

**MINUTES/FLOOD RESPONSE COMMITTEE**  
**Thursday, June 5, 1997 - 5:00 p.m.**

Members present: Hafner, Bakken, Glassheim, Polovitz.

1. Matter of purchase of 4-plexes.
2. Purchase of additional property.
3. Matter of phases of the Buyout Program.  
Held in committee for further information.

4. Other items.

a) Duaine Espegard, chairman of the Mayor's Task Force subcommittee on housing, reported from time to time they will be presenting proposals for consideration; that they would recommend and encourage that the leadership of the city provide some impetus to get leadership in the planning and zoning department, that as they move forward with commercial expansions and start-ups, that they feel that the department has to move forward, and asked committee to look at. He stated they also recommend that the Planning and Zoning Commission go on fast track and meet as often as necessary to move process forward. He noted that they will be meeting at least every other week.

Mr. Espegard also stated that as they looked at development of the city, and at future housing developments found that in the south end of town have some infrastructure needs, most particularly lift stations, and that it will be their recommendation that City give consideration to installation of lift stations in the south end of town, know cost is \$1 Million each to install and would encourage that the City would widen its borders and put infrastructure in the south end of town.

Committee discussed matter of city planner position, and Mr. Swanson noted that the planning director is an employee of the city of Grand Forks, don't have ability to do permanent hire until hearing and process concluded; however, could enter into consulting arrangement with outside entity. Committee questioned putting planning under another department, and Mr. Swanson stated that would be mayor's prerogative, that at one time was part of the engineering department. Committee stated this perhaps is an issue that should be presented to the mayor, and also specific items impeding process. Mr. Espegard stated that they are satisfied with fast track process.

The committee stated they have discussed need for lift stations in the south end; Mr. Espegard stated they were careful not to

select any area, but probably most obvious and easiest in the south end and they are up against infrastructure. He stated there is recreation park there and plan for school there and open up so development happens. Committee questioned if any proposals coming forward relative to what they need to do; Mr. Espegard stated bringing one up today and another proposal in another week; have to have housing, and need to have something available as soon as possible and one of the areas is to provide more incentive than just the

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buyout of the homes if they stay and built within the city, presently buying out low lying areas at 5% or 10% if they stay in the city, think they need more help than that because moving into a different cost structure, most less than \$80,000 and replacement costs are more, and to bridge that gap is recommendation that we help more with actual funds to people displaced, don't have recommendation on additional funding, i.e, \$15,000. He stated there are 250 developed lots in town and would allow them to use that as a credit to build on one of those lots, that if stayed in home for 5 years that would be forgiven and would be equity to them. He stated they felt it would be a wise place to spend CDBG funds to get people building in the city; afraid they may take the small amount of equity and relocation fee and use as an exit fee; and will come in next week with written proposal. He stated they will have two proposals, one an interim proposal based on present property within the city and one which is much more major, city/private larger development.

Glassheim stated he is hearing about significant increase in rent, price gouging, and that rental increases push people out of town. Mr. Espegard stated rents increasing, and would rather give credit to property owners rather than cash; that problem is there is major apartment shortage in the city, esp. as it relates to the University. Hafner stated he had heard city lost 7000 apartments, and asked if UND had any plans, or if any plans in private sector. Mr. Espegard stated to encourage to provide some funds from CDBG to property owners to finish up their apartments; hasn't heard of any being built. He stated Ryan and Dacotah working as fast as possible to get done, believes most back in operation in, however, didn't know how many in basements of homes. Polovitz stated UND looking at adopt-a-student program, UND could take major hit.

b) Committee raised question of council meeting time. Moved

by Glassheim and Polovitz that the regular council meetings be changed to 7:00 p.m. Motion carried.

c) Carpenter raised some concerns re. buyout program adopted by council, that he had talked with Doug Christiansen and has some concerns that we need to get answers to and get quickly - in regards to 10% and how much flexibility City will have, whether effects of the Relocation Act (that 1993 flood set a specific exemption in the law); that program adopted contingent upon approval by city attorney. He stated he would like to see this committee take some direction to get resolved. Mr. Swanson stated he doesn't know what Mr. Christiansen's concerns are; that the 10% was not something he had any knowledge of and had some concerns; he stated that everytime treat someone differently increases likelihood of challenge and political ramifications greater than legal ramifications. He also noted that he didn't draft this plan but not substantially different than what used in Des Moines, etc.

Mr. Swanson stated he can't overemphasize difficulty in any

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acquisition program - that the Register of Deeds office is out of

commission and Grand Forks Abstract not in business to assist in expediting in title searches. He also noted that there is question on funding, requirements different for 404 fund than for CDBG funds, and relocation requirement dependent upon funding source. Joel Manske, Housing Authority, stated there are two funding sources, block grant and 404 program, that Doug Christiansen talked with him re. his concerns, which has to do with 1993 exemption, Stafford Act, has paper and will give to Mr. Swanson. He also noted that a HUD specialist had reviewed program; but that Mr. Swanson should review and give opinion.

Committee questioned whether they should remove 10% or make any changes; Mr. Swanson stated his recommendation would be to wait until he gives opinion and he will point out whether acceptable legally or if concerns with other phases.

Bakken stated his intent was to help those who needed it most for Phase I and possibly assist people in other areas in other ways. Glassheim stated he supports incentive to reinvest in Grand Forks, but also need to bring back and reconsider two-year tax exemption; would rather use CDBG monies and use to rebuild tax base, possibly assist other areas by funding. Polovitz stated different criteria for people in different

situations but hesitant to take back 10%.  
Committee stated they would hold for opinion from Mr. Swanson.

Moved by Bakken and Glassheim to adjourn; meeting adjourned at  
6:20 p.m.

Alice Fontaine  
City Clerk

Dated: June 6, 1997.