

**FINANCE AND IMPROVEMENTS COMMITTEE**

Tuesday, November 29, 2016 – 4:15 p.m.

City Council Chambers

A g e n d a

1. [Final Payments](#)
2. [Amendment No. 6 to Agreement between City of Minot and Program Administrator – CDM Smith – Community Development Block Grant Disaster Recovery Funds – PL 113-2](#)
3. [Minot Area Development Corporation Contract Renewal](#)
4. [Optional Relocation Policy #2](#)
5. [Property Tax 2014 Abatement Applications by Townhomes at Stonebridge, LLC](#)
6. [Inspector for the June 13, 2017 Special City Election](#)
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# FINANCE AND IMPROVEMENTS COMMITTEE

November 29, 2016

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MEMO TO: Finance and Improvements Committee  
FROM: City Clerk's Office  
RE: Agenda for Tuesday, November 29, 2016 - 4:15 p.m.

## 1. Final Payments

It is recommended the Committee and Council approve the following requests for final payment:

- a. [Fire Safety USA](#) in the amount of \$269,255.71 for delivery of a fire engine and quint truck
- b. [Keller Paving and Landscaping, Inc.](#) in the amount of \$31,119.01 for 2016 Street Patching Project (4184)
- c. [Bechtold Paving, Inc.](#) in the amount of \$112,005.07 for 2016 Sidewalk, Curb and Gutter Project (4166)
- d. [D.L. Barkie](#) in the amount of \$3,174.93 for the Nuisance Abatement Project (4198)
- e. [Dig It Up Backhoe Service](#) in the amount of \$9,467.01 for Paving District 495 (4082)
- f. [Bechtold Paving, Inc.](#) in the amount of \$518,940.14 for the Sertoma Complex Parking Lot and Paving Improvements (4142)
- g. [Post Construction, Inc.](#) in the amount of \$185,612.23 for 2016 Water Main Replacement (4162)
- h. [Main Electric Construction, Inc.](#) in the amount of \$785.00 for the Library's Boiler Room Pump (LIB027)
- i. [Prairie Scale System](#) in the amount of \$99,870 for the new scales and scale house for the Landfill (4205)
- j. [Level Up Builders](#) in the amount of \$2,197.50 for the new scales and scale house for the Landfill (4205)

## 2. Amendment No. 6 to Agreement between City of Minot and Program Administrator – CDM Smith – Community Development Block Grant Disaster Recovery Funds – PL 113-2

The City of Minot entered into an agreement with CDM Smith on May 6, 2013 for administrative support services for administration of the City's Community Development Block Grant – Disaster Recovery grant under PL 113-2. The current contract for the administrative services ended October 29, 2016.

The [amendment](#) for City Council's consideration extends the contract to December 31, 2017 and provides for additional compensation to CDM Smith in the amount of \$1,870,000. The scope of the services are as follows:

- Task 1 Project Management, Admin, QPR
- Task 2 Acquisition/Buyout/Relocation (complete 29 ongoing properties)
- Task 3 Acquisition/Buyout/Relocation (additional 45 properties)
- Task 4 Demolition Services (complete 43 demolitions)
- Task 5 Demolition Services (additional demo of 45 properties)

The services are being provided at the rate negotiated with CDM Smith in 2013, which is a blended rate of \$125 per hour, plus additional costs for subcontractors. The subcontractors provide legal services, relocation services, and demolition services.

The amendment provides for an additional 7,360 person-hours plus the subcontractors.

Staff is requesting the approval to be retroactive to October 30, 2016.

It is recommended the Committee and Council approve Amendment No. 6 to the agreement between City of Minot and Program Administrator – CDM Smith Community Development Block Grant Disaster Recovery Funds – PL 113-2, effective October 30, 2016 and authorize the Mayor to sign the necessary documents.

## 3. Minot Area Development Corporation Contract Renewal

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The Minot Area Development Corporation's contract with the City expires on December 31, 2016.

The [contract](#) for consideration continues to provide \$345,000 for marketing and \$20,000 for business expansion. The term of the contract is two years.

It is recommended the Committee and Council approve the Contract between the Minot Area Development Corporation and the City of Minot and further authorize the Mayor to sign the contract.

### **4. Optional Relocation Policy #2**

A [second optional relocation policy](#) was created to further support upcoming relocations associated with the HUD National Disaster Resilience (NDR) grant project of removing citizens from harm's way.

