



Combined Finance and Land Management Committee Meeting

**City Commission Room
Fargo City Hall
Tuesday, November 24, 2015
4:00 p.m.**

1. Agenda review
2. Property Acquisitions
 - a. Anderson property 1802 (hardship)
 - b. Benson property 9600 (OHB)
 - c. Kilbourne Group property 9776 (Shakey's Pizza)
 - d. Hasbargen property 9603 (OHB)
 - e. Rustvang property 9503 (OHB)
3. Other Business
4. Adjourn

**DIVERSION AUTHORITY
Land Management Committee Minutes
City Commission Room
Fargo City Hall
Tuesday, November 10, 2015
4:00 p.m.**

Fargo Mayor Tim Mahoney, Oxbow Mayor Jim Nyhof, Moorhead City Council Member Heidi Durand, Cass County Commission Representative Darrell Vanyo, Buffalo-Red River Watershed District Representative Gerald Van Amburg, Fargo City Commission Representative Dave Piepkorn, Cass County Administrator Keith Berndt, Fargo Director of Engineering Mark Bittner, Moorhead City Engineer Bob Zimmerman, Cass County Joint Water Resource District Representative Mark Brodshaug (alternate).

Others present: Eric Dodds - AE2S, Bruce Grubb - Interim Fargo City Administrator, April Walker - Fargo City Engineer.

Agenda Review

The Fargo Public Schools property at 415 4th Street North was added to the discussion on property acquisitions.

Approve Minutes for October 7, 2015 Meeting

Bob Zimmerman moved the minutes from the October 7, 2015 meeting be approved. Darrell Vanyo seconded the motion. All the members voted aye and the motion was declared carried.

Property Acquisitions

Mark Brodshaug said the Cass County Joint Water Resource District (CCJWRD) seeks the recommendation of this committee for the property acquisitions being proposed.

Robert L. and Judith Anderson

Eric Dodds said the hardship acquisition of the Robert and Judith Anderson property in rural Clay County was discussed by the Finance Committee and resulted in a tie vote. Some Finance Committee members had concerns about acquiring property at this time, he said, and that the comparables used may be high. The hardship application was received and approved by the Hardship Committee some time ago, he said, and a number of discussions with legal counsel have taken place. He said there is clearance to proceed with acquisition of properties in Oxbow and in town; however, this property does not fall into either category. Signing a purchase agreement and not actually closing until after the MN EIS may be the most effective way to help the homeowners in this hardship case, he said. The proposal, based on a comparable of \$330,000.00, is to purchase the property at \$214,000.00 with a maximum eligible replacement housing differential of \$116,000.00. The purchase agreement would be signed now and 90% of the amount would be paid, he said. The Anderson's would also be eligible for relocation benefits, he said, and the remaining 10% is to be paid when the sale is finalized.

In response to a question from Mark Bittner about options if the project does not get authorized, Eric Dodds said the purchase agreement states the closing on the property would take place after the MN EIS is signed and has a 12 month timeframe, so the closing date would be the sooner of either 12 months or after the EIS is completed. The process has been on hold for awhile, he said and the property owners are very anxious to move forward.

In response to a question from Heidi Durand about when the MN EIS may be signed, Bob Zimmerman said the MN DNR is now sorting through the comments received. He said it would take a large issue to be identified to delay approval too much longer and he is hopeful the MN EIS could be signed as soon as March.

Dave Piepkorn said this purchase may upset Minnesota's process. He said he is under the impression the MN DNR does not want any action taken until after the EIS.

Heidi Durand said she sees that moving forward with the acquisition may upset people since it could be looked at as creative or considered manipulative. She understands a hardship case is different than a regular buyout, she said; however, there is a danger in setting a precedent.

Mark Bittner said the project puts the homeowner in a position making them unable to sell their property. He asked whether this isn't the right thing to do.

Eric Dodds said there were not many comparables on the market when the analysis was done and it may be worth it to rerun the comps and see what may be available now.

Dave Piepkorn said if optimism points to the MN EIS possibly being done in March, it may be worth looking at comparables and delaying action, perhaps even until after the MN EIS is finalized. There may be implications, even though it is a hardship case, he said.

Dave Piepkorn moved action on the acquisition of the Robert and Judith Anderson property at 16678 3rd Street South, Moorhead, Clay County, MN be continued until the next meeting to allow time to gather more information. Heidi Durand seconded the motion. On call of the roll Piepkorn, Durand, Vanyo, Berndt, Brodshaug and Mahoney voted aye. Zimmerman, Nyhof, Bittner and Van Amburg voted nay. The motion was declared carried.

Arthur Mathison Trust

Eric Dodds said this landowner wants to continue to farm and the negotiations have resulted in a land exchange, swapping land needed for the ring levee and pond for land already owned for the project.

Mark Brodshaug said land purchased for \$9,000.00 an acre is being traded for land valued at \$10,000.00 an acre, which is why it is more than an acre-for-acre trade. He said part of the trade includes land for easements. After the trade, he said, about

35 acres on the south end will still be owned by the CCJWRD, a strip of which may be needed for the project

Jim Nyhof moved to recommend that the CCJWRD execute an Exchange Agreement with the Arthur Mathison Trust as just compensation for real property (land for land, no monetary compensation). Keith Berndt seconded the motion. On call of the roll Nyhof, Berndt, Vanyo, Durand, Zimmerman, Van Amburg, Bittner, Piepkorn, Brodshaug and Mahoney voted aye. The motion was declared carried.

Juan and Annele Mondragon

Eric Dodds said this property is in town near El Zagal. He said the property was originally appraised at \$299,000.00, the tax assessed value is \$320,000.00 and an appraisal obtained by the property owner showed a market value of \$365,000.00. The negotiated price is \$350,000.00, he said, which is under 110% of assessed value.

Dave Piepkorn moved to recommend the CCJWRD execute a purchase agreement with Juan and Annele Mondragon in the amount of \$350,000.00. Bob Zimmerman seconded the motion. On call of the roll Piepkorn, Zimmerman, Vanyo, Durand, Nyhof, Van Amburg, Berndt, Bittner, Brodshaug and Mahoney voted aye. The motion was declared carried.

Wayne Haug

Eric Dodds said this buyout property is near Mickelson and is part of the in town levee system. He said the appraisal identified a market value of \$184,000.00.

Dave Piepkorn moved to recommend the CCJWRD execute a purchase agreement with Wayne Haug for property at 24 North Terrace in the amount of \$184,000.00. Darrell Vanyo seconded the motion. On call of the roll Piepkorn, Vanyo, Durand, Zimmerman, Nyhof, Van Amburg, Berndt, Bittner, Brodshaug and Mahoney voted aye. The motion was declared carried.

Eric Dodds said the next three properties to be discussed are residential properties in Oxbow. He said in an effort to incorporate feedback from previous discussions indicating a desire for more information, these packets include a property description, replacement property description, replacement home cost summary, supplemental replacement housing detail (replacement house allowance, house to home allowances, project required costs, betterments and replacement lost cost) and maps. There is also a letter included from the Helenske Design Group, he said. The home architect has been retained to examine and validate unit costs, he said. There is also an informational piece included from a landscape architect who is looking at existing inventory to establish landscape items at replacement homes, he said.

