties to demonstrate future flood mitigation measures in place. By doing so, it enhances the city's position in making as strong a case as possible with FEMA on mitigating National Flood Insurance Program impact. The original action approved by the City Council was to offer these lots to neighbors, the adjacent property owners, with a covenant to the deed barring construction and requiring it to be maintained in some form of acceptable green space resulting in the True and Full Value for assessment of these lots to fall below the cap to allow a private sale. Sale of these lots to contiguous neighbors was also intended to remove these parcels from city liability

and maintenance responsibility and, since these parcels are in the FEMA 100- year flood plain, preserving them as parcels without structures contributes to mitigation measures. Lots not sold through this effort will be explored for optional use, or if necessary retained for the flood mitigation measures. As a result of letters being sent to the adjacent property owners, the city received a significant number of expressions of interest to acquire. The expressions of interest to acquire came with descriptions of the types of uses envisioned for the lots including paved driveways, sheds, garage, wrought iron fence, elaborate landscaping, above ground pool, etc. As a result of all these desired uses, the City Attorney and City Assessor were consulted and it was very evident that it would be almost impossible to be assured that uses of the lots if sold through private sale would result in the property value remaining below the threshold. Therefore, an alternative solution was developed which should accomplish the original desired goal of the Neighbor Next Door initiative, allow those who acquire the lots to undertake all the options suggested with the expressions of interest, and remain in compliance with the Century Code by disposing of the properties through public auction. The option is to offer these options through a public auction using sealed bids conditioned on uses of the property barring construction of permanent structures as defined in the city code and laws by attaching a covenant to the deed.

**B. Proposed Project**

With City Council's approval of the resolution with the identified parcels, an auction will be held. All the uses that were expressed by the adjacent property owners who responded to the initial offer letters would be allowed through the auction. Those property owners who expressed interest in purchasing through the private sale will be notified in writing about the auction. Prior to the auction, there will be additional conferring with Public Works and Engineering to ascertain if additional lots should be held back in case needed for the flood mitigation measures. Any such lots identified by Public Works and/or Engineering will also be held back.

**IV. IMPACT:**

**A. Strategic Impact:**

This initiative will remove uncertainty within these neighborhoods as well as with the contiguous property owners as to the future use of these parcels. It also offers an opportunity to assure the stability and maintenance of these properties in a manner promoting sustainable neighborhoods.

**B. Service/Delivery Impact:**

Sale of these lots reduces maintenance and liability costs to the city and encourages uses which will promote strong, sustainable neighborhoods.

**C. Fiscal Impact:**

There is no fiscal impact. The sale proceeds use will be dictated by the source of the various state grant which was used to acquire the property but where appropriate the proceeds will be retained by the city for use as deemed appropriate by the Director of Finance.

**V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

NA

**VII. LIST OF ATTACHMENTS**

- i. Resolution authorizing restricted used auction

Resolved, pursuant to Chapter 40-11-04 of the North Dakota Century Code, the properties listed here below shall be offered for sale through public auction with the use restrictions prohibiting construction of permanent structures and being in compliance with existing zone and code applicable to the lots, and further providing that prior to offer for private sale the Public Works and Engineering departments shall be consulted to determine if any of these properties are needed to be held back from sale for possible use with flood mitigation and control improvement measures

17 6th St. NW	ND Housing & Finance Agency Grant
1612 3rd Ave. SE	ND Housing & Finance Agency Grant
428 2nd Ave NW	ND Housing & Finance Agency Grant
115 5th St. NW	ND Housing & Finance Agency Grant
400 Lincoln Ave	ND Housing & Finance Agency Grant
708 1st Ave NW	ND Housing & Finance Agency Grant
117 7th St NW	ND Housing & Finance Agency Grant
5 16th St NW	ND Housing & Finance Agency Grant
416 20th St NW	ND Housing & Finance Agency Grant

705 Riverside Dr	ND Housing & Finance Agency Grant
202 18th St NW	ND Housing & Finance Agency Grant
710 9th St NW	ND Housing & Finance Agency Grant

815 1st Ave SW	ND Housing & Finance Agency Grant
12 8th St SW	ND Housing & Finance Agency Grant

1901 Burdick Expy E(dead loop access)	ND Rebuild & Retain Grant
815 1st Ave SE	ND Rebuild & Retain Grant
708 11th St NW	ND Rebuild & Retain Grant
513 9th St NW	ND Rebuild & Retain Grant
1039 West Central Ave	ND Rebuild & Retain Grant
434 5th Ave NW	ND Rebuild & Retain Grant
530 3rd St NW	ND State Land Trust Grant, Sales Tax - Improvements
700 3rd St NW	ND State Land Trust Grant, Sales Tax - Improvements
301 5th Ave NW	ND State Land Trust Grant, Sales Tax - Improvements
301.5 5th Ave NW	ND State Land Trust Grant, Sales Tax - Improvements
702 3rd St NW	ND State Land Trust Grant, Sales Tax - Improvements
604 3rd St NW	ND State Land Trust Grant, Sales Tax - Improvements



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** May 22, 2018

**SUBJECT: SPOT BLIGHT ACQUISITION POLICIES AND PROCEDURES**

**I. RECOMMENDED ACTION**

Approve Spot Blight Acquisition Policies and Procedures

**II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

**III. DESCRIPTION**

**A. Background**

HUD recently approved CDBG-DR Allocation #1 Substantial Amendment #1 authorizing the creation of an involuntary acquisition program to acquire homes meeting Spot Blight National Objective standards (Zombie Homes) with an allocation of \$800,000. Use of the involuntary acquisition program while more expensive to administer than the voluntary acquisition program allows the city to set the value of these dilapidated homes at current value rather than pre-flood value which is the mandate under the voluntary acquisition. It is anticipated that because of the conditions of the homes to be sought for acquisition that current value will be significantly less than pre-storm value. With the goal of this program to address these homes scattered throughout the flood inundation area which are threatening the stability of neighborhoods, the policies and procedures will give the homeowners, at the time of the initial notice of our intent to acquire the property, the option of either agreeing to our offer price or within 30 days of receipt of the initial letter provide proof of the intent to repair the home to bring into code compliance. If the latter option is chosen, the policies and procedures set a very defined timeline with performance benchmarks to assure the home is brought to code compliance on a timely basis. The other requirement for involuntary acquisition is for the Grantee to retain the option to acquire the property through a condemnation or related legal action procedure which in this case were it ever to be used would be undertaken in coordination with the First Health District. However, pursuant to the policies and procedures, no legal action could be undertaken for a specific property until or unless it was approved by the City Council. I do not envision a situation where this step will be necessary. As a note, in the current involuntary acquisition program for the flood mitigation buyout, it is very rare that the Council has been requested to authorize eminent domain and even in those instances such as Open Gate Church there was a negotiated settlement prior to actually reaching a court decision.

**B. Proposed Project**

A list is being prepared in coordination with the city assessor's office and city inspection services identifying the homes which meet the HUD defined spot blight conditions which essentially are homes that are not in code compliance, in substandard condition, and/or dilapidated. The property owner of record will receive a letter from the city advising them

of the program and putting them on notice of the city's intent to acquire or the property owner take immediate steps to bring the home into compliance. Once current value has been determined for each home, a second letter will be sent with the offer price. It should be noted that statutorily, we are required to include in our policies and procedures the Uniform Relocation Act provisions covering moving and relocation benefits but since these homes targeted in this program are in conditions where it is impossible to be habitable, it is not envisioned that there will be any costs incurred for moving and/or relocation benefit payments. The same appeals process and appeals committees as is now in place for the involuntary acquisition flood mitigation buyout program will be used for this program. The Spot Blight acquisition is a distinct National Objective Activity under HUD statutes. Once properties are acquired, we will consult with the affected neighborhood(s) and the City Council to make a decision on future use and/or disposition of the property. We do have funding in place as part of the approved Substantial Amendment for demolitions and site restoration. It should be noted that since we are acquiring homes that are substandard, there will be no structure or salvage auction options because being Spot Blight properties, we will only have the choice to demolish.

#### **IV. IMPACT:**

A. Strategic Impact:

The goal of this program is to promote continued sustainable recovery from the flood and support homeowners and property owners who have restored their homes and structures and maintain them consistent with city codes.

B. Service/Delivery Impact:

Removal of homes known as Zombie properties which have essentially been abandoned and/or ignored resulting from flood damage will address healthy, safety, and welfare concerns for affected Minot residents.

C. Fiscal Impact:

Funding comes from CDBG-DR Allocation #1 with \$800,000 for acquisition and \$100,000 for demolition.

#### **V. ALTERNATIVES**

N/A

#### **VI. TIME CONSTRAINTS**

NA

#### **VII. LIST OF ATTACHMENTS**

- i. Copy of Policies and procedures



# **MINOT SPOT BLIGHT ERADICATION PROGRAM INCLUDING ACQUISITION OF REAL ESTATE**

## **POLICY GUIDELINES**



November 6, 2017



## **1.0 Program Overview**

The City plans to acquire properties by implementing an involuntary acquisition program. The Involuntary Acquisition Program property valuation will be based upon an appraised current fair market value. The terms of involuntary acquisition must be implemented in accordance with the URA (49 CFR § 24.101(b)(1) and HUD Handbook 1378). The City is reserving the option in exercising powers connected to the eminent domain statute through either condemnation because of health, safety, welfare risks or legal action pursuant to North Dakota Century Code of demolition of unsafe structures to spot blight conditions caused by flood damaged structures in the flood inundation area which have not been restored to habitable condition since the 2011 flood and which pose a threat to the sustainability of recovery efforts in neighborhoods adversely impacted from the 2011 flood.

The City's acquisition of property under this program will typically involve acquisition of the lot and all structures.

Because the purpose of this program is to address spot blight caused by sub-standard structures, all structures acquired under this program shall be demolished. Once a lot is cleared and restored to a condition of greenspace, a determination shall be made by the city in consultation with the public through public meeting(s) as to the future use of each acquired lot consistent with promoting resilience standards within the flood inundation area. Any decisions on future use of lots beyond restoring to green space shall follow HUD rules and regulations on amending the Allocation #1 CDBG-DR Action Plan.

Lots with structures to be acquired under this program will be identified through determinations by appropriate and qualified city engineering, inspection, and CDBG-DR staff determining that the structure is in a substandard, dilapidated, and/or or similar condition of disrepair rendering the structure not legally able to be occupied, and situated thus to threaten the stability and health, safety, welfare of neighboring properties and/or surrounding neighborhoods, and/or impeding or threatening the ongoing sustainable recovery of surrounding neighborhoods from the 2011 disaster.



## **1.1 Participation in the Involuntary Acquisition Program**

To make initial contact with each property owner, the City will send letters to every identified property owner advising them of the intent to acquire their property as well as the intent and purpose of this program. Each such property owner(s) shall be encouraged and invited to meet with identified city representatives to discuss the reasons for the planned acquisition and options related to the acquisition. The City will also use other means of distributing information about the program including but not limited to direct mailings, news releases, and web page utilization.

Property owners participating in the involuntary acquisition program may be eligible for relocation assistance benefits as stated in the North Dakota Century Code Chapter 54-01.1-16

“.... real property must be guided, to the greatest extent practicable under state law, by the real property acquisition policies set forth in the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 [Pub. L. 91-646; 42 U.S.C. 4651-4654] and Uniform Relocation Assistance Act of 1987 [Pub. L 100-17; 101 Stat. 255-256]”

## **2.0 Conditions**

The following conditions apply to the acquisition of property under this program:

- **Closing Date.** A mutually agreed upon date by the City and the seller to close on the property conditioned upon the Department of Housing and Urban Development's determination of environmental clearance and release of CDBG-NDR funds.
- **Clear Title.** The seller must provide clear title to the City's satisfaction before the closing can occur. The seller must convey the property by warranty deed. Any existing mortgages, liens or other encumbrances will be paid at closing to the extent that funds are available. Any unpaid mortgages, liens or encumbrances are the responsibility of the seller.
- **Taxes and Special Assessments.** Taxes will be prorated to the date of closing. No refund will be made for prepaid special assessments. Seller shall pay any uncertified balance of special assessments or any unpaid special assessments at or prior to closing. Buyer will not assume any unpaid or uncertified special assessments.
- **Abstract.** The City is responsible for the cost of updating any abstract, title insurance policy, or other evidence of title.
- **Offer Expiration Date.** The City will allow thirty (30) days from the date the offer is made for the seller to decide whether to accept the City's offer. The City through the Disaster Resilience Program Grant Manager may permit an extension of the expiration date for another 30 days.
- **Property Inspection.** Upon acceptance of the City's offer, the seller will grant access to the City to inspect the property for personal property, hazardous materials, etc., that must be removed prior to closing.
- **Environmental.** The City shall take steps to ensure that a property with past or present commercial or industrial use, or one that is adjacent to such property, or a property that is suspected of having hazardous contaminants present at the site, is not contaminated at the time of acquisition. The property owner will be required to provide information identifying



what, if any, hazardous materials have been deposited or stored on the property. If the City or State determines that a Phase I Environmental Site Assessment is necessary, the City, may conduct a Phase I Environmental Site Assessment prior to the property acquisition. If abatement of hazardous contaminants is warranted, the hazardous materials must be removed at the property owner's expense. Clean-up costs associated with obtaining a clean site certification, and any costs associated with hazardous materials, are not eligible project costs and will be borne by the property owner. The seller must indemnify the City and State for any liability arising from previous contamination of the property.

