

MINUTES/FLOOD RESPONSE COMMITTEE
Wednesday, September 24, 1997 - 5:00 p.m.

I. Members present: Glassheim, Carpenter, Polovitz.

II. Matter of FEMA update.

Ed Conley, FEMA, reported that they will be closing the Recovery Center this Friday, SBA will remain and maintain a work-shop at the location, they will continue the Helpline (1-800-525-0321) for people to call, and even though closing the Recovery Center they are not leaving town, 48 employees this week and next week also. He reported they are continuing to deal directly with number of people in community, ie., at manufactured home parks, and also number of people with travel trailers, but due to the decline in number of people visiting Recovery Center they felt they could close at this point. He stated they have Tom Sonder here, manager of manufactured home operation in Grand Forks, and he's available to answer any questions.

Carpenter asked what status of travel trailers was, Mr. Conley reported that the travel trailers have not been winterized, have option of manufactured home for those unable to move back into their homes, will see sharp decline in travel trailers and have target date for those of mid-October, and are working with families; are encouraging people to call Helpline as first resource.

V. Other business:

a) Presentation of award to Jim Campbell.

Reps. of the National Weather Service, Jim Bellis, Warning and Coordination Meteorologist for the National Weather Service in Grand Forks and Lee Anderson, Meteorologist in charge, presented an award to Jim Campbell from the National Weather Service, honoring his excellence as an emergency manager, that this award given to only 15 managers across the nation. Mr. Campbell thanked National Weather Service reps. and everyone else who's been part of it from day one.

IV. Matter of request for authorization to negotiate a contract

with Acres International to serve as consultant on the flood

protection plan study.

Ken Vein, city engineer and director of public works, reported he had met with reps. of Acres and are in process of meeting with Corps and now defining scope of what's going to be

entailed in design of the levee/floodwall system through town, which has already been authorized; and looking at scope of what study is going to be for any type of diversion, both he and Charles Grotte would be involved but are looking for someone with hydraulic and hydrological expertise to assist staff, as a resource for staff and Acres be a subcontractor/consultant to the City of Grand Forks, put together scope of what those services would look like and negoti-ate fee structure for that, which they would bring back for final approval. He stated they are looking for authorization to start negotiations for doing this work. He reported that this firm

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worked for Mayor's Task Force and presented their findings when they looked at western diversion, this is separate from that. He stated that a lot of the work will be done with the Corps and that the Corps has offered ability to be down there working with them. He reported that they haven't negotiated with Corps as to what cost-share is going to be, that they had a contract with them that was pre-flood on 50-50 basis with feasibility study, now they have piggy-backed onto previous study done through East Grand Forks, but will be under a different structure now and that hasn't even been defined; that final result will be multi-million dollar project, our total obligation going to be significant and this would be part of the administrative cost, and would use as part of our in-kind service, and would be contributing to our 35% or whatever that final percentage is going to be. He also reported that they have been continuing to spend money from fund, when they have needed to make a trip to Minneapolis, they have done so; that they originally had a \$2 million contract for the feasibility study (50-50). It was noted that funding from infrastructure sales tax, and they will continue spending out of that fund.

Moved by Polovitz to authorize city engineer to negotiate contract with Acres International; seconded by Carpenter. Motion carried.

III. Matter of interim business assistance program.

John O'Leary, exec.dir. of Urban Development, distributed copies of Downtown Commercial Rehab. Grant Program Administrative Guidelines, which he stated is substantially the same as what com-mittee saw week ago, and attached for review is copy of the appli-cation form and administrative process. He stated they are pro-posing that a \$50/sq.ft. grant be provided; that the target area if council wants to proceed with

this, needs to be established, either by stating central business district and looking at on a case by case basis, that would be another option, but the program is tended to focus on the revitalization of the downtown core area. He noted that in the downtown area lot of older buildings with 8-10,000 sq. ft., relatively small percentage of that is used for retail space, that problem with some of these old buildings, these buildings became functionally obsolete and not many small shops can afford 6-7,000 sq.ft. plate, may want to make it clear to the applicants, if go with this program, that although \$50/sq.ft. for retail space, if back portion of this being used for storage, wouldn't want to go with \$50/sq.ft. grant; clarification might be \$50/sq.ft. for active retail space vs a smaller number for storage and other uses (access points, hallways, etc.) He also noted that there isn't a cap on this right now, there's cap on facade improvement grants of up to \$10,000 per grantee, which is what they were spending in the past for storefront improvements in City Center Mall, however, those weren't winterized; that would be another way to do it by putting cap on total amount of improvements, but better way to do would be to limit it to \$50/sq.ft. for area used for retail or reduction for other areas. However, committee stated that might be difficult to

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determine if building improved for speculative purposes. Council Member Carpenter suggested requiring match of funds. Mr. O'Leary stated that the purpose is to try to encourage retail to come back downtown and not to convert ground flood of these buildings to reasonably priced office space; and he is in agreement with dollar for dollar match; could be either for property owner or business owner. Committee asked if there was limit of what one owner could get; Mr. O'Leary stated there were number of property owners down-town who have interest in many different properties.