Kent and Melissa Rademacher

Eric Dodds outlined how the recommended replacement amounts for the buyout were calculated. He said reimbursements are only paid out if the money is spent.

Bob Zimmerman moved to recommend the CCJWRD execute a purchase agreement with Kent and Melissa Rademacher in the amount of \$580,433.00 as just compensation for real property and execution of a replacement housing agreement with an estimated payment of \$248,627.00 for decent, safe, sanitary and comparable replacement housing. Jim Nyhof seconded the motion. On call of the roll Zimmerman, Nyhof, Vanyo, Durand, Van Amburg, Berndt, Bittner, Brodshaug and Mahoney voted aye. Piepkorn voted nay. The motion was declared carried.

Joseph and Marie Talley

Eric Dodds said this Oxbow acquisition is similar to the previous one discussed.

In response to a question from Jim Nyhof about builder financing, Eric Dodds said that process is still being worked out and the hope is most builder financing can be avoided.

Keith Berndt moved to recommend the CCJWRD execute a purchase agreement with Joseph and Marie Talley in the amount of \$464,800.00 as just compensation for real property and execution of a replacement housing agreement with an estimated payment of \$383,029.00 for decent, safe, sanitary and comparable replacement housing. Darrell Vanyo seconded the motion. On call of the roll Berndt, Vanyo, Durand, Zimmerman, Nyhof, Van Amburg, Bittner, Brodshaug and Mahoney voted aye. Piepkorn voted nay. The motion was declared carried.

Jeffrey and Cathy Anderson

Keith Berndt moved to recommend the CCJWRD execute a purchase agreement with Jeffrey and Cathy Anderson in the amount of \$457,600.00 as just compensation for real property and execution of a replacement housing agreement with an estimated payment of \$366,089.00 for decent, safe, sanitary and comparable replacement housing. Darrell Vanyo seconded the motion. On call of the roll Berndt, Vanyo, Durand, Zimmerman, Nyhof, Van Amburg, Bittner, Brodshaug and Mahoney voted aye. Piepkorn voted nay. The motion was declared carried.

Dave Piepkorn said that if one were to use these three properties as examples, there are properties of about 2,000 square feet being built for nearly a million dollars in Oxbow making them some of the most expensive houses in the county. And they are being built at taxpayer's expense, he said, which is nothing to be proud of.

Fargo Public Schools

Eric Dodds said the building owned by Fargo Public Schools (FPS) at 415 4th Street North is required for the floodwall and levee projects and an appraisal came in at \$1.9 million. He said FPS determined that separating their operations into two buildings would be problematic and negotiations have proceeded to acquire the operations center. He said FPS will keep their administrative space and parking lot. Replacement property was researched, he said; however, it appears FPS will apply the appraised amount toward a new building and include \$1.8 million in betterments, with the result being a relocation agreement in the amount of \$6,190,000.00.

In response to a question from Dave Piepkorn about the new location, Bruce Grubb said it will be constructed on land the CCJWRD will be purchasing from the City of Fargo along 40th Avenue South.

Dave Piepkorn moved to recommend the CCJWRD execute a purchase agreement in the amount of \$1,900,000.00 as just compensation for real property to include provisions to allow FPS to operate in the remaining portion of the existing facility until the replacement facility is ready, and to recommend execution of a relocation agreement in the amount of \$6,190,000.00 for the Diversion Authority's portion of the replacement building. Second by Zimmerman. On call of the roll Piepkorn, Zimmerman, Vanyo, Durand, Nyhof, Van Amburg, Berndt, Bittner, Brodshaug and Mahoney voted aye. The motion was declared carried.

CCJWRD Land Management Report

Mark Brodshaug said discussion is expected at a later date on what to do with the homes being acquired. He said negotiations continue on the Mid-America Steel, Case Plaza and the Shakey's/MEPS properties. The Sidestreet Bar & Grille has been relocated, he said, and the Howard Johnson/Sidestreet acquisitions have closed and security has been retained. He said as more property is being acquired in Oxbow, there is a responsibility to protect property until it is disposed of with more security presence there. He said it could either be through private security or there may be an agreement made with Cass County Sheriff's Office.

Final NDSU Ag Risk Study

Eric Dodds said the final version of the NDSU Ag Risk Study is posted on the website. The State Water Commission is reviewing it to see whether or not it meets their requirements, he said.

Mark Brodshaug said the result of the study is good information to formulate a plan. It shows the impact could be manageable if the Diversion Authority chooses to handle it. While the impact could be a very large number one year, he said, there will be many years there will be no impact. Insurance plans are hard to administer, he said, and a payment of damage plan concept may be an alternative. He said that is another decision yet to be made, nothing has been worked out yet.

December Meeting Schedule

Eric Dodds said a joint meeting with the Finance Committee is proposed and hopefully it can be scheduled next week to allow for approval of additional property acquisitions. He also proposed that the December meeting date be moved a week later due to the Water Convention being held in Bismarck. He said he will notify the committee when dates and locations are confirmed.

Darrell Vanyo moved the meeting be adjourned. Jim Nyhof seconded the motion. All the members present voted aye and the motion was declared carried.

The meeting adjourned at 5:17 p.m.



Memorandum

To: Cass County Joint Water Resource District
Diversion Authority Finance Committee
Diversion Authority Land Management Committee

From: Program Management Consultant (CH2M & AE2S)

Subject: Property Acquisitions

Date: November 24, 2015

Please find below, a summary of the Property Acquisition for committee and board consideration at the meetings on November 24 and 25. In addition, please find attached to this cover memo the property acquisition summary documents for each one of the properties.

	OIN	Name	Program Area	Payment Type	Amount
1.	#1802	Anderson	Medical Hardship	Purchase Agreement	\$214,000
				Replacement Housing Payment	\$71,000
2.	#9600	Benson	Oxbow Hickson Bakke (OHB) Ring Levee	Purchase Agreement	\$551,500
				Replacement Housing Payment	\$244,571
				Replacement Lot	\$139,000
3.	#9603	Hasbargen	Oxbow Hickson Bakke (OHB) Ring Levee	Purchase Agreement	\$1,222,600
4.	#9776	Kilbourne Group (Shakey's Pizza)	In-Town Levee	Purchase Agreement	Pending
				Property Sale	
5.	#9503	Rustvang	Oxbow Hickson Bakke (OHB) Ring Levee	Purchase Agreement	Pending
				Replacement Lot (Option)	

FM Area Diversion Project

Property Acquisition Summary

November 24, 2015

Property:

Owner	Robert L and Judith Anderson
Address	16678 3 rd St S., Moorhead, Clay County, MN
Property Type	Single Family Residential
Identification Number	1802

Property Need

Acquisition of this property is required as part of the future project staging area. See attached map. The property owner has applied for and been granted approval from the hardship committee of a purchase in advance of the project timeline in order to accommodate the owners medical hardship and need to sell the property.

