



**DIVERSION AUTHORITY
Land Management Committee
City Commission Room
Fargo City Hall
Wednesday, August 10, 2016
4:00 p.m.**

1. Agenda Review
2. Approve July 13, 2016 Minutes action
3. Outreach Plan for Phase 1 Properties information
4. Outreach Plan for Occupied Properties information
5. Elected Official Involvement information
6. CCJWRD Land Management Report information
7. Other business
8. Next meeting September 7, 2016

**DIVERSION AUTHORITY
Land Management Committee
City Commission Room
Fargo City Hall
Wednesday, July 13, 2016
4:00 p.m.**

Present: Cass County Commission Representative Mary Scherling; Cass County Commission Representative Chad Peterson; Clay County Commission Representative Grant Weyland (alternate for Jenny Mongeau); Clay County Commission Representative Heidi Durand; Fargo Division Engineer Nathan Boerboom; Cass County Joint Water Resource District Representative Rodger Olson; Fargo City Commission Representative John Strand; Fargo City Administrator Bruce Grubb; Moorhead City Engineer Bob Zimmerman.

Others present: Eric Dodds - AE2S; Oxbow Mayor Jim Nyhof; Fargo City Mayor Tim Mahoney.

The meeting was called to order by Mary Scherling.

Committee Organization

Mary Scherling said this Committee needs to nominate a temporary chair and then at the next meeting a permanent chair will be nominated.

Rodger Olson made the motion to nominate Mary Scherling as the temporary Chair. Chad Peterson seconded the motion. All the members voted aye and the motion was declared carried.

Agenda Review

There were no additions or amendments to the agenda.

Bob Zimmerman moved the Order of Agenda be approved. Chad Peterson seconded the motion. All the members voted aye and the motion was declared carried.

Approve June 8, 2016 Minutes

Rodger Olson moved the minutes from the June 8, 2016 meeting be approved. Bob Zimmerman seconded the motion. All the members voted aye and the motion was declared carried.

Property Acquisition – Organic Farm Land

Eric Dodds said AE2S has been in contact with the trust representative for this organic farm land for quite some time. He said he was approached by the representative in 2014 and recognized that the project was moving forward, he wanted to know what options they might have for mitigating the organic farm. He said organic farming is very sensitive to flooding and farmers are concerned about pesticides and other materials

that may impact their ability to market their product as organic. He said there was a series of meetings and he felt that it was worthwhile to conduct an appraisal of the property. The appraisal was completed; however, at the same time the trust completed their own appraisal, which came back at a different value, in addition to the Clay County Assessor's having another higher value. He said discussions continued and it was decided to settle in the middle of the three values recognizing that with the EIS process the Diversion Authority had to wait until the EIS was completed. With the EIS now being completed and released, the trust representative reached out to the Diversion Authority and is anxious to move forward. He said there are four different organic farms that are impacted in the staging area and he thinks that this solution is one that will work for this farmer as well as the other farmers who will be impacted. He said the suggested motion is that the Diversion Authority would acquire the farm land, allow the farmer to rent it back for a period of time and the farmer would then take the proceeds and buy other land to establish the organic certification on the new land outside the staging area, which typically takes three to five years. Once they have certification established on the new land, they could continue to rent the land, he said or the Authority could sell this land via auction. He said the point is that the farmer needs to do this early so that they have enough time prior to the operation of the project to establish their organic certification on the new site.

Mary Scherling said she thinks this is an outstanding example of working together to make a decision on a difficult situation.

In response to a question from Ms. Scherling about whether organic farm land has a higher land value than regular farm land, Mr. Dodds said the appraiser basically concluded that organic farming is a management decision. He said the appraiser suggested that it does not alter the value of the land, or the valuation of the farm itself, but is rather a management decision that has proven to be no less or no more profitable than regular farming.

In response to a question from Heidi Durand in regards to a rental amount calculated for the land, Mr. Dodds said there has yet to be a rental amount figured out yet. He said with approval he would talk to the land owner and renter, and probably engage Pifer's to come up with an appropriate range of rent.

Bob Zimmerman moved to recommend to the CCJWRD the execution of a Purchase Agreement in the amount of \$1,536,000.00 as just compensation to Askegaard Hope Partnership LLLP for acquisition of organic farm land, and allow for a 1031 exchange; enter into a farm land rental agreement with the current producer for a period of time sufficient to allow for establishing organic certification of new land purchased through the 1031 exchange (assumed to be three years); apply a flowage easement on the three acres of land operated by the Comstock Wildlife Club and sell the land to the club for a nominal amount; and CCJWRD to conduct the acquisition and then transfer the land to the Minnesota acquiring entity after it is established (expected to be fall 2016). Chad Peterson seconded the motion. All the members voted aye and the motion was declared carried.