- An environmental assessment compliant with 24 CFR Part 58 will be completed and an environmental clearance received prior to a commitment to expend CDBG-NDR funds. Note that for residential structures, the homeowner is not responsible for hazardous materials that are an integral part of the structure such as lead paint, asbestos containing insulation, flooring or other surfaces. These types of materials will be identified and managed by the City after purchase of the property.
- No Salvage. No salvage of any structure, or part thereof, will be allowed. The basis of this program is to eradicate spot blight conditions caused by sub-standard structures which means there can be no basis for salvage.
- Subject to City Approval. The offer is subject to City approval of the form of offer and the specific offer terms for each property.
- Removal of Structures. All structures acquired will typically be removed within three months of closing date subject to weather conditions and availability of demolition contract services.

## **2.1 Alternative to Acquisition/Demolition**

The purpose of this program is to eradicate sub-standard conditions of structures damaged as a result of the 2011 flood and which have not been restored to code compliant conditions. Therefore, the initial notice to property owners of identified lots with sub-standard structures of intent of the city to acquire shall be afforded the option to expeditiously undertake necessary repairs to restore the structure or structures to a standard which meets all codes and laws, and is able to be occupied for the authorized use of the structure or structures. The terms and conditions of the alternative to acquisition/demolition under this program:

- Response Date: From the date of initial offer made by the city to purchase, the property owner shall have 30 days which will be noted in the city to respond in written communication of the intent to restore the structure(s) to meet all code and law requirements, and be habitable as allowed for the structure(s)
- Proof of Intent to Rehab: Within 60 days from date of initial offer made by the city and conditioned by the initial 30 response requirement from the property owner, the property shall provide proof to the city of the intent to address all sub-standard conditions by securing all necessary permits as required by city code and law for all rehabilitation work which will be necessary to address all sub-standard conditions to restore the structure(s) to full compliance with city code and law.



- Commencement of Rehab Work: Within 90 days from date of initial offer made by the city and conditioned upon complying with the first two steps above, the property owner must commence or cause to be commenced the necessary work to address all sub-standard conditions to restore the structure(s) to compliance with city code and laws
- Completion of Rehab Work: Except for weather related factors which can be demonstrated to result in work necessitating to be halted, work once commenced must continue without interruption until all repairs and rehabilitation has been completed to bring the structure(s) into compliance with all city code and laws, and be eligible under city code and law to occupied for use(s) allowed under city code and laws.
- Failure to Follow Requirements in 2.1: If property owner at any point during the above described process fails to meet the requirements, the city reserves the right to resume the process identified in these policies and procedures to address the spot blight conditions of the lot's structure(s) including all legal steps leading to acquisition.

### **3.0 Acquisition Staff**

City Staff shall administer and oversee this program but may use the experience and expertise of subject matter expert consultants it has retained or determines to be retained. Any such use shall be spelled out in a scope as part of an amended agreement with existing contracted consultants or in a new agreement with procured consultants.

The City may obtain additional services to be performed on a contract basis to assist in the acquisition program. The services that may be contracted for include:

- Title searches, certificate, and/or abstracts
- Mortgage property surveys
- Title opinions
- Title insurance
- An escrow agent for closing and/or related services
- Appraisal services
- Environmental investigation and testing, if required
- Other services as needed

### **4.0 Pre-Offer Activities**

Prior to making an offer to purchase, the activities include but are not limited to:

- Identifying the owners of the parcels;
- Identifying the occupancy of any property to be acquired to make the determination if the URA will apply to the occupants. Since acquisition of these properties are involuntary, owners and tenants may be eligible for relocation assistance; including but not limited to: identifying the resources that are necessary to fulfill the URA tenant and owner relocation requirements, including replacement housing, funding for incidental expenses, moving expenses and advisory services.



- Determining the current fair market value by a licensed real estate appraiser which will be used in making offers to purchase;
- Obtaining a review appraisal
- Determining amount of incentive payment if applicable

## **4.1 Offer Criteria**

Along with the initial written purchase offer, the owner shall be given a written summary statement of the basis for the offer of just compensation, which shall include:

- A statement of the amount offered as just compensation. In the case of a partial acquisition, the compensation for the real property to be acquired and the compensation for damages, if any, to the remaining real property shall be separately stated.
- A description and location identification of the real property and the interest in the real property to be acquired.
- An identification of the buildings, structures, and other improvements (including removable building equipment and trade fixtures) which are included as part of the offer of just compensation. Where appropriate, the statement shall identify any other separately held ownership interest in the property, e.g., a tenant-owned improvement, and indicate that such interest is not covered by this offer.

Major elements of the City's offer that will contribute to informing the offer decision are:

- Purchase Price. Current fair market value. All appraisals will be performed by a licensed real estate appraiser. A review appraisal must also be completed for each parcel acquired through this program.
- Deduction from Purchase Price. As applicable, payments required to clear special assessments, liens, mortgages, fines, judgments, etc., will be paid prior to closing or deducted at the time of closing.

## **4.2 Negotiations**

In order to be in compliance with 49 CFR §24.102, the City, or its representative, shall make an effort to address any counteroffer for the purchase of the real property presented by an owner. The owner shall be requested to submit the counteroffer in writing and include the basis for the counteroffer including any pertinent facts the owner feels are supportive of their counteroffer. If the owner has had an appraisal report prepared on their property within the past twelve (12) months, a request is made to obtain a copy of the report. After the counteroffer and all supporting documentation has been obtained, the documentation is reviewed. If the owner refuses to provide the city with a copy of their appraisal report, then mere claim of its existence as substantiation of the counter offer shall not meet requirements for pertinent facts to support the counter offer. If the information presented by the owner, or a material change in the character or condition of the



property, indicates the need for new appraisal information, or if a significant delay (12 months) has occurred since the time of the appraisal(s) of the property, the City shall have the appraisal(s) updated or obtain a new appraisal(s). If the latest appraisal information indicates that a change in the purchase offer is warranted, the City shall promptly reestablish just compensation and offer that amount to the owner in writing.

In the event the City does not agree with the counteroffer presented by the property owner, or the property owner does not accept the recommendation of the City, the property owner will have the right to proceed with the appeal procedure as discussed below.

The City will make every attempt to accurately estimate the current market value of the property. If, after negotiations of the offer, the seller believes the purchase price is incorrect, the seller can present additional information directly relating to the fair market value and appeal the City's offer price. See Attachment A: City's Appeal Process-Offer Price for Involuntary Acquisition.

If the offer is rejected and no further negotiation is anticipated, the file will be referred to the attorney to begin the eminent domain legal proceedings.

#### **4.3 Administrative Settlement**

If the City agrees to any increase above the approved offer amount an administrative settlement shall be prepared for the file in accordance with 49 CFR §24.102(i). The administrative settlement will be reviewed by the City for review and final approval if City agrees with the settlement and supporting data. If the administrative settlement is approved by the City, the parcel will proceed to closing in the normal manner.

#### **4.4 Procedural Authority**

Purchase agreements for acquired properties through the involuntary acquisition process shall be signed by the Mayor and Finance Director. If the Mayor is unavailable, the purchase agreement may be signed by the Council President. Additional paperwork may be delegated to appropriate city staff personnel for execution.

The NDR Program Director and Finance Director, except as limited herein, have authority to negotiate final prices based on the homeowner and City's best interests, while following applicable local and federal guidance. Negotiated settlements which exceed the City's initial appraisal by 15% and are \$15,000 higher than the City's initial appraisal shall require City Council approval before execution. Negotiated settlements after hearing by the appeal committee which exceed the City's appeal committee finding by 15% and are \$15,000 higher than the appeal committee finding shall require City Council approval before execution. Negotiations may occur after the initial offer, after an appeal committee decision, and at any point during the eminent domain process prior to judgment.



## **4.5 Eminent Domain Authority Option**

If required and determined appropriate, legal steps related to and/or included in eminent domain authority related to condemnation procedures related to health, safety and welfare may be used in accordance with applicable federal, state and local law or ordinances to acquire property under this program or pursuant to North Dakota Century Code Chapter 4-05-02, No. 23 Substandard buildings and structures to eradicate the conditions of spot blot. Requests for use of eminent domain authority shall be approved, by resolution, on a case-by-case basis by City Council prior to any court actions. The city shall work coordinate all activities of this section with the First District Health Unit including any and all legal action which is taken as a result of City Council authorization. If negotiations of a settlement prior to judgment occur, the parameters in paragraph 4.4 (above) shall apply regarding final prices.

## **Process After Offer is Accepted**

After the seller accepts the offer, the following will be undertaken by the City:

- Update the abstract or title insurance policy.
- Work with the owner/tenant to determine the actual relocation benefits available to the owner and/or tenant, as appropriate.
- Order any title searches, abstract work, title opinion or title insurance, and provide forms of affidavits, releases and other necessary closing documents.
- Prepare a closing statement and schedule the closing and any necessary property inspections.
- Disburse funds at closing in accordance with the closing statement. After the closing, the City will transmit and file all necessary documents to close the acquisition of the property.

## **6.0 Relocation Benefits**

The City is offering this program as an involuntary acquisition. Accordingly, the notices and processes required by the North Dakota Century Code Chapter 54-01.1 and/or the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act) apply to this program. Property owners and tenants participating in these involuntary acquisition programs may be eligible for relocation assistance benefits under North Dakota Century Code Chapter 54-01.1 and/or the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. The following is a general overview of benefits which may be available to property owners and/or tenants. Final determination of specific benefits available will be made on a case-by-case basis based upon applicable state and federal laws and regulations. Recipients of relocation benefits must be a United States citizen or eligible immigrant.

## **6.1 Replacement Housing Payment for 90-Day Occupants**



**Eligibility.** A tenant or owner-occupant displaced from a dwelling is entitled to a payment not to exceed \$7,200.00 for rental assistance unless last resort housing is justified, as computed in accordance with paragraph (b) of §24.402; as amended by MAP-21, or down payment assistance, as computed in accordance with paragraph (c) of §24.402; as amended by MAP-21, if such displaced person:

- Has been a legal resident occupant of the property for which the City has approved acceptance of the purchase offer and the tenant can prove evidence of the tenancy for a minimum of 90 days prior to the Initiation of Negotiations (ION) for acquisition of such property or for properties or the tenant can prove evidence of tenancy at the time of the flood event. This includes a person who occupies the real property prior to its acquisition, but who does not meet the length of occupancy requirements of the Uniform Act due to the 2011 flood as described at §24.401(a) and §24.402(a) as amended by MAP-21 and
- Has rented, or purchased, and occupied a (DSS) replacement dwelling that is not located deep within the flood plain for which the city may not issue building permits within one year (unless the City extends this period for good cause) after:
  - For a tenant, the date he or she moves from the displacement dwelling; or
  - For an owner-occupant, the later of:
    - The date he or she receives final payment for the displacement dwelling; or
    - The date he or she moves from the displacement dwelling.