Description of Acquired Property

The buyout property is a 1903 2 story rural residential dwelling with 2,350 SQFT situated on 4.53 acres. The buyout property also includes one 36' x 50' pole barn, and 2 detached 2 car garages.

Compensation & Negotiations Summary:

Compensation amounts proposed are based on an appraisal of the subject property provided by a qualified appraiser following the Yellow Book standards. The appraisal has been reviewed and approved by USACE. The property appraisal identified a market value of \$214,000.00 for the subject property.

The tax assessed value by Clay County, MN for the property is \$164,300.

Requested Action/Recommendation

Authorization of a Purchase Agreement with Robert L and Judith Anderson in the amount of \$214,000.00.

In consideration of the medical hardship condition as well as the MnEIS, the Purchase Agreement will not include acquisition of the property until the MnEIS is complete. The Purchase Agreement will provide the Anderson's with funds that will enable them to secure a replacement property in accordance with URA.

Relocation Compensation Summary:

The Replacement Housing Study and Payment for the above listed property is attached. The recommended maximum eligible replacement housing differential payment is \$71,000.00 based on the replacement housing study conducted of comparable properties. There will be other relocation benefits provided to the Anderson's under URA. These may include a move payment, closing costs associated with the replacement property, as well as an interest differential payment.

PRICE DIFFERENTIAL PAYMENT

ANALYSIS OF COMPARABLE PROPERTIES

Project: FM Area Diversion-Medical Hardship County: Clay

Parcel: 1802

Owner: Robert and Judith Anderson

Address: 16678 3rd Street South

City: Holy Cross

	Subject	Most Comparable		Referral-Comparable Properties			
		No. 1	Map	No. 2	Map	No. 3	Map
Appraised Value	\$214,000						
List Price		\$285,000		\$285,000		\$278,900	
Carve Out							
Address	16678 3 rd Street South	716 192 nd Street South (31miles)		2004 Highway 9 North (31 miles)		21628 140 th Avenue South (23 miles)	
City	Holy Cross	Hawley		Glyndon		Barnesville	
Date of Inspection	February 12, 2015						
Style	Two Story	Two Story		Two Story		One Story	
Construction	Wood	Wood		Wood		Wood	
Actual Age/Eff. Age	1903	1977		1970		1969	
Condition EGF	Average	Average		Average		Average	
No. of Units	Single Family	Single Family		Single Family		Single Family	
No. of Rooms	8	12		11		10	
No. of Bedrooms	5	5		6		4	
Bedrooms Required	5	5		5		5	
No. of Baths	3 Full Bathes	1 Full Bath 2-3/4 Bathes		2 Full Bathes		2 Full Bathes 1-1/2 Bath	
Total Area (Sq. Ft.)	2,350 FSF – AG 1,175-BG	2,400 FSF		2,040 FSF		2,025 FSF 1,350-AG 675-BG	
Basement	unfinished	unknown		unfinished			
Bsmt – types of Fin. Rms.	none	FR, Br, Utility		unknown		2BR, FR, Kit, Utility	
Heat/Cooling	Propane/CA	EBB, EFA, GFA-CA		Dual Fuel/Window AC		GHW, Wall AC	
Fireplaces		2		1		0	
Other Finished Space							
Garage	(2) - 2 Car Detached	1 Car Attached		6 Car Detached		2 Car Attached	
Lot Size	4.53 Acres	8.26 acres		6 acres		16.58 acres	
Neighborhood E/B	Rural Residential	Rural Residential		Rural Residential		Rural Residential	
Schools	Available	Available		Available		Available	
Public Transportation	Available	Available		Available		Available	
Church	Available	Available		Available		Available	
Place of Employment	Available	Available		Available		Available	
Water 1. Type 2. Adequate		Well		Well		Well	
Sewer 1. Type 2. Adequate		Septic		Septic		Septic	
Other Comments	Porch, Deck, 36 x 50 Pole Barn	Heated Shop (36x84)		Deck, Shop(28x52), Lean To (24x26)		Barn(100x36), Shed(40x36), 2.5 Detached Garage, 1 Cat Detached	

Comparable Comments & Conclusions:


The Cass County Joint Water Resource District has determined that the #1 Comparable listed above meets the definition of a comparable replacement property as defined in 49CFR Section 24.2(6). In order for this property owner to purchase a comparable property as defined in 49CFR, the maximum Replacement Housing Differential Payment (RHDP) would be \$ 71,000.


\$ 285,000
List Price of Prime Comparable

\$285,000 minus \$214,000 = \$71,000
Comparable Acquisition Cost Maximum RHDP


Approval (CCJWRD)

Date

716 192 ST S, Hawley, MN 56549		15-2326 Residential Active \$285,000	
Provided as a courtesy of Kenneth Helvey SRF Consulting Group, Inc 1 Carlson Pkwy, Ste 150 Plymouth, MN 55311 Office - (612) 803-5053 khelvey@srfconsulting.com			
Sub Type:	Single Family Residence	Auction:	
Geo Lon:	-96.398374	Subdivision:	Section 08, Twnshp 139 Clay
Map Area:	Q - Rural MN S of HWY 10	County:	Clay
Year Built:	1977	Lot Size Dimensions:	2,262
Lot Size SqFt:	0	Gen Tax:	2,400
Specials Unpd:	0	Drain:	2,400
School District:		Total SqFt.:	2,400
Above Grade:		Below Grade:	
Finished Area:		Finished Area:	2 Story
Below Grade:		Style:	2 Story
Unfinished Area:		Max Bdrms - Same:	3
Total Bedrooms:	5	Fir:	
Total Full Baths:	1	Total 3/4 Baths:	2
Laundry Location:	Main	Garage Stalls:	1
Lake:	None		
Public Remarks: Country living right between the city and the lakes! \$1K credit for garage finishing and \$1K credit for carpet. Nice home on over eight acres with lots of trees and a 36x84ft insulated/heated shop with concrete floor. Home is large with 5 bedrooms, 3 bathrooms, two living areas on the main, updated kitchen, attached garage with extra storage, and main floor laundry! Great potential with this large parcel.			
Miscellaneous: New Construction: No; Horse Property Master Bedroom/Bath: Private Bath Bedrooms Per Level: Bedrooms - Main: 1; Bedrooms - Upper: 3; Bedrooms - Lower: 0; Bedrooms - Basement: 1 Garage: # Stalls Attached: 1 Exterior: Vinyl Roof: Architectural Shingle		Foundation: Poured Lot Feat/Fld Plain: Wooded Interior Amenities: Vault/Cathedral Clg; Tile Floors Inclusions: Wdw Coverings-Some; Dishwasher; Disposal; Electric Range; Microwave; Refrigerator Exterior Amenities: Wood Deck; Patio; Outbldgs-See Rmrks Other Rooms: Foyer; Formal Dining	
Fireplace: Wood Burning Heat System: Dual Fuel/Off Peak; EBB -baseboard elec; EFA -elec forced air; GFA -gas forced air Air Conditioning: Central Water Heater: Electric Utilities: Private Well; Private Septic			
Room Name	Room Level	No. of Rooms	Room Remarks
Living Room	M	1	
Dining Room	M	1	
Kitchen/Eating	M	1	Big and remodeled!
Family Room	M	1	
Bedroom	M	1	
Bathroom	M	.75	
Fireplace	M	1	
Laundry	M	1	
Bathroom	U	1.75	
Room Name	Room Level	No. of Rooms	Room Remarks
Other	U	1	office area
Patio/Deck	U	1	
Bedroom	U	3	
Family Room	B	1	
Utility Room	B	1	
Other	B	1	hobby room
Fireplace	B	1	
Bedroom	B	1	
List Price: 285,000			