CCJWRD Land Management Summary

Eric Dodds said the intention with the report is to provide some details on the properties that are actively being worked on from an acquisition standpoint. He said at the Outreach Committee meeting today there was some good discussion about what are the appropriate outreach efforts, such as public meetings, specifically for land acquisition processes. He said the suggestion was that the Authority put forward a suggested plan for outreach on land acquisition processes.

Other Business

In response to a question from Tim Mahoney regarding how the meetings went with the DNR, Mr. Zimmerman said he thought the meetings were very productive. He said there were some threshold issues that have been identified and additional information will need to be provided but all in all he felt that it was a productive meeting.

The next meeting will be Wednesday, August 10, 2016 at 4:00 p.m.

Rodger Olson moved the meeting be adjourned. Bob Zimmerman seconded the motion. All the members voted aye and the motion was declared carried.

The meeting adjourned at 4:30 p.m.



PHASE 1 PROPERTY ACQUISITION COMMUNICATIONS WORKPLAN

JULY 2016

GOAL #1

LANDOWNERS, TENANTS AND THOSE LIVING NEAR AFFECTED PROPERTIES KNOW WHAT THE PROCESS IS AND HOW THEY WILL BE AFFECTED.

GOAL #2

INCREASED AWARENESS OF RESIDENTS LIVING IN COUNTIES NEAR PROJECT OF HOW AND WHEN THE PROJECT WILL BE IMPLEMENTED.

Individual landowners.
Specific property impacts.

← **SPECTRUM OF AUDIENCE** →

General public,
No immediate impact

MESSAGE & AUDIENCE

AUDIENCE: Property owners and tenants with land that needs to be acquired in Phase 1 area.

MESSAGES: Project is happening. Your property is affected. Land agent is available to meet with you. Empathy.

MESSAGE & AUDIENCE

AUDIENCE: Residents townships and cities in or near Phase 1.

MESSAGES: Project is happening. Properties in your area are affected. Property owners will get letter outlining steps of process.

MESSAGE & AUDIENCE

AUDIENCE: Residents of Cass, Clay, Richland, Wilkin Counties and ND/MN general public.

MESSAGES: Project is happening. Properties are affected. Financial Plan for the Project has been developed. Construction time line and map of Project.

METHOD OF DELIVERY

METHOD 1: Letter from Cass County Joint Water Resource District.

METHOD 2: Individual meetings with property owner and land agent.

METHOD 3: Informational meetings at township level.

METHOD OF DELIVERY

METHOD 1: Presenting information at township/city meeting.

METHOD 2: Providing printed information to township/city leaders and residents. Engage at the township/city meetings and township officers association meetings.

METHOD 3: Project progression information on www.FMDiversion.com.

METHOD OF DELIVERY

METHOD 1: Promote/populate www.FMDiversion.com with messages. Interactive web map.

METHOD 2: Press releases

METHOD 3: Offer subject-matter expert interviews to local media, organizations, and civic groups.

METHOD 4: Newsletter and hard copy letters to key audience groups in staging area and footprint.

SCHEDULE

Aug. 1, 2016: Letter CCJWRD
Aug. 1 - Aug. 8: Individual meetings
Aug. 9 - Aug. 13: Township/city meetings.

SCHEDULE

July 25, 2016: Request to attend township/city meeting.
Aug. 9 - Aug. 13: Township/city mtgs.

SCHEDULE

Aug. 9: Website land acquisition and FAQ section updated. Phone number and call process outlined.
Aug. 13: Press release, newsletter, information placed with media and subject matter expert interviews about process and ongoing meetings.

Sept: Hands-on outreach efforts including letter to residents in staging area, letter to residents in footprint.

JULY 20

AUG. 1

AUG. 15

SEPT. 1



OCCUPIED RESIDENTIAL PROPERTY ACQUISITION COMMUNICATIONS WORK PLAN

JULY 2016

GOAL #1

LANDOWNERS, TENANTS AND THOSE CURRENTLY LIVING IN AREAS KNOW HOW THEY WILL BE AFFECTED

GOAL #2

RESIDENTS LIVING IN AFFECTED AREAS UNDERSTAND THE RELOCATION PROCESS

← SPECTRUM OF AUDIENCE →

Residents that own and occupy impacted properties

Land owners that own occupied properties in impacted area.

Residents that rent and live on properties in impacted area.

MESSAGE & AUDIENCE

AUDIENCE: Residents that own and occupy impacted properties. *Potential business impacts for farmstead owners.*

MESSAGES: Project is happening. Your property is affected. Time frame. Relocation assistance information. Indicate land agent will reach out to meet with you.

MESSAGE & AUDIENCE

AUDIENCE: Landowners/property managers for any rented homes in affected areas.

MESSAGES: Project is happening. Your property will be affected. Time frame and process of project. Relocation assistance information for your renter.

MESSAGE & AUDIENCE

AUDIENCE: Renters living in homes located in affected areas.

MESSAGES: Project is happening. The home you live in will be affected. Encourage discussion between renter and landowner. Timeframe and process of project. Relocation assistance information.

