



**TO:** Mayor Shaun Sipma  
Members of the City Council

**FROM:** John R. Zakian, DR Grant Program Manager & Chief Resilience Officer

**DATE:** July 8, 2019

**SUBJECT: AUTHORIZE INITIATING INVOLUNTARY ACQUISITION PROCESS FOR BUYOUT AREAS 6 AND 6A**

**I. RECOMMENDED ACTION**

Authorize Initiating Involuntary Acquisition for Buyout Areas 6 and 6A

**II. DEPARTMENT CONTACT PERSONS**

John R. Zakian, DR Program Manager & Chief Resilience Officer, 423-4528

**III. DESCRIPTION**

A. Background

In the recently enacted state biennium budget, funds were approved for both acquisition and flood control measures within the City of Minot. The Joint Souris Water Board recommended and the State Water Commission recently approved an allocation of \$8,250,000 in new acquisition funds to match the CDBG-NDR allocation. The underlying purpose of this item and requested action by the City Council is to tighten up the process the city has followed in the past in proceeding with flood control related acquisitions to assure that the city is in full compliance with the federal Uniform Relocation Act (URA). Buyout Areas 6 and 6A have been selected for these funds because the city has previously acquired properties within the boundaries using Involuntary Acquisition. The URA sets forth that when Involuntary Acquisition is utilized then all properties within a defined area must be acquired. In authorizing acquisition of all properties in these two Buyout areas, we will be assuring that the city is in full compliance with the URA in these two buyout areas. The URA also requires that there be a defined boundary connected to a project either planned, in design or ready for construction. Several years ago, city staff did submit and the City Council approved a list of properties to be acquired for flood control projects. This item more clearly fits the requirements of the URA by specifically defining the boundaries for specific projects which have been defined by the Joint Souris Water Board, lists all the properties necessary to be acquired within the defined boundary, and seeks City Council authorization.

B. Proposed Project

Upon authorization of the City Council, and after the mandatory Environmental Review, a General Information Notice (GIN) will be issued to every property owner in buyout Areas 6 and 6A. The GIN will notify the owner of the city's need to acquire the property, the project associated with the acquisition (this was not done before), the rights of every property owner, the market price determination process, the negotiation process, and the last resort use of Eminent Domain by the city to acquire the properties if negotiations fail. The GIN letter will also offer the property owners to meet and review all their rights and options including relocation benefits for themselves and/or for tenants.

**IV. IMPACT:**

A. Strategic Impact:

HUD's well established practice is that if a Grantee demonstrates sufficient internal compliance review processes to catch omissions, missed requirements, and/or incorrect policies, and demonstrates to HUD effectively and completing implementing measures to address such matters, then HUD views such as steps and actions as being compliant.

B. Service/Delivery Impact:

Buyout areas 6 and 6A are included in the buyout areas connected with the CDBG-NDR grant and in support of the leveraged match funds identified in 2016 by the city in the grant agreement with HUD to come from North Dakota.

C. Fiscal Impact:

All acquisitions authorized by this item in Buyout Areas 6 and 6A will be funded from the new allocation of \$8,250,000 approved June 19, 2019 by the State Water Commission and which will be added through an amendment to the existing MOU with the state. These funds will also be used as leveraged match which is a requirement of the CDBG-NDR grant agreement between the city and HUD. Estimates for acquisition costs for remaining properties in Buyout Areas 6 and 6A based on prior experience establish that the \$8,250,000 should be sufficient to cover all acquisition and demolition costs.

**V. ALTERNATIVES**

N/A

**VI. TIME CONSTRAINTS**

NA

**VII. LIST OF ATTACHMENTS**

- A. Boundaries of Buyout Areas 6 and 6A
- B. Flood control projects identified as connected to Buyout Areas 6 and 6A
- C. List of properties in Buyout Areas 6 and 6A