2004 HWY 9 N, Glyndon, MN 56547		15-3710 Residential Active \$285,000	
Provided as a courtesy of Kenneth Helvey SRF Consulting Group, Inc 1 Carlson Pkwy, Ste 150 Plymouth, MN 55311 Office - (612) 803-5053 khelvey@srfconsulting.com			
Sub Type:	Single Family Residence	Auction:	No
Geo Lon:	-96.503142	Subdivision:	None
Map Area:	P - Rural MN N of HWY 10	County:	Clay
		Geo Lat:	46.898805
		Map Zone:	Zone 3
Year Built:	1970	Lot Size Dimensions:	
Lot Size SqFt:	2,040	Gen Tax:	1,928
Specials Unpd:	0	Drain:	
School District:	D-G-F	Total SqFt:	2,040
Above Grade	2,040	Below Grade	0
Finished Area:		Finished Area:	
Below Grade	1,000	Style:	2 Story
Unfinished Area:		Max Bdrms - Same	5
Total Bedrooms:	6	Flr:	
Total Full Baths:	2	Total 3/4 Baths:	
Laundry Location:	Main	Garage Stalls:	6
Lake:	None	Lot Acres:	6
		Specials Inst:	42
		Flood Plain:	Yes
		Square Ft. Source:	Public Records
		Above Grade	0
		Unfinished Area:	
		Mstr Bdrm Main	Yes
		Flr:	
		Total Bathrooms:	2
		Total Half Baths:	
		Garage Type:	Detached
Public Remarks: 6 ACRES! 20 minutes to F-M on tar roads. Spacious 6 bedroom, 2 bath, 2 story with main floor master, bath & laundry. Formal dining & living, plus main floor family room with wood insert. Kitchen with nibbler bar & pass thru. Covered front porch, large east deck. Do not miss the 32x36 garage with fuel oil heat, & large shop 28x52 & with lean to 24x26. Well was new in 1990, water heater & propane furnace with off peak in 2011, shingles in 2005. New septic in 2015. \$5,000 flooring allowance. Mature shelter belt. Private drive. Come see.			
Miscellaneous: Pets Allowed; House Color: red; Seller Disclosure; New Construction: No Exclusions: Exclusions: personal property Bedrooms Per Level: Bedrooms - Main: 1; Bedrooms - Upper: 5; Bedrooms - Lower: 0; Bedrooms - Basement: 0 Garage: # Stalls Detached: 6; Heated Exterior: Wood Roof: Conventional Shingle		Foundation: Poured Lot Feat/Fld Plain: Wooded; Farmstead Interior Amenities: Hardwood Floors Inclusions: Floor Covering; Garage Opener; Wdw Coverings-All; Dishwasher; Electric Range; Refrigerator Exterior Amenities: Wood Deck; Patio; Outbldgs-See Rmrks Other Amenities: Ceiling/Paddle Fans	
Other Rooms: Foyer; Formal Dining; Storage; Family Room Fireplace: Wood Burning Heat System: Dual Fuel/Off Peak; Other Air Conditioning: Window Water Heater: Electric Utilities: Private Well; Private Septic			
Room Name	Room Level	No. of Rooms	Room Remarks
Fireplace	M	W	wood insert
Laundry	M	1	main floor
Other	M	2	front & back entries
Bedroom	M	1	main floor master
Bathroom	M	1	full bath
Utility Room	B	1	unfinished basement
Bedroom	U	5	5 bedrooms up!
Bathroom	U	1	full bath
Kitchen/Eating	M	1	kitchen nibbler bar/pass thru
Dining Room	M	1	formal & informal space
Living Room	M	1	Large living
Family Room	M	1	family with fp
List Price:		285,000	

Information is deemed to be reliable, but is not guaranteed. © 2015 MLS and FBS. Prepared by Kenneth Helvey on Wednesday, November 11, 2015 10:49 AM. The information on this sheet has been made available by the MLS and may not be the listing of the provider.

21628 140TH AVE S, Barnesville, MN 56514				15-2162 Residential Active \$278,900			
Provided as a courtesy of Kenneth Helvey SRF Consulting Group, Inc 1 Carlson Pkwy, Ste 150 Plymouth, MN 55311 Office - (612) 803-5053 khelvey@srfconsulting.com							
Sub Type:	Single Family Residence	Auction:	No	Geo Lat:	46.689658		
Geo Lon:	-96.350522	Subdivision:	Lengthy	Map Zone:	Zone 4		
Map Area:	Q - Rural MN S of HWY 10	County:	Clay				
Year Built:	1969	Lot Size Dimensions:	16.58 ACRES	Lot Acres:	16.58		
Lot Size SqFt:		Gen Tax:	1,152	Specials Inst:	0		
Specials Unpd:	0	Drain:		Flood Plain:	No		
School District:		Total SqFt.:	2,025	Square Ft. Source:	Estimate		
Above Grade:	1,350	Below Grade:	675	Above Grade:	0		
Finished Area:		Finished Area:		Unfinished Area:			
Below Grade:	0	Style:	1 Story	Mstr Bdrm Main:	Yes		
Unfinished Area:		Max Bdrms - Same:	2	Total Bathrooms:	3		
Total Bedrooms:	4	Fir:		Total Half Baths:	1		
Total Full Baths:	2	Total 3/4 Baths:		Garage Type:	Attached		
Laundry Location:	Upper	Garage Stalls:	2				
Lake:	None						
Public Remarks: 16.58 Acres with a Beautiful Rambler & Lots of Outside Buildings!!!! Seller is Offering \$5000 allowances towards carpet & painting. 4 bedrooms & 3 bathrooms. Main level has 2 bedrooms, 2 bathrooms & laundry. Lower level has 2 bedrooms, 1 full bath, family room, an extra kitchen, laundry hook ups & sink. Outside buildings include 100X36(a) Wide barn, 40X36 (a) Hay shed, 2.5 Detached stall Garage/Shop, 1 stall Detached Garage & 2 Garden buildings. Newer shingles on house, garage, shops and rest of the outside buildings. Newer siding on the house.							
Miscellaneous: Seller Disclosure; New Construction; No Bedrooms Per Level: Bedrooms - Main: 2; Bedrooms - Upper: 0; Bedrooms - Lower: 0; Bedrooms - Basement: 2 Garage: # Stalls Attached: 2; # Door Openers: 2 Exterior: Vinyl Roof: Conventional Shingle		Foundation: Block Lot Feat/Fld Plain: Farmstead Inclusions: Floor Covering; Garage Opener; Wdw Coverings-All; Dishwasher; Electric Range; Microwave; Refrigerator; Dryer; Washer Exterior Amenities: Outbldings-See Rmrks Other Rooms: 3 Season Porch; Storage; Utility Room; Workshop; Family Room		Heat System: GHW -gas hot water Air Conditioning: Wall Water Heater: Gas Utilities: Private Well; Private Septic			
Room Name	Room Level	No. of Rooms	Room Remarks	Room Name	Room Level	No. of Rooms	Room Remarks
Living Room	M	1		Bedroom	B	2	
Dining Room	M	1		Bathroom	B	1	
Kitchen	M	1		Family Room	B	1	
Bedroom	M	2		Kitchen	B	1	
Bathroom	M	1.50		Utility Room	B	1	
Laundry	M	1					
List Price:		278,900					