## **6.2 Determination of Rental Assistance Payment**

- **Amount of payment.** An eligible displaced person who rents a replacement dwelling is entitled to a payment not to exceed \$7,200.00 for rental assistance unless last resort housing is justified. (See §24.402; as amended by MAP-21). Per HUD Waiver, such payment shall be 42 times the amount obtained by subtracting the base monthly rental for the displacement dwelling from the lesser of:
  - The monthly rent and estimated average monthly cost of utilities for a comparable replacement dwelling; or
  - The monthly rent and estimated average monthly cost of utilities for the DSS replacement dwelling actually occupied by the displaced person.
- **Base monthly rental for displacement dwelling.** The base monthly rental for the displacement dwelling is:
  - The average monthly cost for rent and utilities at the displacement dwelling for a reasonable period prior to displacement, as determined by the City (for an owner-occupant, use the fair market rent for the displacement dwelling. For a tenant who paid little or no rent for the displacement dwelling, use the fair market rent, unless its use would result in a demonstrable hardship because of the person's income or other circumstances);
  - The total of the amounts designated for shelter and utilities if the displaced person is receiving a welfare assistance payment from a program that designates the amounts for shelter and utilities.



- **Manner of disbursement.** Relocation assistance payments for residential tenants who are displaced as a part of the City of Minot's CDBG-DR funding of buyouts and acquisitions are subject to 42 USC Sec. 3537c and must be disbursed in installments, except that lump sum payments may be made to cover (1) moving expenses, (2) a down payment on the purchase of replacement housing, or incidental expenses related to (1) or (2). Whenever the payment is made in installments, the full amount of the approved payment shall be disbursed in regular installments, whether or not there is any later change in the person's income or rent, or in the condition or location of the person's housing. The City of Minot will disperse these relocation payments in excess of \$500 in three monthly payments, except when the rental assistance payment is \$500 or less. Where the rental assistance payment is \$500 or less, the payment will be made in two installments.

### **6.3 Replacement Housing Payment for 90-Day Homeowner-Occupants**

**Eligibility.** A displaced person, defined in 49 CFR 24.2(a)(9) is eligible for a Replacement Housing Payment for a 90-day homeowner occupant if the person meets the following:

- Actually, owned and occupied the displacement dwelling for not less than 90 days immediately prior to the ION, the occupant can prove evidence of tenancy at the time of the flood event. This includes a person who occupies the real property prior to its acquisition, but who does not meet the length of occupancy requirements of the Uniform Act due to the 2011 flood as described at §24.401(a) and §24.402(a) and as amended by MAP-21. A person is considered to have met the requirements as owner of a displaced dwelling if the person meets the definition, "Owner of a Dwelling" at 49 CFR 24.2 (a) (20); and
- Purchases and occupies a DSS replacement dwelling that is not located in an Area "A" on the NFIP Flood Hazard map within one year of the later of:
  - The date the person receives final payment for the displacement dwelling; or
  - In the case of condemnation, the date of the court award of just compensation is deposited with the court; or
  - A comparable replacement dwelling that meets DSS standards has been made available to the person.

### **6.4 Determination of Replacement Housing Payment Owner**

The replacement housing payment for an eligible 90-day homeowner-occupant may not exceed \$31,000.00 unless last resort housing is justified. (See also §24.404 and as amended by MAP-21). The payment under this subpart is limited to the amount necessary to relocate to a comparable replacement dwelling within one year from the date the displaced homeowner-occupant is paid for the displacement dwelling, or the date a comparable replacement dwelling is made available to such person, whichever is later. The calculation for a replacement housing payment under 49 CFR 24.401(b); as amended by MAP-21 shall be the sum of:

- The purchase price differential (49 CFR 24.401(c); as amended by MAP-21). This is the amount by which the cost of a comparable replacement dwelling exceeds the acquisition cost of the displacement dwelling, and



- Increased mortgage costs (49 CFR 24.401(d); as amended by MAP-21), and
- Incidental expenses described in (49 CFR 24.401(e); as amended by MAP-21).

HUD Form 40057, Claim for Replacement Housing Payment for 90-Day Homeowner will be used to document and support the amounts claimed and paid to the homeowner.

## **6.5 Issues that May Affect Housing Replacement Payments**

The upper limit of a replacement housing payment shall be based on the cost of a comparable replacement dwelling (§ 24.2(a)(6); as amended by MAP-21).

- The Comparable Dwelling lacks major exterior attribute (49 CFR 24.403(a)(2)). If the site of the comparable replacement dwelling lacks a major exterior attribute such as the site is much smaller or contains a swimming pool, etc., the value of such shall be subtracted from the acquisition cost of the displacement dwelling for purposes of computing the purchase price differential payment.
- Mixed-use and Multifamily Properties (49 CFR 24.403(a)(7)). If the displacement dwelling was part of a property that contained another dwelling unit and or space used for nonresidential purposes, only that portion of the acquisition payment which is actually attributable to the displacement dwelling shall be considered its acquisition cost when computing the purchase price differential. The City will ask its appraiser to make this determination at the time of the appraisal of the displacement property.
- Owner Retention of Displacement Dwelling (49 CFR 24.401(c)(2); as amended by MAP-21). If the homeowner retains ownership of the displacement dwelling, moves it from the displacement site and reoccupies it on a replacement site, the purchase price of the replacement dwelling shall be deemed to be the sum of:
  - The cost of moving and restoring the dwelling to a condition comparable to that prior to the move; and
  - The cost of making the unit a meet DSS standards replacement dwelling; and
  - The estimated current fair market value for residential use of the replacement site (appraisal not required), unless the claimant rented the displacement site and there is a reasonable opportunity for the claimant to rent a suitable replacement site; and
  - The retention value of the dwelling, if such retention value is reflected in the “acquisition cost” used when computing the replacement housing payment.
- Partial Acquisition Leaves Buildable Remainder (49 CFR 24.403(a)(3); as amended by MAP-21). If the acquisition of a portion of a residential property causes the displacement of the owner from the dwelling and the remainder is a suitable, buildable residential lot, the City may offer to purchase the entire property. If the owner refuses to sell the remainder to the City, the fair market value of the remainder may be added to the acquisition cost of the displacement dwelling for purposes of computing the replacement housing payment.
- Use of a currently owned, previously purchased dwelling, valuation of which will be on the basis of current market value.
- Multiple occupants of one displacement dwelling. If two or more occupants of the displacement dwelling move to separate replacement dwellings, each occupant is entitled to a reasonable prorated share, as determined by the City, of any relocation payments that



would have been made if the occupants moved together to a comparable replacement dwelling. However, if the City determines that two or more occupants maintained separate households within the same dwelling, such occupants have separate entitlements to relocation payments.

## **6.6 Maintaining Tenure of 90-Day Homeowner**

Owner of Entire Fee Interest. A 90-day homeowner-occupant who owns fee simple title to the displacement dwelling and thus will receive all net acquisition proceeds must have the opportunity to purchase a comparable replacement dwelling without incurring an increase in the total outstanding mortgage debt, or an increase in the number of, or amount of, mortgage principal and interest payments.

Owner of Fractional Interest (49 CFR 24.404(b)). The City is not required to provide to a person who owned only a fractional interest in the displacement dwelling a greater level of assistance to purchase a replacement dwelling than the City would be required to provide if the person owned the entire interest in the displacement dwelling. If such assistance is not sufficient to enable the person to buy a replacement dwelling, the City may provide additional purchase assistance or it may elect to offer rental assistance. Generally, the amount offered as rental assistance should not be less than the amount available for purchase under 49 CFR 24.401(b); as amended by MAP-21.

Rental Assistance for 90-Day Homeowner (49 CFR 24.401(f)). A displaced 90-day homeowner who elects to rent, rather than buy a replacement dwelling is eligible for rental assistance as described in 49 CFR 24.401(f). If, within one year after receiving final payment for the displacement dwelling, such displaced homeowner-occupant subsequently elects to again purchase and occupy a DSS replacement dwelling, the replacement housing payment may be converted to purchase assistance.

## **6.7 Owner or Tenant-Owned Business**

If, in addition to the owner or tenant being a legal residential occupant of the property, the owner or tenant also owned a business operated exclusively from this property and this business was legally operating (had the appropriate governmental permits, was in conformance with zoning regulations, etc.) and filed business income tax returns, the owner or tenant-owned business may also be eligible for business relocation assistance. In determining relocation assistance for a home-based business, to avoid duplication of benefits the portion of the real property that was dedicated to the business will be excluded in identifying comparable replacement housing and in calculating a potential replacement housing payment.

## **6.8 Relocation Payments – Businesses, Farms & Nonprofit Organizations**

Businesses, farms and nonprofit organizations may be eligible for relocation assistance and advisory services.



Advisory Services. The advisory program shall include such measures, facilities, and services as may be necessary or appropriate in order to determine, for nonresidential (businesses, farm and nonprofit organizations) displacements, the relocation needs and preferences of each business (farm and nonprofit organization) to be displaced and explain the relocation payments and other assistance for which the business may be eligible, the related eligibility requirements, and the procedures for obtaining such assistance. This shall include a personal interview with each business. At a minimum, interviews with displaced business owners and operators should include the following items:

- The business's replacement site requirements, current lease terms and other contractual obligations and the financial capacity of the business to accomplish the move.
- Determination of the need for outside specialists in accordance with Uniform Act §24.301(g) (12) that will be required to assist in planning the move, assistance in the actual move, and in the reinstallation of machinery and/or other personal property.
- For businesses, an identification and resolution of personalty/realty issues. Every effort must be made to identify and resolve realty/personalty issues prior to, or at the time of, the appraisal of the property.
- An estimate of the time required for the business to vacate the site.
- An estimate of the anticipated difficulty in locating a replacement property.
- An identification of any advance relocation payments required for the move, and the City's legal capacity to provide them.

Payments for Moving and Related Expenses. Two general moving options are available to an eligible displaced business, farm or nonprofit organization under the URA:

- Payment of actual, reasonable and necessary moving and related expenses. In addition to the payment of actual, reasonable and necessary moving costs, a small business (defined in 49 CFR 24.2(a) (24)) may also be eligible for the actual, reasonable and necessary costs of reestablishment up to \$25,000; or
- A fixed payment, in lieu of payment of actual, reasonable and necessary moving costs and reestablishment expenses. An eligible business, farm or nonprofit organization may be eligible for a fixed payment of no less than \$1,000 and no more than \$40,000 (see 49 CFR 24.305, as amended by MAP-21).

## **6.9 Determination of Benefits**

The acquisition staff will determine benefits in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; the Waivers and Alternative Requirements for CDBG-NDR Grantees under HUD Appropriations Act, 2012; and/or North Dakota Century Code Chapter 54-01.1, as appropriate. If there are any inconsistencies or discrepancies between this document and applicable law or regulation, such applicable law or regulation shall control.

## **6.10 Replacement Housing Requirements**

All owners or tenants receiving the replacement housing benefits must relocate to housing units that meet DSS standards and not located in an Area "A" on the City of Minot flood hazard maps. The



"Decent, Safe, and Sanitary" standard is similar to HUD Housing Quality Standards. The City will also accept a current rental occupancy certificate for rental units and a certificate of occupancy for newly-constructed houses in lieu of a "decent, safe, and sanitary" inspection.

The DSS inspection is not a certification or guarantee of the housing unit's condition or of its major systems (such as heating, plumbing, and electrical). It is necessary to satisfy the requirements of the City's program funding sources.

## **6.11 Last Resort Housing**

The term Last Resort Housing is an administrative procedure authorized by law to address those times when comparable replacement housing is not available under statutory limits specified in law.

The City shall provide assistance under this subpart to a displaced person who is not eligible to receive a replacement housing payment under §§24.401 and 24.402 because of failure to meet the length of occupancy requirement when comparable replacement rental housing is not available at rental rates within the displaced person's financial means. (*See* §24.2(a)(6)(viii)(C)). Such assistance shall cover a period of 42 months. The law and regulation allow the City to provide a replacement housing payment in excess of the statutory maximums of \$7,200.00 and \$31,000.00. Any decision to provide last resort housing assistance must be adequately justified either:

- On a case-by-case basis, for good cause, which means that appropriate consideration has been given to:
  - The availability of comparable replacement housing in the program or project area;
  - The resources available to provide comparable replacement housing; and
  - The individual circumstances of the displaced person, or
- By a determination that:
  - There is little, if any, comparable replacement housing available to displaced persons within an entire program or project area; and, therefore, last resort housing assistance is necessary for the area as a whole;
  - A program or project cannot be advanced to completion in a timely manner without last resort housing assistance; and
  - The method selected for providing last resort housing assistance is cost effective, considering all elements, which contribute to total program or project costs.