This policy prescribes use of a waiver in Federal Register (78, #43, page 14343, 19g) to requirements in 24 CFR 570.606(d), which enable the City to assist homeowner-residents who are "upside down" on their mortgages. Essentially, the City can authorize a greater administrative settlement when the appraised value is below the mortgage payoff amount, and not jeopardize the owner-occupant's ability to receive a replacement housing payment for assistance purchasing another property to occupy.

It is recommended the Committee and City Council approve the City of Minot Optional Relocation Policy #2, and further authorize the (Acting) City Manager to sign the policy.

### **5. Property Tax 2014 Abatement Applications by Townhomes at Stonebridge, LLC**

A representative of [Townhomes at Stonebridge](#) (WIPFLI CPAs and Consultants) has filed 46, 2014 abatement documents for the Townhomes they own in Stonebridge Farms 5th Addition. The townhomes have generally the same floorplan except for end units which have approximately 70 square feet of extra living area and larger lot sizes. These units were built in 2012 and are considered a split level/3 level type of floor plan. They appear to have all been used as rental units as none have been offered for sale or sold to date. Attached is a photo of one unit as an exhibit and an aerial photo of the total units in the abatement request.

The 2014 assessments range from \$222,000 to \$238,000 less any exemptions depending on the square footage and the lot size. The majority of these units received a \$75,000 new construction discount in 2014. Therefore the 2014 assessment after the discounts ranged from \$147,000 to \$168,000. The applicant is requesting reductions of \$100,000 in the assessment or approximately a 42% to 45% reduction off the pre-discounted assessment.

Comparable sales of townhomes from 2013 are included. Staff believes all 46 townhomes were assessed at an estimated market value and were assessed equitably amongst the complex and as compared with other single family townhomes in Minot.

There are errors on the 46 applications that were filled out by the owner's agent and because it was postmarked just prior to the November 1st deadline it's not possible to correct them. The errors are related to incorrect assessments being listed for 2014 on each form. The applicant also did not give consideration to the \$75,000 exemption. In addition one form out of 46 is asking for a 2016 abatement rather than a 2014 abatement.

In a meeting with the applicant several weeks ago, he indicated he felt the single family townhomes should have been assessed the same as apartment units because they were used for rental purposes and owned by one owner. City staff explained these were not assessed as apartment units because they are separate individual townhomes that could be sold one at a time. Much like any other property owner who has multiple properties could sell all his

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properties as a package or one at a time. Staff is unable to consider the assessment as to what it would be if somebody sold multiple properties to a single buyer nor do we consider some form of discount for a management decision of that nature.

It is recommended the Committee and Council deny all 46 abatement applications by Townhomes at Stonebridge, LLC.

### **6. Inspector for the June 13, 2017 Special City Election**

At the Regular City Council Meeting on November 7th, 2016, Resolution No. 3531 was approved to hold a Special City Election for the purpose of electing six at-large Aldermen, fixing the polling place for this Special Election and setting the times the polls shall remain open. Below is the name and address of the Inspector who is to preside over this election.

Minot Civic Auditorium  
Brenda Locken of 805 5th St NW, Minot, ND

It is recommended the Committee and Council approve Brenda Locken as the Inspector for the June 13, 2017 Special City Election.

Finance department personnel will be available at the committee meetings and City Council meeting to answer any questions regarding this request.

### **7. Proposed 2017 Meeting Schedule**

Attached is a proposed listing of the [regular standing committees and City Council meetings](#) for January through August of 2017. A resolution passed by the City Council on November 7<sup>th</sup> specified the meeting dates and times for the Committee of the Whole beginning June 27, 2017 through August 2017. It states the dates and times for the remainder of the 2017 calendar year shall be set by the new City Council, by resolution.

City staff is requesting your review and approval of the schedule in order to allow everyone to plan for the meetings.

### **8. Ordinances on Second Reading**

The following ordinances need to be considered on second reading:

- a. [Ordinance No. 5124](#) – Annex Outlots 6, 20, 27, & 28, Section 21-155-83 into City Limits
- b. [Ordinance No. 5132](#) – Repealing And Reenacting Sections 2-126, 2-157, 4-16, 5-25, 5-32, 9-135, 18-193, 18-196, And 18-197 of The City Of Minot Code of Ordinances
- c. [Ordinance No. 5133](#) – Repealing and Reenacting Chapter 2 (Administration), Article II (City Council), Division 1 (Generally), Sections 2-16 through 2-24, Repealing and Reenacting Chapter 2 (Administration), Article III (City Officers), Division 10, and Repealing and Reenacting Chapter 11 ½ (Elections) of the City of Minot Code of Ordinances