Information is deemed to be reliable, but is not guaranteed. © 2015 MLS and FBS. Prepared by Kenneth Helvey on Wednesday, November 11, 2015 10:47 AM. The information on this sheet has been made available by the MLS and may not be the listing of the provider.

FM Area Diversion Project

Property Acquisition Summary

Committee Meeting Date: November 24, 2015

Property:

Owner	Paul & Valerie Benson
Current Address to acquire	840 Riverbend Road, Oxbow
Replacement Address	442 Trent Jones Drive, Oxbow
Property Type	Single family
Identification Number	9600

Property Need

Acquisition of this property is required to accommodate construction of the OHB Ring Levee project, Work Package WP-43. See attached map. Federal and state acquisition laws also require re-establishment of the displaced person in a decent, safe, sanitary, and comparable property.

Description of Acquired Property

The buyout home is a single family residential property located on the southwest side of Riverbend Road. The subject's total site size is 38,326 SQFT. The Gross Living Area (GLA) is calculated to be 2,405 SQFT. The partial basement size is 572 SQFT with 418 SQFT of finished space. The owner indicated that the foundation is flood proof. There is an attached insulated/heated three car garage with storage above.

The main entrance to the home opens to a sunken formal living room to the right and a formal dining room to the left. The kitchen and informal dinette area is to the rear and leads to a rear addition used as a den. The step down family room is to the right of the dinette; this level also has a ½ bath and laundry room that leads to the interior access of the attached 3 car garage. The central staircase from the foyer area leads to the second floor that has the master suite with private bath and walk in closet, as well as 2 more bedrooms and another full bathroom. The finished basement level has another family room, bedroom and bathroom. The utility room is also located in the basement.

Notable features in the home include central air conditioning, hardwood floors, granite countertops, upgraded cabinetry, upgraded appliances, covered front entry porch, irrigation system, concrete drive, gutters and downspouts, upgraded windows, upgraded exterior, upgraded mechanicals, walk in closets, ceramic tile, upgraded light fixtures, upgraded plumbing fixtures, kennel, built in entertainment center, double vanity, ceiling fans, center kitchen island, retaining walls, flagstone walks, dual flagstone patios, extensive landscaping with multiple flower gardens and flowering crabapple trees, vaulted ceilings, dual sump pumps with battery back-up, whirlpool tub, custom interior paint, upgraded ceramic tile, whole home sound system, etc.

Some recent updating includes new rear den addition in 2004, roof, siding, patios, walks, landscaping, granite, interior paint, basement finishing, appliances, light fixtures, flooring, window treatments, etc.

The purchase price for the acquired property is based on an appraisal produced by a qualified appraiser following the "Yellow Book" standards. The appraisal was reviewed and approved by USACE. The appraised amount of \$551,500 establishes the 'Just Compensation' amount for the property.

Description of Replacement Property

A Replacement Housing Agreement was established to document the benefits associated with re-establishment of a decent, safe, sanitary, and comparable replacement home as required by the Uniform Act (Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended (Public Law 91-646)).

The replacement home is a single family rambler style with 2,796 SQFT finished on the main level and 2,301 SQFT of finished space on the lower level and 495 SQFT of unfinished space. This home will have four bedrooms, two and 1/2 bathrooms, plus a master suite with master bath, walk in closet and walk in shower.

The homeowner is considering betterments to the new home which are anticipated to total \$208,937 based on current plans. This amount could change if the homeowner makes changes to the new home plan.

Replacement Home Cost Summary

Property ID#: OIN#		Notes
		<u>Includes: (see supplemental detail below)</u>
Total Replacement Home Cost	\$ 1,121,775	A. Replacement House Allowance B. House to Home Allowances C. Project Required Costs D. Betterments E. Replacement Lot Cost
Less 'Just Compensation'	- (\$ 551,500)	Based on Appraisal and Purchase Agreement
Less 'Betterments'	- (\$ 208,937)	Based on "Like for Like" Analysis
Less 'Replacement Lot Cost'	- (\$ 139,000)	Based on Oxbow MOU Amendment
Net Replacement Home Cost to Diversion Authority	= \$ 222,338	
Construction Contingency	+ \$ 22,233	Add 10 percent for uncertainties
Replacement Housing Agreement	= \$ 244,571	

Requested Action/Recommendation

1. Recommend to CCJWRD, execution of a Purchase Agreement in the amount of \$551,500.00 as just compensation for real property.
2. Recommend to CCJWRD, execution of a Replacement Housing Agreement with estimated payment of \$244,571 for decent, safe, sanitary, and comparable replacement housing.
3. Recommend to CCJWRD, payment for the replacement lot in the amount of \$139,000, which will be fully reimburse to CCJWRD per the Oxbow MOU Amendment.

The following details support the Replacement Home Cost and Replacement Housing Agreement.

Supplemental Replacement Housing Detail

Line Item A – Replacement House Allowance

1. Breakdown existing house into finished space categories.
2. Multiply existing house areas by Unit Price.
3. Unit Price established by acquisition team, based on database of comparable properties in Oxbow and the FM Metro Area, validated by professional architect (see attached letter from Craig Helenske, Helenske Design Group).

1		2		3
Existing House Areas	Area (SF)		Unit Price (\$ / SF, rounded)	Replacement Cost
Above Grade Finished Space	2405	x	227	= \$545,935
Below Grade Finished Space	418	x	\$80	= \$33,440
Below Grade Unfinished Space	154	x	\$30	= \$4,620
Garage	744	x	\$40	= \$29,760
Total (Replacement House Allowance) = \$613,755				

Line Item B – House to Home Allowances

- Accounts for replacement of “like for like” elements in the displaced persons’ existing home that are not included in the base cost for the replacement house, such that the replacement home has a comparable “fit and finish”.
- Allowances based on competitive quotes or professionally developed cost estimates to replace existing features.