Methods of providing comparable replacement housing: The City shall have broad latitude in implementing this subpart of the regulation, but implementation shall be for reasonable cost, on a case-by-case basis unless an exception to case-by-case analysis is justified for an entire project.

- The methods of providing replacement housing of last resort include, but are not limited to:
  - A replacement housing payment in excess of the limits set forth in §24.401 or §24.402; as amended by MAP-21. A replacement housing payment under this section may be provided in installments or in a lump sum at the City's discretion.
  - Rehabilitation of and/or additions to an existing replacement dwelling.
  - The construction of a new replacement dwelling.



- The provision of a direct loan, which requires regular amortization or deferred repayment. The loan may be unsecured or secured by the real property. The loan may bear interest or be interest-free.
- The relocation and, if necessary, rehabilitation of a dwelling.
- The purchase of land and/or a replacement dwelling by the displacing Agency and subsequent sale or lease to, or exchange with a displaced person.
- The removal of barriers for persons with disabilities.

## **6.12 Payment for Moving and Related Expenses**

Any displaced residential owner-occupant or tenant-occupant who qualifies as a displaced person (49 CFR 24.2(a)(9)) is entitled to a payment for his or her moving and related expenses. The displaced person may choose a payment for actual reasonable moving and related expenses, or a fixed payment for moving expenses.

- Actual Reasonable Moving and Related Expenses (49 CFR 24.301(g)(1)(7); as amended by MAP-21). A displaced person's actual, reasonable and necessary moving expenses for moving personal property from a dwelling may be determined based on the methods described at 49 CFR 24.301(b).
- Fixed Payment for Moving Expenses (49 CFR 24.302; as amended by MAP-21); This payment is determined based on the applicable Fixed Residential Moving Cost Schedule published by the Federal Highway Administration. The allowance reflects the number of rooms in the displacement dwelling, all moving and related expenses and takes into consideration whether the displaced person owns and must move furniture.

## **6.13 Appeal of Relocation Benefits**

Appeals of the relocation benefits for tenants and tenant-owned businesses will be handled in accordance with the Uniform Relocation Act (URA). See Attachment B: City Appeals Process-Displacement.

## **6.14 Subsequently Located Persons**

Once a person, as amended by MAP-21, is identified as a former occupant who had moved and had not been previously contacted regarding relocation, a letter will be provided with the following information:

- If the person is currently occupying DSS housing that is reasonably comparable to the displacement housing, the computation of rental assistance payment will use the current abode's actual housing cost compared with the housing cost that was actually paid prior to flood displacement. A fixed room count moving cost should also be computed.
- If the tenant is occupying non-DSS housing currently, the payment should be computed on a DSS dwelling unit that is currently available. Rental assistance would be computed using an available housing unit which is DSS compared to the flood displacement unit. A fixed room



count or actual moving cost should be paid to permit the person to move their personal property to their selected unit.

- Other situations such as multiple post flood dwelling unit occupancy. In this case, an attempt should be made to base the payment on the first dwelling permanently occupied by the individual (non-temporary housing). However, the goal is to assure that everyone has the ability to occupy a DSS dwelling unit, so this policy must have some flexibility.

If the displaced person purchased a replacement dwelling in which they now live, the policy below will be followed:

- If the owner-occupant currently occupies a DSS dwelling which is reasonably similar to the subject (flood) property, the computation of replacement housing will be based on the difference between the pre-flood assessed value compared with the cost of the currently occupied dwelling unit. Closing costs and possible mortgage interest differential would also be calculated routinely based on the purchase of the current replacement dwelling. A fixed room count moving payment could be paid to the occupant.
- If the owner is currently occupying non-DSS housing, the payment should be computed on a DSS dwelling unit that is currently available. The dwelling unit used for computation should be reasonably similar to the subject. The price differential would be computed using an available housing unit which is DSS compared to the flood displacement unit. A fixed room count or actual moving cost should be paid to permit the person to move their personal property to their selected DSS unit.
- It is possible that an owner has occupied several units since their initial flood required move. In this case, an attempt should be made to base the payment on the first dwelling permanently occupied by the individual (non-temporary housing). However, the goal is to assure that everyone has the ability to occupy a DSS dwelling unit, so this policy must have some flexibility.

The use of the phrase reasonably similar should be interpreted to mean “comparable” for purposes of payment computations. However, it is understood that there is no good, available description of the subject dwelling, so a strict adherence to the standards or comparability is not practical.

However, the DSS standard remains.

The intent is not to provide an incentive to cause further displacement of an already relocated person. This might be an inadvertent effect of using a comparable dwelling for those persons already residing in a DSS unit rather than basing the payment on their current DSS dwelling.

## **7.0 Program Income**

If properties are sold for relocation the program income will be used to reduce the next reimbursement request submitted per the City’s Action Plan. The program income will be allocated back to the funding source based on the amount contributed per funding source. For example, if the North Dakota State Water Commission provides 75% and CDBG-NDR provides 25%, 75% of the program income will go to the North Dakota State Water Commission and 25% to CDBG-NDR.



## **8.0 Term of Involuntary Acquisition Program**

This Involuntary Acquisition Program is intended to begin July 1, 2018 and terminate once all properties with structures identified as meeting criteria of this program have been acquired and/or brought into compliance with the city's codes and law.

## **9.0 Fair Housing Laws**

Title VI of the Civil Rights Act of 1964 and Title VIII of the Civil Rights Act of 1968 set forth the policy of the United States to provide, within constitutional limitations, for fair housing throughout the United States. These Acts and Executive Order 11063 make discriminatory practices in the purchase and rental of residential units illegal if based on race, color, religion, sex, or national origin.

Whenever possible, a minority person shall be given reasonable opportunity to relocate to a DSS replacement dwelling which is not located in an area of minority concentration that is within their financial means. This policy does not require the City to provide a displaced person with a larger payment than is necessary to enable the person to relocate to a comparable replacement dwelling.



## **Attachment A: City's Appeal Process- Acquisitions**

The City will make every attempt to accurately appraise the current fair market value of properties necessary for the construction, operation and maintenance of the flood protection project. If, after the presentation of the offer, the property owner believes the offer price is incorrect, the property owner can present additional information directly relating to the fair market value of the property before the offer expiration date. See Section 2.0 Offer Expiration

Property owner(s) may present information which the property owner deems relevant in support of the property owner's appeal or counter offer. The information submitted by the property owner must include, at a minimum, the basis for the appeal or counteroffer and shall include factual information, appraisals and any other data to support the reason for the appeal or counter offer to increase the offer price. If the property owner does not furnish materials by the offer expiration date, the process will go forward without an appeal. The City may grant an extension if the property owner provides justification of any extenuating circumstance(s).

The information presented shall initially be reviewed by the City's acquisition staff. The City will make a reasonable and diligent attempt to acquire the property by negotiation. If the property owner's information is found to be reasonable and well supported, the acquisition staff, upon approval of John Zakian, NDR Program Manager, or his designee, may authorize a revised offer. Alternatively, the acquisition staff may refer the property owner's information to an appeals panel which will be composed of two members of the Minot City Council and three individuals knowledgeable of Minot real estate values. All members of the panel shall be appointed by the Mayor. Any information submitted by the property owner will be presented to the panel. Notice of a decision by the appeal board will be mailed to the property owner and provided to the designated acquisition agent within five (5) days of the board hearing. Any counter-offer or decision of the appeal panel or acquisition staff shall remain available to the property owner for not less than fourteen (14) days after which it shall be deemed to be withdrawn.

The Seller may contact the City of Minot if they wish to discuss filing an appeal.

Contact Person:	John Zakian, NDR Program Manager
Address:	P.O. Box 5006 Minot, ND 58702-5006
Telephone:	(701) 857-4784

Written appeals shall be considered regardless of form. A written appeal must be submitted to:  
Contact Person: Same as above



## **Attachment B: Uniform Relocation Appeals—Flood Protection Acquisitions**

The City of Minot will promptly review appeals in accordance with the requirements of applicable law and 49 CFR § 24.10 of the Uniform Relocation Assistance and Real Property Acquisition Policies Act (Uniform Act or URA) regulations.

Any person who has been displaced for a federally-assisted project may file a written appeal with the City of Minot if the person believes that the City of Minot failed to properly consider their application for assistance under the Uniform Act.

Relocation assistance issues that may be appealed include, but are not limited to, a person's eligibility for a relocation payment or the amount of a relocation payment provided. Relocation payments include payment for moving, replacement housing or commercial re-establishment expenses.

A person has the right to be represented by legal counsel or other representative in connection with his or her appeal, but solely at the person's own expense. The City of Minot shall permit the person to inspect and copy all materials pertinent to his or her appeal, except materials which are classified as confidential. The imposition of reasonable conditions on the person's right to inspect will be set consistent with applicable laws.

The time limit for filing an appeal is thirty (30) days after the person receives written notification of the City of Minot's determination of the person's eligibility for assistance or the amount of assistance claimed.

A displaced person may contact the City of Minot if they wish to discuss filing an appeal. Written appeals shall be considered regardless of form. A written appeal must be submitted to:

Contact Person:	John Zakian, NDR Program Manager
Address:	P.O. Box 5006 Minot, ND 58702-5006
Telephone:	(701) 857-4784

The City of Minot will respond to the appellant within fifteen (15) calendar days of receipt of the appeal to acknowledge receipt of the appeal, to provide an opportunity to the person to submit additional information and to inform the person when they can expect a decision.



In deciding an appeal, the City of Minot will consider pertinent justification and material submitted by the person to ensure a fair and full review of the appeal. The City of Minot shall make a written determination on the appeal, including an explanation of the basis on which the decision was made, and provide a copy to the person within 45 days after receipt of all information submitted by the person in support of the appeal.

The City of Minot's response shall include, but need not be limited to:

- The determination on review of the appeal;
- The factual and legal basis upon which the decision is based, including any pertinent explanation;
- If any payment or other relief to the person is required to be made, the amount and manner of payment should be outlined in the response to the individual along with a statement of the person's right to seek the assistance in the event such relief is not provided within 45 days;
- If the full relief requested is not granted a statement of the person's right to seek a judicial review; and
- The appeal panel will consist of an Alderman and two members appointed by the Mayor. Additionally, a non-voting URA specialist shall be available to the committee for consultation on case specifics.

### **Request for Additional Time**

On a case by case basis, the City will grant a person additional time needed to gather information and prepare for a written appeal or request a review by the City. The person will need to provide the city justification as to why additional time is needed.

### **Tracking**

The City will develop a tracking system to ensure all deadlines are met when an appeal is file.

### **Contact Person**

If you have questions about your relocation or need additional information or assistance, please contact:

Minot Disaster Recovery Services Office  
1600 2<sup>nd</sup> Ave SW, Suite 27  
Minot, ND 58701  
(701) 837-991

## Attachment C: Manufactured Home Policies

### 1.0 Program Overview

In North Dakota, manufactured homes and recreational vehicles are considered as personal property and will be relocated as personal property, unless they have been classified as real property under North Dakota Century Code, (NDCC), 47-10-27.

A manufactured home classified as real property will be appraised and acquired under the acquisition process. The occupants will be eligible for the same moving and replacement housing benefits as occupants of other residential dwellings. The policies and procedures in this section refer to manufactured homes which are classified as personal property.

Advance relocation planning is required by the Uniform Relocation Assistance and Real Property Acquisition Policies Act, 49 CFR Part 24, (URA or Uniform Act) for Federally-assisted programs or projects in such a manner that recognizes the problems associated with the displacement of individuals, families and businesses and develops solutions to minimize the adverse impacts of displacement. In the case of a manufactured home park, the City will determine if there are an adequate number of spaces and/or replacement manufactured homes available in the market. In instances where the availability of replacement spaces or replacement manufactured homes is questionable, the City may consider housing alternatives to provide for replacement dwellings.

When a partial acquisition of a manufactured home park would leave the remainder in a condition such that the continued operation of the park is unfeasible, and the City determines that the manufactured homes located on the remainder of the property must be relocated as a direct result of the project, the owner and any tenants shall be considered as displaced persons and eligible for relocation assistance and payments.

A recreational vehicle (RV) located within the proposed project that is functioning as a permanent dwelling will be reviewed on a case by case basis to establish relocation eligibility and replacement potential. If classified as a dwelling on real property to be acquired, the occupants will be entitled to the same moving and replacement dwelling benefits as occupants of other residential dwellings. If classified as personal property it will be relocated as personal property.