METHOD OF DELIVERY

METHOD 1: Letter from Cass County Joint Water Resource District (or MN equivalent).

METHOD 2: Offer individual meetings with property owner and land agent.

METHOD OF DELIVERY

METHOD 1: Letter from Cass County Joint Water Resource District.

METHOD 2: Offer individual meetings with property owner and land agent.

METHOD OF DELIVERY

METHOD 1: Letter to property address.

Note: May need assistance from property owner to reach this group.

SCHEDULE

Aug. 9: Website land acquisition and FAQ section updated. Phone number and call process outlined.

Sept. 1: Letter distributed

Oct.-Dec.: Property owner and land agent meetings

SCHEDULE

Aug. 9: Website land acquisition and FAQ section updated. Phone number and call process outlined.

Sept. 1: Letter distributed

Oct.-Dec.: Property owner with renter and land agent meetings

SCHEDULE

Aug. 9: Website land acquisition and FAQ section updated. Phone number and call process outlined.

Oct. 1: Letter distributed to renter

Nov 1: Review progression with landowners. Re-evaluate this audience.

AUGUST

SEPTEMBER

OCTOBER

PROPERTY ACQUISITION PROCESS

INFORMATION SHEET FOR ELECTED OFFICIALS

AUGUST 2016



With the advancing of property acquisition we anticipate there may be increased phone calls to elected officials about the process. Here is a brief overview of the process and helpful tips for anyone in an elected position.

GOAL OF PROPERTY ACQUISITION: To ensure all impacted property owners are receiving fair and just compensation and to acquire property rights needed for the Project. The process to acquire property must be in compliance with federal law. The process needs to be fair, friendly and flexible.

THE PROCESS

DESIGN SHOWS PROPERTY IS NEEDED

Design team including the U.S. Army Corps of Engineers, HMG or the P3 firm let the Program Management Consultant know the property is needed.

APPROVAL TO BEGIN

The Diversion Authority Finance Committee reviews the need and if approved, submits it to the Cass County Joint Water Resource District (CCJWRD). A land agent is brought on board to work with the property.

RIGHT OF ENTRY REQUESTED TO SURVEY PROPERTY SENT

Right of Entry requested so property can be surveyed.

LAND AGENT CONTACTS

Land agent is in contact with property owner.

LETTER OF INTENT TO ACQUIRE SENT

The land agent sends the property owner a certified letter with a Notice of Intent (NOI) to Acquire. Land agent in contact with the property owner.

STEPS TO DETERMINE FAIR MARKET VALUE BEGIN

The property is appraised. The appraisal must follow federal standards. Draft appraisal report submitted for review and the Just Compensation value is approved by the CCJWRD in accordance with state and federal law. If the acquisition requires relocation, the cost of relocation to a similar home that is "decent, safe and sanitary," is also presented to the property owner.

OFFER OF JUST COMPENSATION MADE

If the owner accepts the offer, the purchase agreement is signed and a closing date is set. If the owner rejects the offer, the offer is reevaluated and negotiations may follow.

QUESTIONS ABOUT THE PROCESS?

For more information about the property acquisition process call Eric Dodds at AE2S, (701) 364-9111 or Eric.Dodds@ae2s.com

WHAT CAN ELECTED OFFICIALS DO?

LISTEN: Individuals may be calling with concerns about the process or their dealings specifically. It's important to understand what they are asking.

HELP EVERYONE UNDERSTAND THE PROCESS: Helping individuals understand how the process works is critical. It's also important they know who they can contact for general information or information about their specific property.

HAVE FAITH IN THE PROCESS: The property acquisition process is designed based on federal and state law and has been developed during the past three years. Learn about the process and let the Program Management Consultant know if you have concerns with the structure or steps.

UNDERSTAND THE LAWS: The Federal Uniform Housing and Relocation Act guides this process. Having a good understanding of this law can help you explain the process to others.

RECOGNIZE YOUR ROLE: Understand that elected officials should not to have an active role in individual property acquisition cases. The involvement of elected officials can create real or perceived pressures making it difficult or impossible to ensure the fair treatment of all.

WHAT SHOULD ELECTED OFFICIALS AVOID?

DO NOT TRY TO GET INVOLVED IN DETAILS: Elected officials should not be involved in the monetary details or case-specific details in any property acquisition work. The involvement of elected officials can create real or perceived issues with fairness.

DO NOT TRY TO INFLUENCE THE OUTCOME: The Program Management Consultant welcomes input about the process.

DO NOT ASK FOR CASE-SPECIFIC INFORMATION: Even a basic question about a specific case can create a connection between an elected official and property owner.

DO NOT ADVOCATE ON SOMEONES BEHALF: If advocacy is needed in a particular case, there are legal precedents set up to ensure every party is given legal and proper representation. If you, as an elected official, have personnel concerns or concerns with the process, contact the Property Acquisition Program Team Leader Eric Dodds at eric.dodds@ae2s.com.