Item	Allowance	Notes
Window Coverings	\$ 25,000	Estimate. Final cost will be based on lowest of two bids
Outdoor Space (Landscaping, deck, patio, etc.)	\$ 65,355	Hanson Design Associates’ professional estimate to replace existing (see attached report)
Custom Paint	\$ 7,000	Estimate. Final cost will be based on lowest of two bids.
TOTAL	\$97,355	

Line Item C – Project Required Costs

- Costs necessary for home construction in Oxbow.
- URA eligible costs identified for future crediting purposes.
- Costs based on builder line item quotes or estimates.

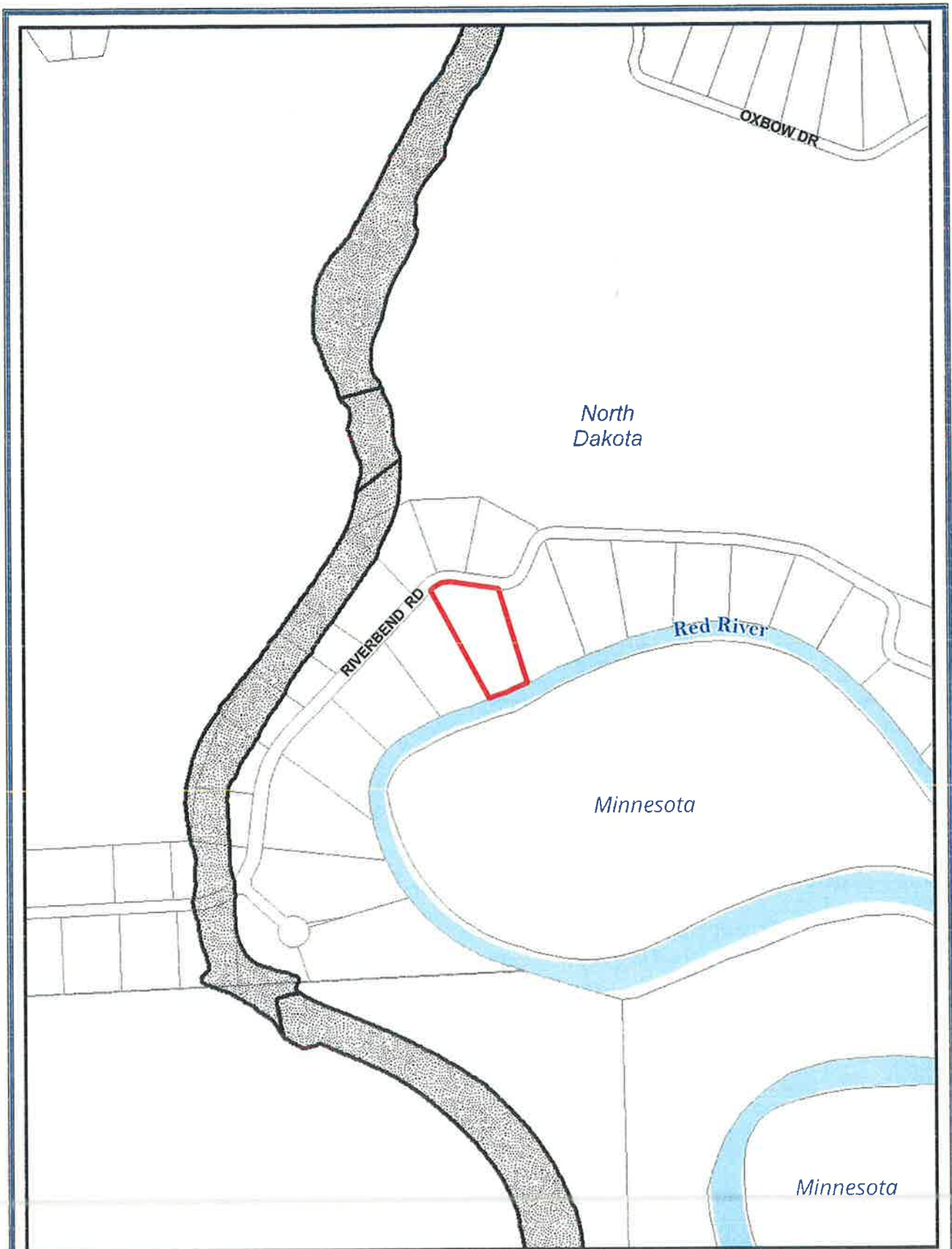
Item	Costs	Notes
Cold Weather Charges	\$ 13,300.00	Quote in builder bid
Flood Proof Basement	\$ 7,960.12	Quote in builder bid
6' Garage walls & fill sand	\$ 5,617.00	Quote in builder bid
Buried Propane Tank	\$ 3,300.00	Quote from builder bid
Construction financing fees	22,828.00	Avoided with Title Company Building Account
Profit & overhead	\$ 9,722.81	
TOTAL	\$62,728.00 Rounded	

Line Item D– Betterments

- Costs above the replacement house or other allowances, reflecting improvements beyond the size, fit, finish, etc. of the existing home.
- Betterment costs are paid by the displaced person.
- Estimated betterments = \$208,937.

Line Item E– Replacement Lot Cost

- Replacement lot cost will be 100 percent reimbursed to the Diversion Authority from the Oxbow Job Development Authority, per the Oxbow MOU Amendment.
- Lot cost based on market valuation, determined by real estate appraiser.
- Replacement Lot Cost Reimbursement = \$139,000.



CURRENT COST SHARE REQUEST

OIN# 9600

OWNER: PAUL J & VALERIE C BENSON

PROPERTY ADD: 840 RIVERBEND RD, OXBOW CITY
TOWNSHIP: PLEASANT TOWNSHIP

PARCEL ACREAGE: 0.93 AC.



Diversion Channel



OHB Levee

----- In Town Levee

LAST UPDATED: 8/12/2015

REF PAGE NUMBER: 9600

Document Path: D:\GIS\Projects\FM_Oversight\Area_Diversion\Projects\Land_Acquisition\SWC_Refreshment (Cost Share)\Mapbook2.mxd c:\n a20

FLOOD DIVERSION
ALLIANCE



0 390 780
FEET

Maps are for graphical purposes only. They do not represent a legal survey. While every effort has been made to ensure that these data are accurate and reliable, the Division Authority does not guarantee the accuracy of the information, and waives any warranty or guarantee of any kind, express or implied. The data involved in the project is continuously rekind and revised, you should not rely on this information for technical purposes or accuracy.

November 5, 2015

Darrel Vanyo
Chair, FM Diversion Authority

Dear Mr. Vanyo,

It is my understanding that, the Diversion Authority is responsible for property acquisitions for the FM Area Diversion Project, as well as the Oxbow Ring Levee Project. The property acquisitions in Oxbow include not only the need to acquire the existing property, but also the requirement to replace the existing home such that the displaced residents have a comparable property to relocate to. Several of the Oxbow homes and relocations have occurred prior to my involvement in this project, but we were recently asked by CH2M and AE2S representatives to assist in the replacement home cost analysis for approximately 12 homes. It is my understanding that the 12 property owners are electing to stay in Oxbow, and therefore, the Diversion Authority will be responsible for construction of a replacement home that is comparable to the existing home.