- An RV on a parcel located in a manufactured home or RV park serving as a primary residence, may or may not be self-propelled. The unit may no longer run or may have to be towed, but still provides a URA compliant DSS dwelling.
- An RV at a residential property with utility hook ups, providing the equivalent of “mother-in-law” living quarters for a permanent residence, or
- Any situation where the occupant(s) of an RV are living in the unit on a full-time basis and the unit meets the URA DSS standard.



## **2.0 Initial Contact**

At the time of initial contact with a displaced person of a manufactured home, documentation will be collected and completed in accordance to the Manufactured Home SOPs.

A determination on the feasibility of moving the manufactured home, and a determination of whether the manufactured home meets DSS standards before the manufactured home is moved will be conducted.

## **3.0 Moving Payments**

Owner-occupants of manufactured homes are eligible for actual moving expenses for moving their manufactured homes and personal property. An itemized receipt/invoice must be provided for reimbursement.

The following rules apply to actual moving expenses:

- Reimbursement of actual costs for meals, lodging and transportation are eligible when determined to be reasonable and necessary because of the move.
- Reimbursement of utility service charges and any license or permit fees are eligible when required because of the move.
- If a manufactured home requires repairs and/or modifications so it can be moved or made to meet the DSS standard, such repairs are reimbursable as a moving expense when the City determines it is economically feasible to relocate the manufactured home. For example, if the deck is the incorrect height it will be repaired or replaced with a comparable deck.
- Reimbursement of a non-refundable manufactured home park entrance fee is eligible to the extent it does not exceed the fee at a comparable manufactured home park or to the extent the payment is necessary to effect relocation.

Actual expenses for moving a manufactured home shall include the cost of unblocking, disconnecting, crating, loading, insuring, moving, re-blocking, reinstalling and reassembling any personal property and attached appurtenances which includes expanding rooms, “pop-outs”, porches, decks, awnings, skirting, steps and anchoring the unit if required.

If an owner-occupant of a manufactured home sells or trades-in the manufactured home, the owner is eligible only for a payment for moving the personal property from the manufactured home. This payment will be based on the actual moving costs in accordance with Moving and Related Expenses: URA Section 24.301, or a self-move in accordance with the Fixed Rate Residential Moving Cost Schedule, URA Section 24.302.





Tenant-occupants of manufactured homes are eligible for their moving expenses in accordance with Moving and Related Expenses: URA Sections 24.301 or 24.302, as though they were occupying a conventional dwelling.

Non-occupying owners of manufactured homes are eligible for their moving expenses in accordance with Actual Expense provisions in Moving Payments-Businesses, Farms and Non-Profit Organizations, under URA Section 24.301.

The City will provide direct payment to a vendor hired by a manufactured home owner, including payment to a manufactured home transporter. It may be used by either owners or owner/occupants of manufactured homes, and is used with the actual expense move of the manufactured home.

In conjunction with paragraphs above, skirting, awnings and other appurtenances which are moved with the manufactured home are considered as re-installation of personal property and charged as a moving expense. If the skirting and awnings cannot be moved without substantial damage or unreasonable costs, or a manufactured home does not have skirting and awning but park regulations require same, costs for them will become a replacement housing payment.

#### **4.0 Replacement Housing**

To establish eligibility for replacement housing payments, the following general rules shall apply:

- The ownership or tenancy of the manufactured home will determine the occupant's status as an owner or a tenant.
- The length of ownership and occupancy of the manufactured home on the manufactured home site or park will determine the occupant's status as a 90-day owner or tenant.
- The manufactured home must be occupied on the same site for the required 90 days to make the occupant eligible for the appropriate payment limitations of \$7,200 or \$31,000, or the limitations provided by Replacement Housing of Last Resort, URA Section 24.404; as amended by MAP-21.

After the displaced person's status is determined, the replacement housing payment is computed in two parts.

- The replacement housing or rent supplement payment for the manufactured home is computed in accordance with those procedures outlined in Replacement Housing, URA Subpart F: Manufactured Homes.
- The replacement housing or rent supplement payment for the manufactured home site will also be computed in accordance with those procedures outlined in Replacement Housing, URA Subpart F: Manufactured Homes





- The sum of the two parts computed above cannot exceed the maximum limitation of the \$7,200 or \$31,000, or the limitations provided by Replacement Housing of Last Resort, URA Section 24.404; as amended by MAP-21.

The following shall be used as a guide for determining eligibility for replacement housing payments.

- Owner-Occupants over 90-Days:
  - Acquisition of Manufactured Home and Site: Eligible for purchase supplement for a manufactured home and site or rental supplement for a manufactured home and site.
  - Acquisition of Manufactured Home Only, Owner-Occupant Rents Site: Eligible for purchase supplement on a manufactured home or rental supplement for a manufactured home, plus rental supplement or down payment on a site.
  - Acquisition of Site Only, Manufactured Home Moved: Eligible for purchase supplement on a site or a rental supplement on a site.
  - Acquisition of Rented Site Only, Manufactured Home Moved: Eligible for a rental supplement or down-payment on a site.
- Tenant Occupants over 90-Days:
  - Acquisition of Manufactured Home and Site: Eligible for rental supplement or down-payment on a manufactured home and site.
  - Acquisition of Manufactured Home Only, Owner-Occupant Rents Site: Eligible for rental supplement or down-payment on a manufactured home plus a down-payment or rental supplement on a site.
  - Acquisition of Site Only, Manufactured Home Moved: Eligible for a rental supplement or down-payment on a site.
  - Acquisition of Rented Site Only, Manufactured Home Moved: Eligible for a rental supplement, or a down-payment on a site or a replacement dwelling.
- Since a manufactured home is classified as personal property under North Dakota law, the displaced owner-occupants may be entitled to a replacement housing payment for the manufactured home, only in the following instances:
  - The manufactured home does not meet DSS standards, or
  - The structural condition of the manufactured home prevents it from being moved without substantial damage or unreasonable costs, or
  - The manufactured home does not meet comparable manufactured home park requirements.
  - The manufactured home does not meet the cost benefit analysis conducted by the City in accordance with the Manufactured Home SOP.

If one of the conditions above exists, and it is not economically feasible to correct the condition, the replacement housing payment will be the lesser of the following:

- Purchase price of a comparable manufactured home less the trade-in value for their present manufactured home, or





- Purchase price of a comparable manufactured home presently set up in a park less the salvage value of their present manufactured home.

The trade-in value above will be determined by the most current edition of the National Auto manufactured Dealers Association, (NADA), Guide for Manufactured and Manufactured Homes, or a value established by a licensed manufactured or manufactured home dealer in the Minot area. The trade-in value will be deducted from the cost of the replacement manufactured home.

The salvage value above will be determined by the most current edition of the National Auto manufactured Dealers Association, (NADA), Guide for Manufactured and Manufactured Homes, or a value established by a licensed manufactured or manufactured home dealer in the Minot area. The salvage value will be used only when the manufactured home cannot be traded in because of its condition. The salvage value will be paid directly to the displaced person unless otherwise requested.

In addition to the purchase option mentioned above, the displaced person may also be eligible for a rental supplement based on the difference between their present rent and the space rent at an available park.

An owner-occupant may also be eligible for a replacement housing payment if the manufactured home does not meet comparable manufactured home park entrance requirements. The amount of replacement housing payment will be determined by using the “trade-in value”, as discussed above or the cost to rehabilitate the existing manufactured home, whichever is less.

The total replacement housing payment shall not exceed the maximum payment, either \$31,000 or \$7,200, or the limitations provided by Replacement Housing of Last Resort, URA Section 24.404; as amended by MAP-21.

## **5.0 Procurement of Contractors**

Manufactured homeowners are required to provide a minimum of two quotes from contractors to perform the work identified by the City of Minot. However, if a homeowner is unable to locate two qualified contractors, one quote is acceptable under 49 CFR 24.301 d. 2 (i) “the lower of two bids or estimates prepared by a commercial mover or qualified Agency staff person. At the Agency's discretion, payment for a low cost or uncomplicated move may be based on a single bid or estimate.” The contractor chosen must be licensed and insured.

If the quotes are within 10% of one another, the owner may choose either one. If the quotes are not within 10% and the property owner wishes to choose the higher quote, the owner must pay the difference.





The program by federal law cannot pay for upgrades. The program will only pay to repair or replace what was damaged by the move. The property owner can pay the difference of any item that is considered an upgrade.





## **Attachment D: Optional Relocation Policy #1**

### **1.0 Temporary Relocation Policy**

The majority of the manufactured homes that were purchased after 2011 were new manufactured homes that were required to be placed on piers. Therefore, the City of Minot will require all manufactured homes that are relocated as a result of acquisition activities regardless of age to be placed on piers. For manufactured homes that were relocated prior to this policy that were not placed on piers, the homeowners shall have the option of having their homes placed on piers.

### **2.0 Authority and Purpose**

The City of Minot has chosen to provide relocation assistance to persons displaced from their manufactured homes because of the home being placed on piers. This relocation assistance is beyond the scope of assistance required by the federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1894; 42 U.S.C. 4601 et seq.; Pub. L 91-64) as amended by the Uniform Relocation Act Amendments of 1987 (Title IV of Public Law 100-17). This policy is intended to meet the requirements of the Community Development Block Grant (CDBG) regulations, 24 CFR 570.606 (d) (Optional Relocation Assistance).

### **3.0 Scope and Applicability**

This policy provides for certain types of relocation assistance to manufactured home residents whose homes are being placed on piers which are funded under the Homeowner Acquisition and Buyout Program provided by the City of Minot. This assistance can be provided from Community Development Block Grant Disaster Recovery funds and is a voluntary extension of relocation assistance beyond the requirements of the Uniform Relocation Act to serve the needs of the citizens of Minot.

### **4.0 Services Provided**

- **Hotel/Motel Assistance:** The city will choose the hotel/motel for the household members to stay in while the home is being placed on piers. The city will pay the hotel directly for cost incurred.
- **Meals:** The city will pay \$30 a day for each household member while the household members are residing in the hotel. Household members are defined as those individuals identified on the questionnaire completed at the initial intake appointment. The city will reimburse the homeowners directly.





- **Moving Expenses:** For those individuals who will have to miss work to secure personal items prior to the move, the city will pay up to 8 hours of wages missed. The individual will be responsible for providing a recent pay stub with the hourly rate before the city will directly reimburse the homeowner. For those individuals that are unable to work, the city will pay for a mover to secure personal items. The individual must provide the city with 2 quotes before hiring the mover. The city will pay the mover directly after services are rendered.





## **Attachment E: Optional Relocation Policy #2**

### **1.0 Upside Down Mortgage**

City of Minot policy is to minimize impact of displacement due to relocation associated with the historic Souris river flood.

### **2.0 Introduction**

Because of the 2011 flood and today's real estate market, the City of Minot is faced with the challenge of displacing homeowner-occupants who hold negative equity in what is commonly referred to as "upside-down" mortgages, where the fair market value of the property (just compensation) is less than the outstanding debt (the mortgage). In these circumstances, a negotiated administrative settlement to acquire the property for a federally-assisted project may eliminate the Replacement Housing Payment (RHP) otherwise available to assist in relocating to a replacement dwelling. Since the need to satisfy the mortgage balance arises as a direct result of the City's property acquisition for Title 23 U.S.C. eligible projects, depriving the displaced homeowner occupant of a RHP would make his or her situation worse than before displacement. In other words, if not for displacement caused by the project, the homeowner-occupant could remain in the property and make needed mortgage payments until real property value recovers to eliminate negative equity.

### **3.0 Authority and Purpose**

Under the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Uniform Act), persons displaced by a federal financially-assisted project are entitled to specified benefits designed to minimize the hardship caused when they are forced to relocate to accommodate a public improvement project. One such benefit is the Replacement Housing Payment provided to homeowner-occupants to help bridge the gap between the just compensation they are constitutionally entitled to receive for the acquisition of their property and the additional costs they may incur to obtain a comparable replacement property. In describing one of the fundamental objectives of the Uniform Act, the legislative history makes clear that a displaced homeowner should not be left economically worse off than he or she was before displacement, and should be able to relocate to a comparable dwelling that is decent, safe, and sanitary -- that sentiment is codified in Title 42 of the United States Code (U.S.C.) § 4621. Specific authority is Federal Register vol 78, No. 43, page 14343, item 19(g) waiver, and 24 CFR 570.606(d).

