



TO: Mayor Shaun Sipma
Members of the City Council

FROM: Lance Meyer, P.E., City Engineer

DATE: December 16, 2019

SUBJECT: CITY HALL TECHNICAL TEAM RECOMMENDATION (4466)

I. RECOMMENDED ACTION

1. Recommend Council discontinue the site selection process for the former Midwest Federal Savings and Loan Building (M Building)
2. Recommend Council enter into due diligence and purchase negotiations for the former Wells Fargo Building

II. DEPARTMENT CONTACT PERSONS

Lance Meyer, City Engineer	701-857-4100
Tom Barry, City Manager	701-857-4750

III. DESCRIPTION

1. Background

As part of the NDR program, staff have been investigating potential city hall locations within downtown.

One of the first steps in the process was to determine the current and future space requirements needed for a new city hall building. In reviewing the current and future space needs for a 50-year buildout, it was determined that approximately 44,772 square feet is needed today, and an additional 9,031 square feet needed over a 50-year timeframe. This would equate to a total square footage of 53,803.

In downtown, two buildings are available that fit or nearly fit this requirement and those buildings are the former M Building and Wells Fargo Building.

2. Proposed Project

The City Hall Technical Review Team has met twice to review the technical information available for both buildings. The primary considerations were available office space, parking availability, condition of building systems, and overall costs.

In reviewing the data available, the team concluded that the former Wells Fargo Building met the majority of the criteria the City was using to evaluate the buildings. Thus, the team recommends discontinuing the discussions with the owner of the M Building and advancing discussions with the owner of the Wells Fargo Building.

3. Consultant Selection

N/A

IV. IMPACT:

1. Strategic Impact:

The current city hall building is out of space and cannot house any new employees the City needs to advance its mission to serve the public. A new space will help to advance the downtown business district and provide adequate space to serve the public.

B. Service/Delivery Impact:

A new facility will provide adequate space for critical City operations including dispatch, city manager, finance, HR, attorney and IT. Additional space for public meetings and conference rooms would aid staff in conducting effective operations for city government.

C. Fiscal Impact:

At this time, Council has allocated \$3.75 million in NDR funds and \$3.0 million in other city funding for this project. For 2021, staff has budgeted \$5.3 million from cash reserves and \$5.5 million from tax levy. Final project costs will be developed as the project progresses through time.

V. ALTERNATIVES

Council has several alternatives available at this time, which include:

1. Continue to investigate the M Building as an alternative
2. Seek additional information for both buildings. Staff requests to know what additional information Council needs.
3. Choose not to move forward with these sites

VI. TIME CONSTRAINTS

In order to use NDR funding, the project must continue to follow NDR program environmental reviews and cost reasonableness reviews. Because of the time involved to complete these reviews, a decision by Council is needed soon to keep the project moving forward.

VII. LIST OF ATTACHMENTS

- A. N/A