As we began our involvement in the project, we reviewed the processes that had been used previously to establish cost allowances for the replacement homes. In addition, we visited Oxbow and became familiar with the type, condition, and location of the remaining 12 homes. Through this review, it became apparent that we needed to provide services in two phases.

Phase 1 - Verification of Unit Price Approach

In review of previous acquisitions and replacement housing terms, I had the opportunity to review the approach that the land acquisition team has used to date, along with the database of comparable properties that the team used to establish the unit price range for replacing the existing homes. Upon review, I determined that the methodology used to set the range of unit prices is reasonable. The unit prices are consistent with unit prices for a peer group of homes constructed of similar fit and finish in the region. Furthermore, when replacement housing agreements can be reached with the displaced home owners using the unit price approach, it is reasonable to do so. Based upon my understanding of the 12 remaining homes, I anticipate that approximately half of them will fit within this approach.

Phase 2 - Replacement Cost Verification and "Like for Like" Analysis

When the unit cost for replacement properties fall outside the established unit price range (as validated in Phase 1), or if an agreement cannot be reached with the displaced home owner based on the unit price approach, then the land acquisition team and I recommend a more thorough review of the existing home and the plans and specifications for the proposed replacement home. In these cases, I will determine what an appropriate replacement value is for the current home based on its current style, fit and finish, and amenities. This will establish a unit cost replacement value for that existing home based on comparable properties in my database for like project.

If additional detail is necessary to compare this home to the replacement home, I will conduct a “like for like” analysis and determine what should be considered betterments in the replacement home. I will also be verifying the builder costs associated with the replacement home and ensuring that the costs fall in line with building industry standards or items were competitively bid.

I will prepare a letter report for each of the properties that require the replacement cost verification and “like for like” analysis. Based upon my understanding of the 12 remaining homes, I anticipate that approximately half of them will require this analysis.

Summary

The above referenced two-phase approach will assist the Diversion Authority in validating the replacement housing agreements necessary for the remaining 12 homes in Oxbow. I appreciate the opportunity to participate in this process and to provide the expertise that the Program needs to both verify and validate costs to ensure both the displaced property owners and the taxpayers are treated fairly in this process. I believe the land acquisition team has done a reasonable job to date in assembling these complex replacement packages, but I look forward to providing additional expertise to help handle the unique situations the Program is encountering.

We look forward to the opportunity to support the Diversion Authority in its commitment to bring permanent flood protection to the metro area.

Sincerely,



Craig Helenske
Architect

Residential Landscape Prices

Date of Site Visit: 10/26/15

Property Owner: Benson

Location: 840 Riverbend Rd., Oxbow

Homeowner present at time of visit: no

Homeowner comments:

<u>Desc.</u>	<u>Units</u>	<u>Unit Price</u>	<u>Qty.</u>	<u>Est.</u>
Sitework				
Organic Amendments & Fertilizer	sf	\$ 0.10	13,793	\$ 1,379.30
Edging				
Edging -PVC	lf	\$ 3.50	70	\$ 245.00
Edging -Precast Concrete 'Bullet'	lf	\$ 7.00	231	\$ 1,617.00
Landscape Mulch				
Wood Mulch -Cedar (3" depth)	cy	\$ 125.00	11.3	\$ 1,412.50
Rock Mulch - 2-4" River Rock (3" depth)	cy	\$ 175.00	9.2	\$ 1,610.00
Rock Mulch -Special (3" depth)	cy	\$ 225.00	1	\$ 225.00
Landscape Boulders				
1' dia	ea	\$ 30.00	65	\$ 1,950.00
2-3' dia.	ea	\$ 225.00	3	\$ 675.00
Paving and Patios				
Stone Paver over Concrete Base	sf	\$ 40.00	225	\$ 9,000.00
Modular Block Retaining Wall	sf	\$ 45.00	114	\$ 5,130.00
Timber Retaining Wall	sf	\$ 35.00	74	\$ 2,590.00
Decorative Concrete Stepping Stones	ea	\$ 10.00	40	\$ 400.00
Flagstone/Slate Stepping Stones	ea	\$ 30.00	29	\$ 870.00
Fence				
Wood Fence -6'	lf	\$ 30.00	8	\$ 240.00
Low Voltage Lighting				
Fixture (includes transformer and wiring)	ea	\$ 350.00	12	\$ 4,200.00
Plants				
Sod (includes finish grading)	sf	\$ 0.60	11574	\$ 6,944.40
Spaded Deciduous Tree	ea	\$ 1,200.00	7	\$ 8,400.00
Deciduous Shrub #5 Cont.	ea	\$ 65.00	23	\$ 1,495.00
Deciduous Shrub #2 Cont.	ea	\$ 50.00	22	\$ 1,100.00
Evergreen Shrub #5 Cont.	ea	\$ 65.00	7	\$ 455.00
Perennial #1 Cont.	ea	\$ 25.00	62	\$ 1,550.00
Irrigation				
Irrigation -zone estimated	ea	\$ 525.00	9	\$ 4,725.00
Stub & BPU by Plumber	ea	\$ 800.00	1	\$ 800.00
Site Amenities				
Mailbox -Brick Column	ea	\$ 2,400.00	1	\$ 2,400.00
General Contractor 10% Markup				\$ 5,941.32
Total				\$ 65,354.52

FM Area Diversion Project

Property Acquisition Summary

November 24, 2015

Property:

Owner	David Hasbargen and Wayne Zimmerman
Address	852 Riverbend Road, Oxbow ND (plus three vacant lots at 856, 860, and 864)
Property Type	Single Family Residential
Identification Number	9603, 9604, 9605, 9606

Property Need

Acquisition of this property is required to accommodate construction of the OHB Ring Levee project, Work Package WP-43. See attached map. Federal and state acquisition laws also require re-establishment of the displaced person in a decent, safe, sanitary, and comparable property.

Description of Acquired Property

The subject property is a single family residential property. The subject's site is located on the south side of Riverbend Road, at the end of the street. The subject's total site size is 32,442 Sq. Ft. The site is mostly level with extensive landscaping and trees throughout. The owners also own three parcels to the east; there are no improvements located on these sites. The improvements were originally built in 1995 but an extensive addition of the third garage stall and upper level sun room and balcony were added in 2001. The home is considered to be a very good quality architecturally designed, split level dwelling in very good overall condition. The Gross Living Area (GLA) is calculated to be 2,307 Sq. Ft. The basement size is 1,090 Sq. Ft. with 938 Sq. Ft. of finished space. There is an attached 3 Car garage with a concrete aggregate drive from Riverbend Road.