### **4.0 Scope and Applicability**





This policy provides for certain types of relocation assistance to upside-down homeowners whose homes are being bought out under the Homeowner Acquisition and Buyout Program provided by the City of Minot. This assistance can be provided from Community Development Block Grant funds and is a voluntary extension of relocation assistance beyond the requirements of the Uniform Relocation Act to serve the needs of the citizens of Minot. The provisions of this policy for property owners with “upside down” mortgages shall be affected upon approval of the City Council and shall apply to all properties not already purchased with CDBG-DR and CDBG-NDR grant monies (Completed acquisitions where the city owns the property as of policy approval date shall not be reconsidered).

It is not the intent of this optional relocation policy to unduly reward property owners for loans secured against the property with the intent to increase the purchase price of the displacement property. Generally speaking, the loans secured against the property need to be encumbered at least 90 days prior to initiation of negotiations. Loans secured after the 2011 flood against the property to be purchased by the City of Minot need to be for the purchase, refinancing, and/or improvements to the property, or other flood recovery purpose. Loans secured against the property prior to 2011 flood are not restricted on the uses of the loan proceeds.

## **5.0 Services Provided**

In situations where displaced homeowner-occupants have negative equity in the property being acquired, the City will use the appraisal based on the just compensation amount in the original offer to acquire, even though the final just compensation amount may have been increased through an administrative settlement that takes into account the amount by which the mortgage/lien balance exceeds the fair market value of the property. Homeowners who are not in foreclosure on their mortgages and are upside down will be eligible for a RHP calculated in this manner under this policy.

### ***Examples***

1) An owner owes \$200,000 on the mortgage for a home purchased 3 years ago<sup>1</sup>. The real estate market has rapidly declined over the last several months. The City of Minot needs the property for the flood control project, appraises the property and presents the owner a written offer in the amount of \$150,000. The City of Minot finds a comparable replacement dwelling on the market for \$170,000 because of the market decline. The price differential payment eligibility is \$20,000. The owner and the City of Minot agree to a settlement of \$200,000 for the purchase of the property. Normally the \$20,000 price differential eligibility is zeroed, per the regulations, because the appropriately justified \$50,000 administrative settlement exceeds the price differential eligibility. However, this waiver allows the City of Minot to pay \$200,000 to the





owner to acquire the property and allows the owner to retain the \$20,000 RHP as a down payment on the comparable, provided the remaining requirements of 49 CFR Part 24 are met.

\$170,000 (Comparable Replacement Dwelling)	\$200,000 (Agreement Amount)
- \$150,000 ( <i>Just Compensation Offer</i> )	- \$150,000 ( <i>Just Compensation Offer</i> )
\$ 20,000 (RHP Eligibility)	\$ 50,000 (Increase-Administrative Settlement)
Normal RHP Payment Determination	Waiver RHP Payment Determination
\$50,000 (Increase-Administrative Settlement) is greater than the \$20,000 (RHP Eligibility) resulting in a \$0 RHP Payment.	\$50,000 (Increase-Administrative Settlement) is greater than the \$20,000 (RHP Eligibility) so the waiver allows a \$20,000 RHP Payment.

2) An owner owes \$300,000 on the mortgage for a home purchased 2 years ago<sup>1</sup>. The real estate market has rapidly declined over the last several months. The City of Minot needs the property for the flood control project, appraises the property and presents the owner a written offer in the amount of \$225,000. The City of Minot finds a comparable replacement dwelling on the market for \$260,000 because of the market decline. The price differential payment eligibility is \$35,000. Because a comparable replacement dwelling is not available within the specified limits of 49 CFR 24.401, the comparable is made available under Housing of Last Resort. The owner and City of Minot agree to a settlement of \$300,000 for the purchase of the property. Normally the \$35,000 price differential eligibility is zeroed, per the regulations, because the appropriately justified \$75,000 administrative settlement exceeds the price differential eligibility. However, this waiver allows the City of Minot to pay \$300,000 to the owner to acquire the property and allows the owner to retain the \$35,000 RHP as a down payment on the comparable, provided the remaining requirements of 49 CFR Part 24 are met.



<b>\$260,000 (Comparable Replacement Dwelling)</b>	<b>\$300,000 (Agreement Amount)</b>
<b>-\$225,000 (Just Compensation Offer)</b>	<b>-\$225,000 (Just Compensation Offer)</b>
<b>\$ 35,000 (RHP Eligibility)</b>	<b>\$ 75,000 (Increase-Administrative Settlement)</b>
<b>Normal RHP Payment Determination</b>	<b>Waiver RHP Payment Determination</b>
<b>\$75,000 (Increase-Administrative Settlement) is greater than the \$35,000 (RHP Eligibility) resulting in a \$0 RHP Payment.</b>	<b>\$75,000 (Increase-Administrative Settlement) is greater than the \$35,000 (RHP Eligibility) so the waiver allows a \$35,000 RHP Payment.</b>

<sup>1</sup> NOTE: The original purchase price is not a factor in these calculations.



**TO:** Mayor Chuck Barney  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** April 23, 2018

**SUBJECT:** Establishing a Renaissance Zone Administrative Application Fee to cover costs

## **I. RECOMMENDED ACTION**

Establish parameters and provide guidance to city staff to establish a Renaissance Zone Administrative Application fee

## **II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Grant Program Manager & Chief Resilience Officer, 423-4528

## **III. DESCRIPTION**

### **A. Background**

Discussion was undertaken at the April 26, 2018 Renaissance Zone Board meeting regarding establishing an application fee for the Renaissance Zone application on the premise that there are costs incurred connected to every such application which should not be borne by general fund tax revenues. There are certain requirements that have to be followed with applications and projects including reviewing applications for compliance and completeness, and assessing consistency with the Zone Plan, consulting with City Assessor and receiving review on assessed value impact, preparing and processing applications for state approval, providing periodic reports to the state, monitoring projects for compliance, and once a project is complete undertaking required close out review and paper work. It is a standard for such programs as the Renaissance Zone offering incentives and benefits to have an application fee to cover the costs connected to a project review and monitoring as well as to establish a benchmark as to the viability of projects reflected in applications. It is also important to note that the Century Code permits a city to create a Renaissance Zone Corporation to manage its Renaissance Zone and to incur all costs related to the management but the city of Minot when first establishing the Zone elected not to create such a corporation. The Board unanimously approved advancing the recommendation of establishing a fee but deferring to the City Council for a final decision.

### **B. Proposed Project**

The idea presented to the Board was a fee of .0005 per cent of the project value. This means that for a project worth \$1 million, the fee would be \$500 and for a project worth \$100,000, the fee would be \$50. It is common practice to utilize either a percentage or a fixed fee. Much of the costs incurred are the same for either a \$1 million project and \$100,000 project but obviously for the size and scope of the \$1 million project more due diligence work would be required. The balance is to establish a fee which is reasonable and contributes to covering costs while not discouraging applications from being submitted. Based on the experience with the most recent application, there was 20 hours devoted to bringing the application to the City Council and it can be expected with the follow through process with

state and project monitoring to be at least another 30 hours for total hours of 50. At a blended, conservative (range of staff involved) per hour salary cost of \$40, this means the cost will be \$2,000 and this is a conservative figure. A fee of \$2,000 would not be practical. The option of a fixed fee could be utilized as well at least partially covering the costs such as in the \$500 to \$750 range.

**IV. IMPACT:**

A. Strategic Impact:

Provides resources to manage the Renaissance Zone

B. Service/Delivery Impact:

Offsets general fund costs incurred in managing the Zone

C. Fiscal Impact:

It will generate revenue to offset costs of managing Renaissance Zone

**V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

N/A

**VII. LIST OF ATTACHMENTS**

- i. Memo to Renaissance Zone Board

April 26, 2018 Renaissance Zone Board Meeting

RE: Establish an Administrative Application Fee for Zone Project Applications

BACKGROUND: It is a general principle among local governments throughout the US that costs connected to activities, projects, and programs not universally associated with general public purpose should not be funded by general purpose funds such as property taxes, sales taxes, etc. In such situations, it is a common practice to establish a reasoned, reasonable fee structure to cover costs associated with the activity, project, program, etc.

In terms of policies involving economic and housing development, it is also a related policy in support of the above principle to establish a fee structure which is balanced between not being too onerous to discourage development activity while being sufficiently reasonable to discourage applications which do not meet the principles and purposes of the program.

There are costs associated with the handling, reviewing, processing and managing Renaissance Zone projects. The Century Code allows cities in creating Renaissance Zones to establish Renaissance Zone Corporations to absorb the cost and responsibility of the Renaissance Zone. The city has elected from the outset to not create such a corporation and, rather, manage it within city operations primarily through the Planning Department.

Establishing an Administrative Application Fee would, at least, provide the ability to recover some of the costs associated with the program.

The proposal is to establish a fee of .0005 per cent. For instance, an applicant with a value of \$1,000,000 will pay a fee of \$500 or an applicant with a value of \$100,000 will pay a fee of \$50. The logic behind a sliding scale is that the higher the value, the more detailed, complicated and time consuming is the process.

RECOMMENDATION: Establish a Renaissance Zone Administrative Application Fee at the rate of .0003 per cent of the value of the investment reflected in the application effective July 1, 2018.



**RENAISSANCE FUND ORGANIZATION AUDITS**

**SEPTEMBER 28, 2017, 1:00 P.M.**

**BUDGET SECTION**

**REPRESENTATIVE LARRY BELLEW**

**RIKKI ROEHRICH – PROGRAM MANAGER, ND DEPARTMENT OF COMMERCE**

Mr. Chairman, committee members, my name is Rikki Roehrich, and I manage the Renaissance Zone program for the Department of Commerce.

I am here today to report on the status of Renaissance Fund Organizations (RFOs). Specifically, I'll give a brief overview of the current RFOs, their annual audits and a summary of the activity of the RFO credits.

The purpose of a Renaissance Fund Organization is to raise funds to be used to finance zone projects located in designated Renaissance Zones. There are currently fifty-seven cities that have a Renaissance Zone, and two cities that have terminated their zone. Of those, eight have at some point established a Renaissance Fund Organization. These cities include: Casselton, Fargo, Jamestown, Hazen, Mayville, West Fargo, Hope, and Grand Forks. The City of Fargo has had two RFOs established. Mayville, Hazen, and Hope each manage their own RFO. The other RFOs are managed by a private entity.

The annual independent financial audits from Fargo, Hope, and Hazen have not had any findings and all audits have verified that they conform to acceptable accounting practices. Mayville's independent audit is still in progress, although their preliminary financial statements do not indicate that there will be any findings. The RFO in Grand Forks has not had any activity since authorization and, therefore, has not conducted an audit. Finally, the RFOs in Casselton, Jamestown, West Fargo, and Fargo's 2<sup>nd</sup> RFO have closed out and no longer require an audit. This leads us to the activity of the credits.

Since 1999, a total of \$10.5 million in tax credits has been authorized for projects by the Legislature. To date, \$11,277,732 has been invested in RFOs, and \$5,638,866 worth of credits has been claimed. RFOs have been divided into 3 categories based on population to ensure that cities of all sizes with established Renaissance Zones have an opportunity to access the tax credits.

Table 1 on the back page reflects the total credits allowed, the amount of credits claimed, and the amount of credits currently available per category. Of the \$4,861,134 credits available, \$1.2 million has been reserved for the Grand Forks RFO, \$563,750 of credits have been reserved for use by the Fargo RFO, \$465,000 has been reserved for the Hope RFO, and \$24,500 has been reserved for the Mayville RFO. The reserved credits can be used by other RFO's if not claimed in a timely manner. Uncommitted credits can also be shifted to other categories based on demand.

Table 2 indicates the amount of credits claimed by each city.