It was noted that the eligible area of the program covers 100,000 sq.ft. about block and half radius around 4th and DeMers; wouldn't include some retail establishments on south end of S. 3rd and 4th Streets, wouldn't include east side of city center mall, and excluded two City-owned buildings on west side of mall because not cost-effective to repair and still looking at balance of buildings to see if repairable. He noted that the 100,000 sq. ft doesn't include improvements to second or third floors of buildings, but may want to look at second and third floors on case by case basis. He stated that

many proposals call for skyways or walkways where retail on second floor and if that happens may want to look at altering program, premature to look at but keep in mind. Mr. O'Leary stated that a more detailed description might be an area bounded by North and South 5th Streets, Kittson and 1st Avenue and to look outside that area on a case by case basis; consultants recommended to try to focus resources on relatively small area because would have greater impact. It was noted that \$5 million was allocated for this program, and if didn't receive applications to that amount could expand the area.

Committee questioned retroactivity of program as some improvements already started; Mr. O'Leary stated they are talking to environ-mental people re. trying to make program go back to date of flood; that one of the hassles with this is the environmental and historical review because if make improvements which are not in compliance with the review of the National Trust in cases of non-historic buildings. He stated they are going to try to make retro active to date of flood but don't know if that's possible.

Committee questioned whether they want to have max. or requirement for match on \$50/sq.ft. Carpenter stated he thinks there should be match borne either by owner of the property or business owner. Mr. O'Leary stated they could bench-mark in the ap. process where look in detail at what's going on, have preliminary approval of project and then review more detailed plan, and do on a case by case basis; all costs have to be documented, reasonable and appropriate.

Gary Christianson, River Forks Commission, stated that there is some historical property north and south that may want to look at, received communication back from National Trust and concern if don't make attempt to get heat in this fall, those buildings may be

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lost, some minimum things which are priority for historical buildings outside this radius would strongly encourage considera-tion of those. He commented on some type of match, that if building were subdivided and had several tenants with grants to business owner, could spend considerable amount in one building and should be limited for that reason. He also stated he wouldn't dis-agree with some type of match. Mr. O'Leary stated that heat would be eligible items.

Mr. O'Leary reported that Mr. Schmisek had brought up point

that there are some buildings on North 4th Street that they may want to include as well as buildings on 200 block of S. 4th Street (old fire hall and several office buildings), N. 3rd St. extend to 200 block rather than 100 to include Aakers Business College. Com-mittee stated that they would do narrower definition and give staff opportunity to do case by case.

Moved by Carpenter that we amend guidelines and require 15% match on the small specialty goods retailers and restaurants. Polovitz seconded the motion.

Glassheim noted that guidelines will be rewritten with boundaries and staff can consider on case by case outside the bounded area.

Committee noted that intent was to cap program at \$5million and if more demand, could consider additional cost at later date.

Motion carried.

V. Other business:

b) Gary Christianson, member of Re-imagining Downtown Committee, reported that there was meeting of that committee today and they drafted the following letter: "The Re-imagining Downtown subcommittee of the Mayor's Task Force on Business Redevelopment is very concerned about the negative image of downtown that is created by the continued presence of the debris on the burned out blocks of downtown. At our meeting today we passed a resolution to 'strongly encourage the city to immediately clean up the debris on the burned out areas of downtown and to urge you to move forward quickly with the recommendations of the ULI and the HUD consultants to utilize this areas as an ice rink and activity area.' We feel strongly that it is essential that this be done yet this fall to speed the downtown recovery process."

He stated that he didn't know that purchase of property necessary which might depend on some of the redevelopment plans, but that temporary lease would be sufficient to gain control of the land for that use. Committee questioned insurance status on those properties, that not necessarily City's responsibility to clean it up. Mr. Vein reported that Bev Collings from the Inspection Department and Howard Swanson are looking at this, and Mr. Swanson

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has taken lead on that and by next week may have additional information for the committee; that they are following legal process to get those properties cleaned up.

c) Glassheim asked for clarification on policy - assistance for someone with over 50% damage and not in the floodplain. It was noted that property owners eligible either buyout or up to \$15,000 for those that can be rehabbed. Deadline for that program is Sept. 25, and is retroactive.

d) Polovitz stated that for the record he would like to have public know that committee authorized spending \$35,000 on the historical review rather than \$43 million that was reported in the media.

Meeting adjourned at 6:00 p.m.

Alice Fontaine
City Clerk

Dated: 9/25/97