There are significant upgrades to the home which include central air conditioning, open porch, irrigation system, gutters and downspouts, upgraded windows, upgraded roofing, upgraded window treatments, upgraded stucco exterior, entertainment center, concrete aggregate drive, upgraded flat roof, upgraded mechanicals, upgraded built in appliances, double fireplace, walk in closets, heated flooring, ceiling fans, upgraded flooring, extensive built ins, upgraded landscaping, heated and insulated 3 car garage with drain, upgraded dual sump pumps for interior and exterior, home speaker system, custom lighting, pocket doors, upgraded flood walls, security system, upgraded metal railings, granite countertops and flooring, upgraded patio, reverse osmosis, three source heat system, custom professional paint, built in hickory cabinetry in the garage and elevated storage, custom closet organizers, master suite laundry, whirlpool tub, upgraded plumbing and fixtures, upgraded curved walls, vaulted ceilings, built in book cases, built in desks, upgraded cabinetry, central vacuum, 10 foot ceilings, upgraded wine bar with appliances, retaining walls, etc. Some recent updating includes new high efficiency energy system, landscaping, appliances, garage and sunroom addition, roofing, interior paint, garage cabinetry and shelving, etc.

Compensation & Negotiations Summary:

Compensation amounts proposed are based on an appraisal of the subject property provided by a qualified appraiser following the Yellow Book standards. The appraisal has been reviewed by USACE, and reviewed by former USACE review appraiser, John Albrecht.

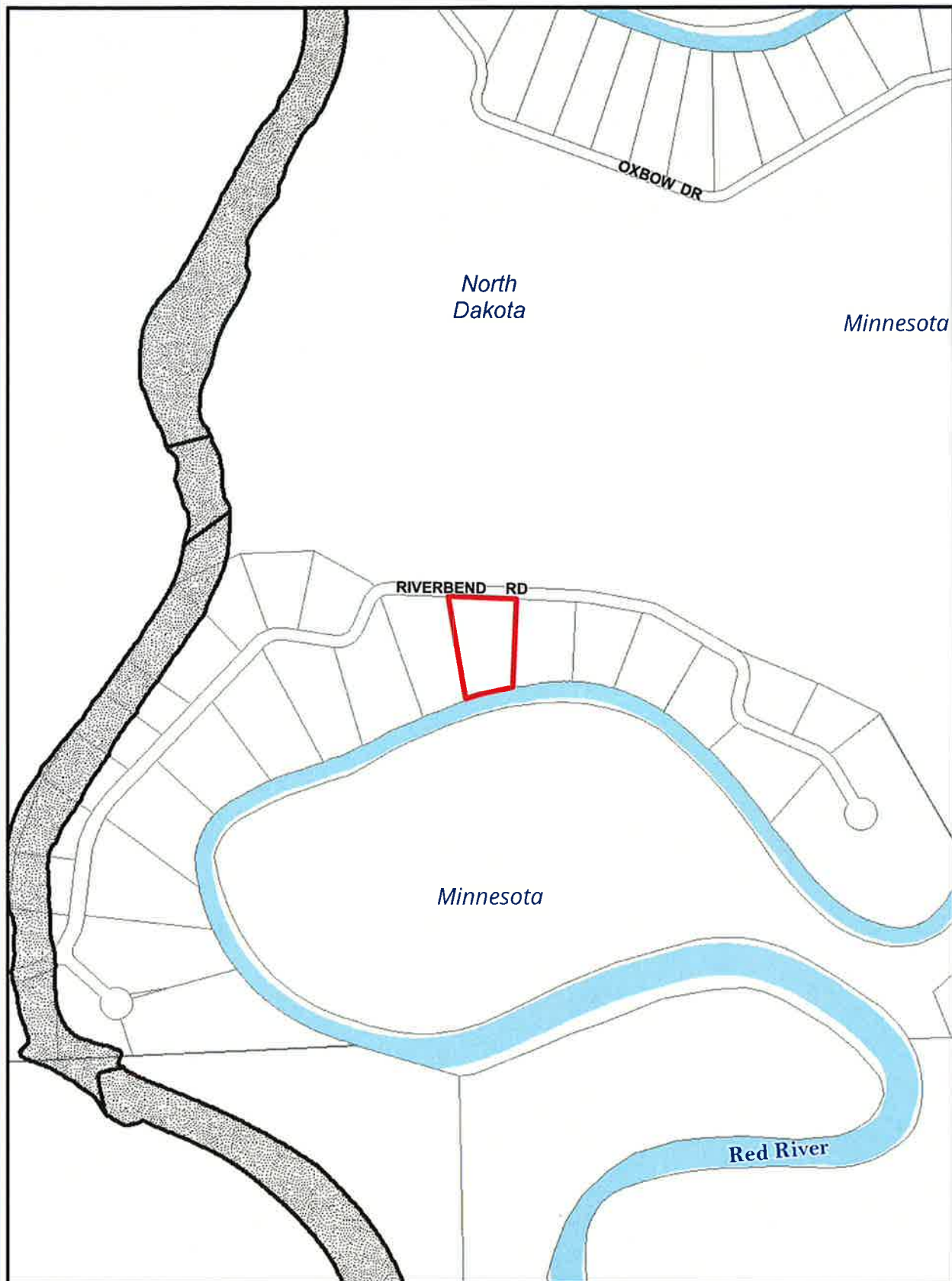
The property appraisal identified a market value of \$1,131,600 for the subject home property. The property appraisal for the vacant lots identified a value of \$22,600 for the three lots in aggregate. The Homeowner has countered with a number of \$1,200,000 for the home property and has agreed to accept the appraised value of the three vacant lots. The sum of the counter offer for the home property and the three additional lots is then \$1,222,600. The counter offer is less than six percent more than the appraised value. It is recommended that the Board accept this figure as reasonable and fair just compensation for the four properties.

Acquisition Cost Summary

Property		Notes
Just Compensation (for home property)	\$ 1,200,000	Based on Appraisal and negotiations
Just Compensation (for vacant lots)	+ \$ 22,600	Based on Appraisal
Total Purchase Agreement Amount =		\$ 1,222,600
Replacement Housing Agreement	\$ 0	No replacement housing agreement
Replacement Lot	\$ 0	No replacement lot

Requested Action/Recommendation

1. Recommend to CCJWRD, execution of a Purchase Agreement in the amount of \$1,222,600 as just compensation for real property.



CURRENT COST SHARE REQUEST

OIN# 9603

OWNER: WAYNE A ZIMMERMAN ETAL

PROPERTY ADD: 852 RIVERBEND RD, OXBOW CITY
TOWNSHIP: PLEASANT TOWNSHIP

PARCEL ACREAGE: 0.78 AC.



Diversion Channel



OHB Levee

----- In Town Levee

LAST UPDATED: 8/12/2015

REF PAGE NUMBER: 9603

Document Path: D:\GIS\Projects\FM_Diversion\FM_Area_Diversion\Project\Land
Acquisition\BWC_Reimbursement_Cost_Share\Mapbook2.mxd s1m as25



0 390 780
FEET

Maps are for graphical purposes only. They do not represent a
legal survey. While every effort has been made to ensure that
these data are accurate and reliable, the Division Authority does
not guarantee the accuracy of the information and waives any
warranty or guarantee of any kind, express or implied. The data
involved in the project is continuously refined and revised; you
should not rely on this information for technical purposes or
accuracy.