**Table 1: RFO Tax Credit Summary**

	Total Credits Authorized	Total Credits Claimed	Total Credits Available	
			Committed Credits	Uncommitted Credits
<b>Category 1 (0- 5,000 population)</b>	\$2,135,866	\$553,866	\$489,500	\$1,092,500
<b>Category 2 (5,001 – 30,000 population)</b>	\$250,000	\$250,000	\$0	\$0
<b>Category 3 (Over 30,000 in population)</b>	\$8,114,134	\$4,835,000	\$1,763,750	\$1,515,384
<b>Totals</b>	<b>\$10,500,000</b>	<b>\$5,623,366</b>	<b>\$2,253,250</b>	<b>\$2,607,884</b>

**Table 2: Credits Claimed by City**

Category	City	Status	Total Credits Claimed
1	Casselton	Closed	\$37,500
1	Hazen	Active	\$15,500
1	Mayville	Active	\$178,150
1	Hope	Active	\$322,716
2	Jamestown	Closed	\$150,000
2	West Fargo	Closed	\$100,000
3	Fargo	1 Active, 1 Closed	\$4,835,000
	<b>Total</b>		<b>\$5,623,366</b>

Mr. Chairman and members of the committee, this concludes my report on current RFOs and the activity of the RFO credits. I would be happy to answer any questions.

## Kelly Matalka

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**From:** John Zakian  
**Sent:** Wednesday, May 23, 2018 2:08 PM  
**To:** Chuck Barney - Mayor; Mark Jantzer; shaun.sipma@outlook.com; Lisa Olson; Shannon Straight; podrygula@srt.com; Josh Wolsky  
**Cc:** Tom Barry; Kelly Matalka; David Lakefield; Kelly Hendershot  
**Subject:** Proposed Renaissance Zone Application Fee  
**Attachments:** RikkiTestimony on RFO Audits 092817.docx

Based on the discussion at the last City Council Meeting and tabling of this item, I thought it might be helpful to follow-up with additional information

- Using the experience with the recent application I processed, 30 hours were necessary to review the application, prepare all the necessary presentation to the Renaissance Zone Board and City Council, and once authorized, prepare and submit necessary forms and documentation to the state administrator for state approval. Once approval is received, it is expected there will be an additional 10 hours necessary to complete the required MOU for the project. During the project period, it can be expected that there should be periodic monitoring of the progress of the project which will likely entail another 20 hours. Once the project is completed, there will be another 30 hours required to review the documentation of completed investment and prepare the necessary forms to allow the 5 year abatement period to commence. Therefore, conservatively it can be expected that a project will involve 90 hours. At a blended estimated salary rate of all staff involved of \$45 an hour, the average application will cost more than \$4,000.
- There have been 8 Renaissance Zone Fund Organizations with some active in the past and some now active. The state program manager for the Renaissance Zone was kind enough to provide me with a copy of her most recent annual report which provides an overview of these organizations and the investments they have generated. While this can be a source of funding activity to invest in Renaissance Zones, it turns out that these organizations focus on projects and not administrative costs unless directly related to projects.
- The program manager advised me she is not aware of any of the 57 cities with Renaissance Zones having an application fee
- There is nothing in the Century Code precluding a fee from being charged
- Having had a chance to review our history from the beginning with approved applications, it turns out that about we have about 15% which only apply for the state income tax exemption (commercial tenants) which might make it somewhat difficult to determine a fee based on value.
- I appreciate some concern expressed that an application fee might discourage applications but the strongly held view within the economic development profession is that a reasoned and reasonable fee to apply for tax benefits is not an impediment to any proposed project with the financial wherewithal to carry out the proposed project and it is widely understood that an application fee is not an unreasonable requirement in order to secure a tax benefit.
- Based on the above and the previous discussion, it is unreasonable, unfortunately, to establish a fee which reasonably covers the average cost but it would not be unreasonable to establish a fee in the range of \$600 to \$900. Based on the complete history of Renaissance Zone applications, the average investment has been between \$100,000 and \$125,000 and a fee in this range should not prove to be any impediment. Establishing a fee in this range will at least allow us to begin to cover a reasonable portion of the cost.

I hope this information is helpful.

John

John R. Zakian

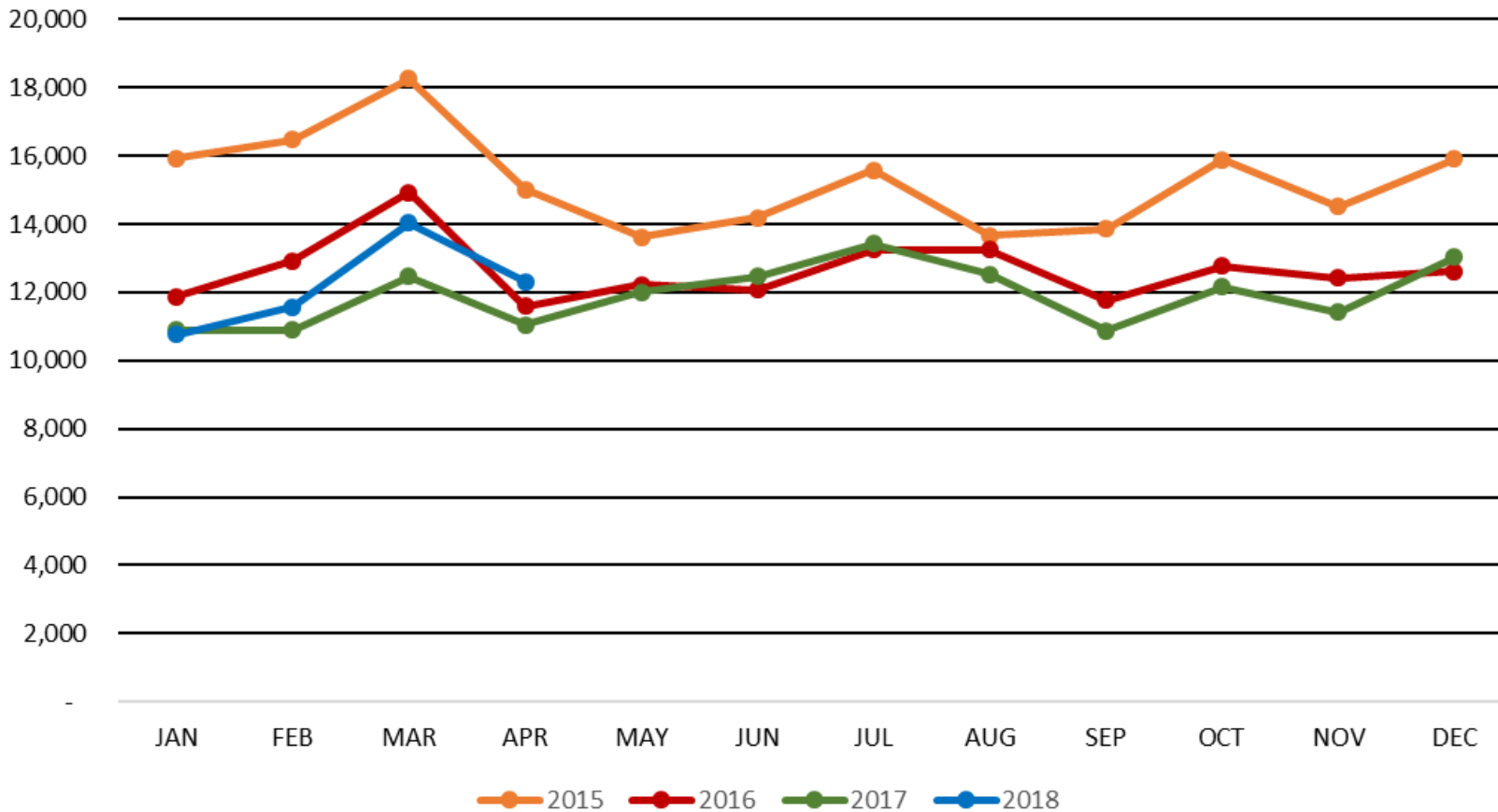
# MINOT (MOT) COMMITTEE OF THE WHOLE

Airport Director's Report  
29 May 2018



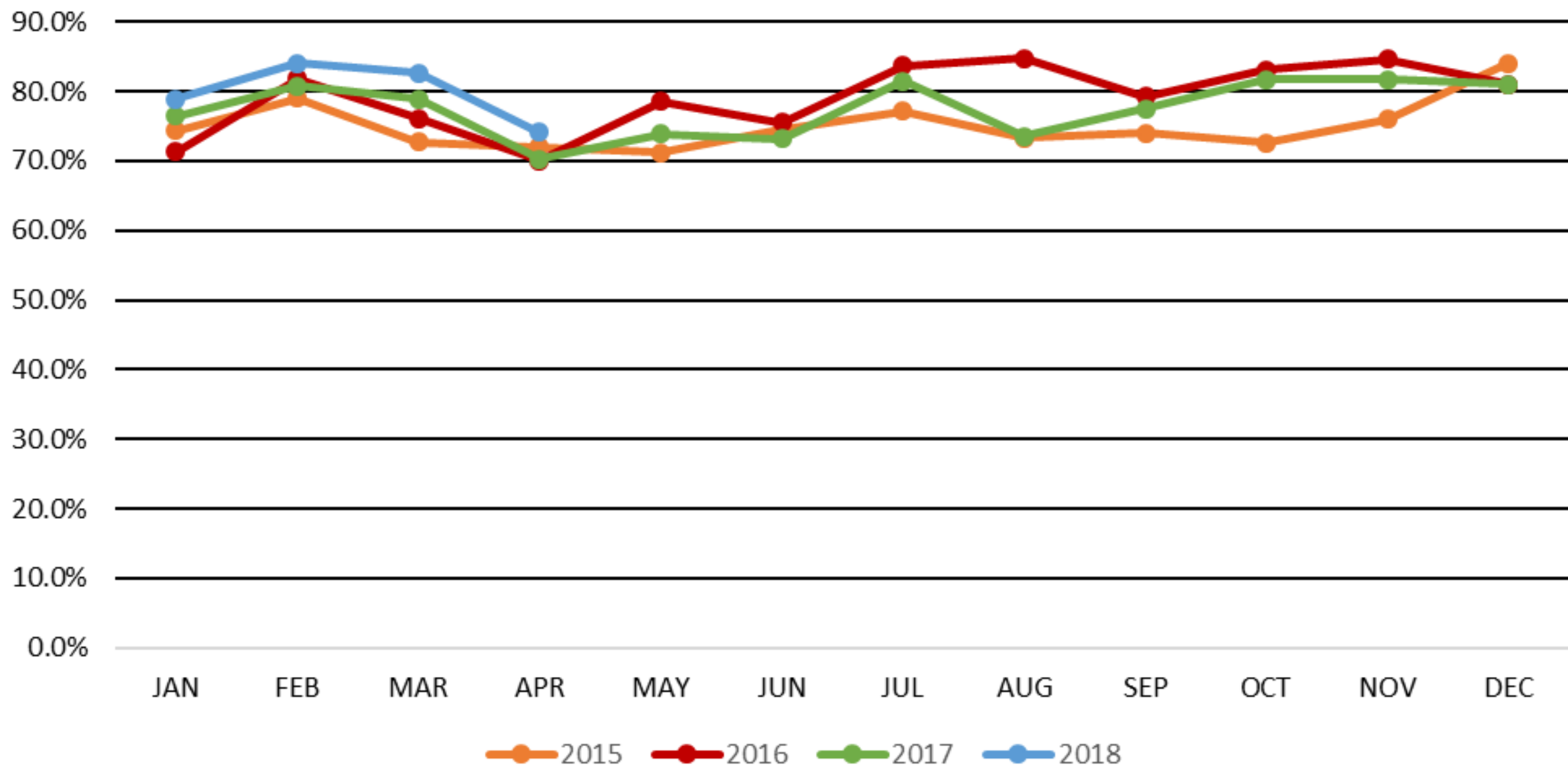
# ENPLANEMENTS

## Revenue Enplaned Passengers



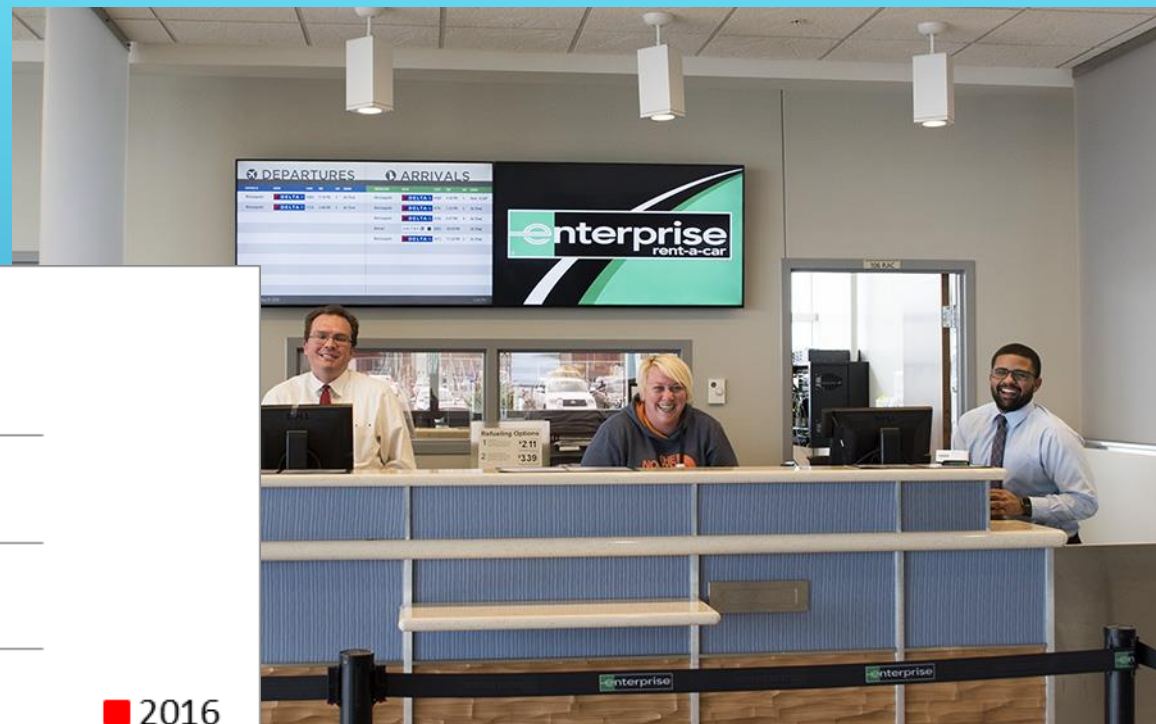
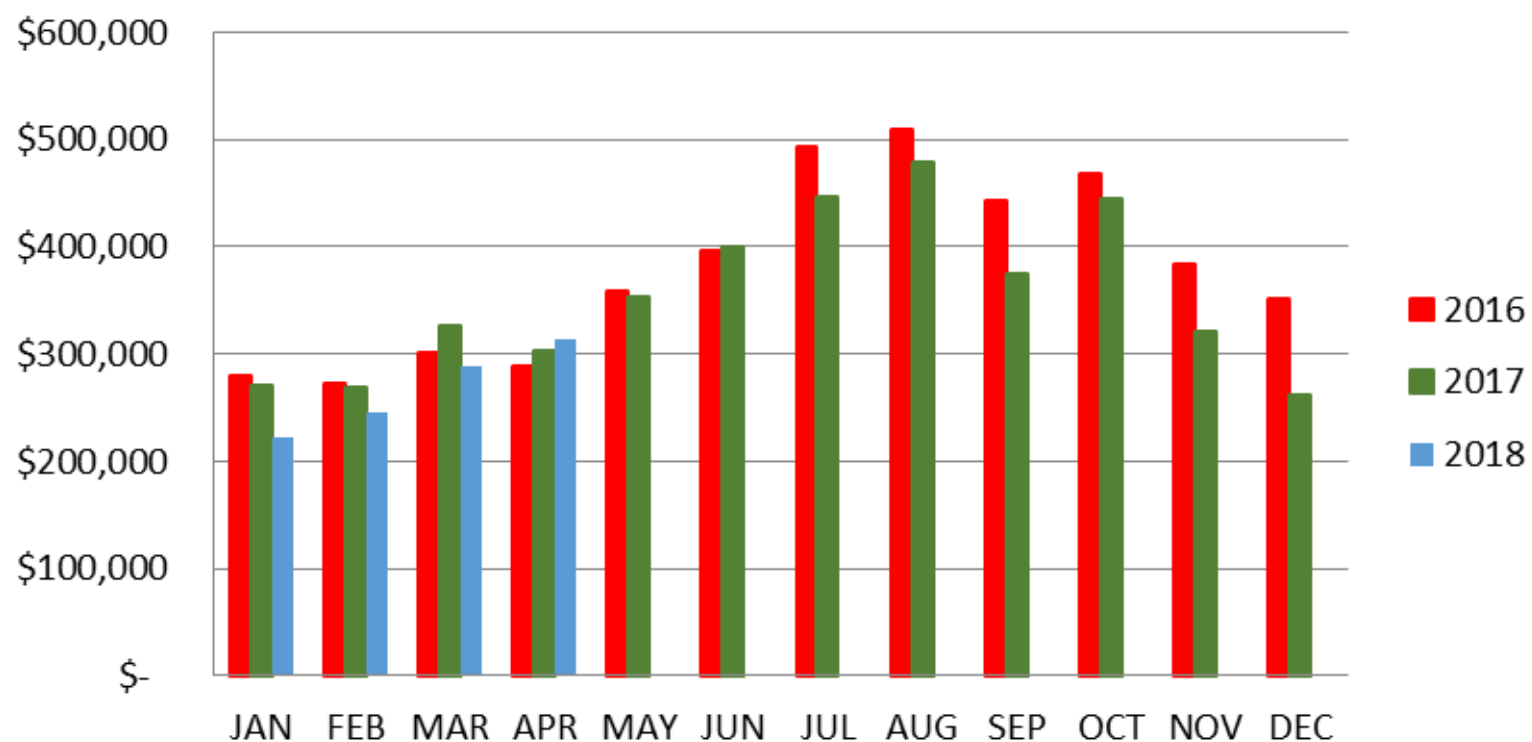
DEPARTURES					
DEPARTING TO	AIRLINE	FLT	TIME	GATE	REMARK
Minneapolis	DELTA	3889	11:01 AM	5	On Time
Houston	UNITED	2301	12:00 PM	3	On Time
Phoenix-Mesa	allegiant	181	1:00 PM	2	On Time
Denver	UNITED	5185	1:20 PM	3	On Time
Minneapolis	DELTA	4440	1:21 PM	5	On Time
Minneapolis	DELTA	4439	5:15 PM	5	On Time
Minneapolis	DELTA	3551	7:35 PM	5	On Time
Las Vegas	allegiant	447	7:50 PM	2	On Time

# Monthly Load Factor (%)

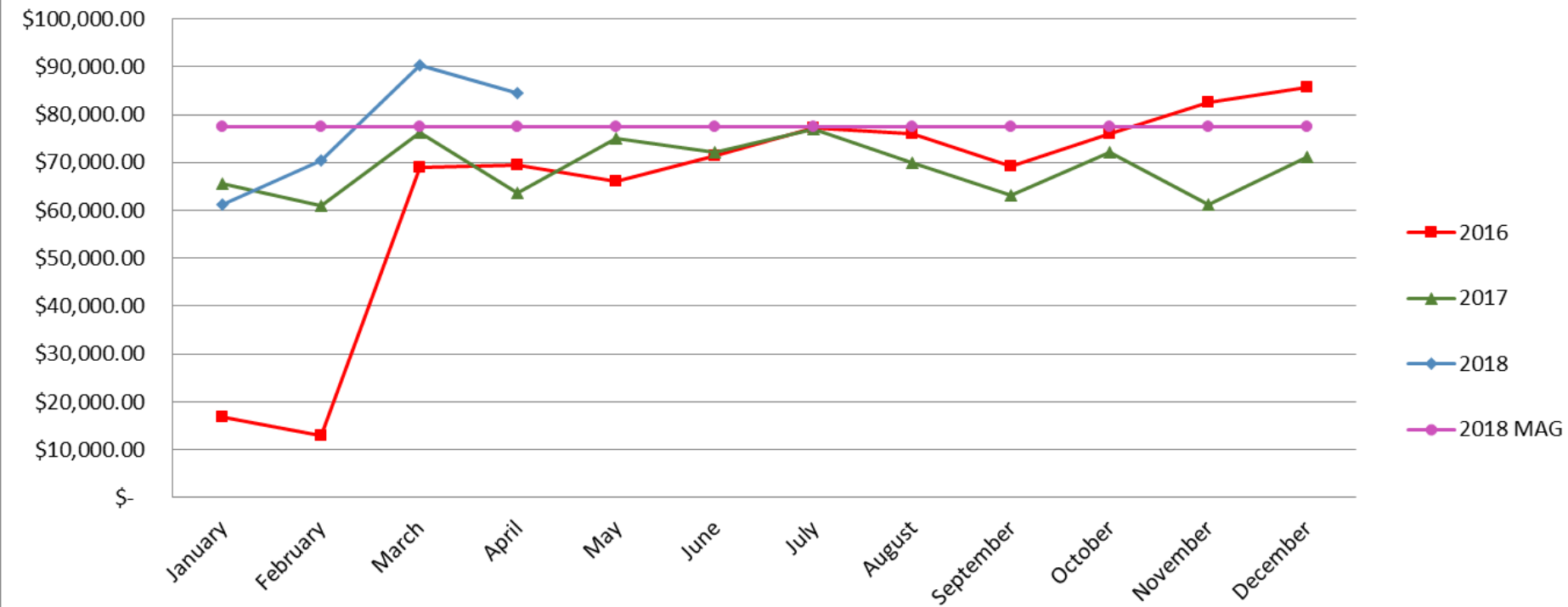


# RENTAL CAR ACTIVITY

## Car Rental

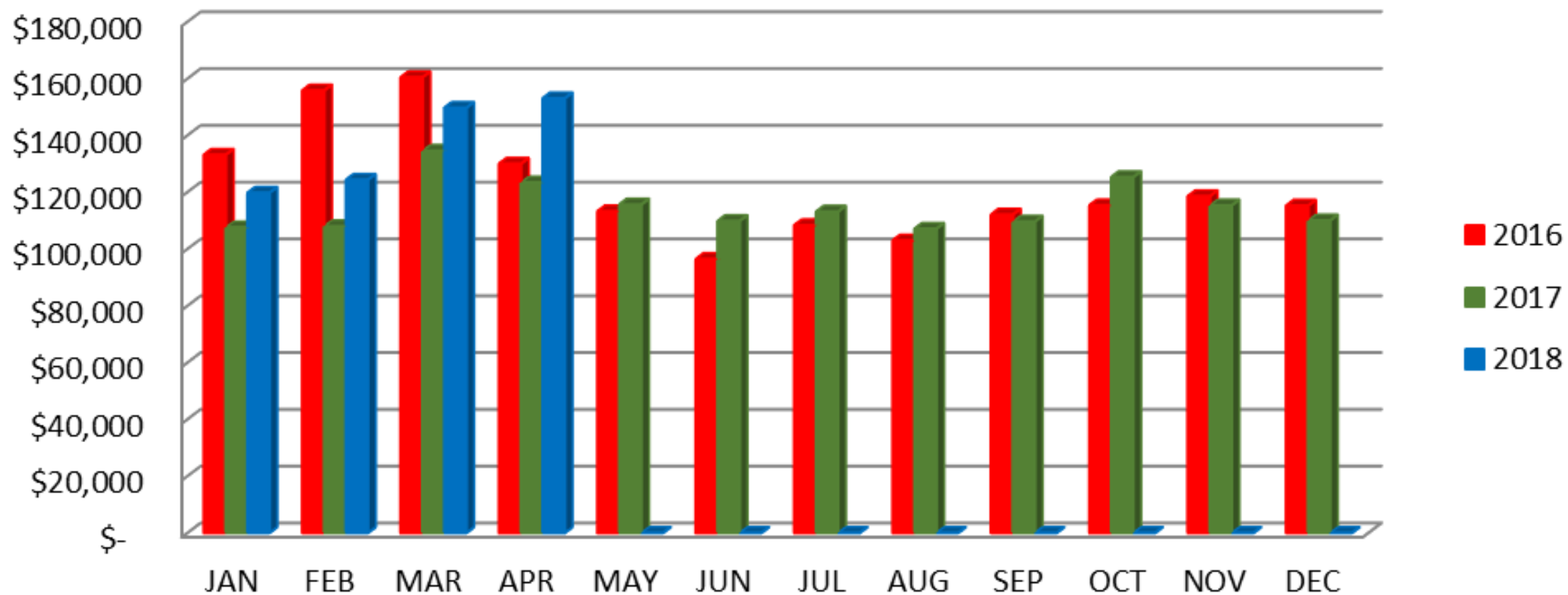


## Gross Sales



CONCESSION ACTIVITY

## Parking Revenue



QUESTIONS?

