

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

114

2001 HOUSE POLITICAL SUBDIVISIONS

HB 1114

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1114

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date 1-11-01

Tape Number	Side A	Side B	Meter #
I	x		1658-5072
Committee Clerk Signature <i>Pam Owens</i>			

Minutes: Chairman Froseth called the meeting on HB1114 with those present: Chairman Froseth, Vice-Chair Severson, Rep. Disrud, Rep. Grosz, Rep. Gunter, Rep. Herbel, Rep. N. Johnson, Rep. Kretschmar, Rep. Maragos, Rep. Tieman, Rep. Delmore, Rep. Eckre, Rep. Ekstrom, Rep. Fairfield, and Rep. Niemeier.

Ken Schulz - Director of the State Hospital & Development Center, Jamestown, ND (1660) testified in support of this bill. Jamestown wants to buy two tracts of land from State Hospital. The hospital has no long range plans for these two tracts of land and supports this bill. (See attached testimony)

Chairman Froseth : How did they determine the dollar amount of the land?

Ken : I'm not sure. I'm pinch hitting, so I will have to ask Alex Schweitzer, Superintendent. I believe it's based on sale of like property on the last few years.

Rep. Ekstrom : 2037 As I understand it, one of the small parcels is not presently owned by the city, but will be incorporated in the cost of this bill. The survey did not include this small piece

when it was done.

Ken : That's correct. The small portion of the 47 acres is included in the bill. The large portion of land would be part of a business park, and the small amount (less than an acre) would be parking lot. These two portions are separated by 194.

Rep. Herbel : 2348 Will this in any way inhibit any further development with the hospital itself for the future?

Ken : 2360 No, the land in question is on the edge of the property owned by the hospital. This is farmland that is rented out for \$1400 a year. The \$18,000 that we would be getting from the sale of the land would take several years of renting to recover that.

Rep. Disrud : 2634 Please hold up your map so we can see the shaded area involved. Thanks.

Charlie Kourajian, Mayor of Jamestown, ND : I handed out the maps you are looking at. He explained the easement involved. We would like to buy the one tract of land from the state, so that the parking lot of the Buffalo Center would be all owned by Jamestown.

Rep. Disrud : 3227 Does the city need this land more than the hospital.

Charlie : Yes, we do. The land is real hilly by the center, so I can't imagine what else it can be used for.

Rep. Ekstrom : The land you want for an industrial park, will it be in the hands of the city or would you in turn be turning to a private entity?

Charlie : The potential business that we have there will be leasing the land and they will be putting up the building.

Rep. Maragos : 3412 Are you presently leasing the land that you want for industrial park from the state?

Charlie : No, we have no involvement now. We need more land because we are running out of

land. Now, it is being rented for farmland.

Rep. Herbel : 3478 If this property was put out for bids, what would it sell for?

Charlie : It might go as high as \$500, if you get the right buyer. You never know. It's right on Hwy 281.

Rep. Herbel : I'm concerned we may be selling commercial land for \$400/acre and that is cheap.

Kevin Cooper - Director of Stutsman Development Corp, Jamestown, ND : 3638 I'm here to address a few of the questions that were brought up. The land is priced at a premium above what the fair market value is for farmland. There is some degree of separation from Hwy 218. There has been development south of 194 and Hwy 281. This land has been there for a long time and no one has shown any interest. We looking at putting in lots of dollars with putting in utilities and buildings. We feel this is close to interstate and close to utilities so that cost isn't so terribly high.

Rep. Maragos : 4016 Have any appraisals been done?

Kevin : No. We arrived at the cost in view of past sales of state hospital properties and the average sale of cropland around. And this is above that. There is higher value land around, but also lower value land around.

Rep. Gunter : What class of land is this?

Kevin : It's killable cropland; light soil. Beans was on it last year.

Rep. Ekstrom : 4186 Is this beyond city limits?

Kevin : Yes. This land will be annexed into the city of Jamestown.

Rep. Niemeyer : 4271 Are there any contractual problems with the farmer if this land is sold?

Kevin : No. We have contacted him concerning this, and he had no problems.

Ken Schulz : We work on a two year contract with the farms in that area

Page 4

House Political Subdivisions Committee

Bill/Resolution Number HB1114

Hearing Date 1-12-01

Rep. Eckre : What is the farmer renting the land per acre?

Ken : No, but I can get that information for you. I think it's between \$30-35/acre.

Rep. Kretschmar : 1633 Do you have a value on the small buffalo tract?

Charlie : We were hoping for a cheap price. Like a dollar.

Chairman Froseth : Any further testimony for or against HB1114. Hearing none I close the hearing on HB1114.

2001 HOUSE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1114end

House Political Subdivisions Committee

☐ Conference Committee

Hearing Date 1-12-01

Tape Number	Side A	Side B	Meter #
1		x	3165-3900
Committee Clerk Signature <i>Pam Deven</i>			

Minutes:

Chairman Froseth : 3165 Here is further information on this bill. Subsection 2 of section 1, indicates that 54-01-05.2 and 54-01-05.5 do not apply to transfers authorized by this Act. So this exempts them from complying with provisions of the state concerning sale of state property.

Rep. Maragos : The only thing that would allow this sale not to fall under these provisions is the passage of this Act.

Chair Froseth : Yes. This exempts them. This is the same words as a sale two years ago in a bill. Must be an agreement from the state that they don't need this property.

Rep. Maragos : I'm still curious about these provisions. I'd like these sections explained to me. Can someone from Leg. Council come down.

Chairman Froseth : Read the section from Century Code.

Rep. Maragos : I think we need an appraisal for sound fiscal policy. I would like to propose an amendment unless you want to hold this bill.

Page 2
House Political Subdivisions Committee
Bill/Resolution Number HB1114end
Hearing Date 1-12-01

Chairman Froseth : I asked about an appraisal and this process is suppose to be done by the buyer. They set this at \$400/acre. They compared this to land that was sold a year ago for \$471/acre in that area that was used for a landfill.

Rep. Ekstrom : We have a new fiscal note.

Rep. Maragos : I was interested in the comment that the purchaser sets the price. Generally the seller sets the price and figures out the value. I still like the idea of following normal provisions of state law.

Rep. Maragos : I move to amend HB1114 by striking subsection 2 of section 1 of the bill.

Chairman Froseth : We have an amendment to remove lines 15 and 16 of page two. This land would then be up for public sale.

Rep. Maragos : 3859 The sale is really between the people of ND and the city of Jamestown.

Rep. Delmore : I feel the same way. If it was just a deal between the hospital and the city of Jamestown, they wouldn't need us.

Rep. Eckre : Seconded the amendment.

VOICE VOTE - YES PREVAILED 10 YES, 5 NO

ACTION: Rep. Maragos moved a **DO PASS AS AMENDED** and Rep. Disrud seconded.

VOTE: 15 YES 0 NO Rep. Maragos will carry the bill.

FISCAL NOTE

Requested by Legislative Council
01/12/2001

REVISION

Bill/Resolution No.: HB 1114

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		\$20,270				
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
	\$20,270							

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill authorizes the sale of approximately 47.37 acres of farm land and approximately 6.61 acres of pasture land to the city of Jamestown. The land is currently owned by the State Hospital. The estimated value of the farm land is \$400 per acre. The estimated value of the pasture land is \$200 per acre. The sale will result in added revenue of \$20,270 in the current biennium as an emergency clause has been added to the bill.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The other revenue to be received by the Department from the City of Jamestown is based on the sale of approximately 47.37 acres of farm land and approximately 6.61 acres of pasture land in Stutsman County. The amount is not included in the executive budget as the sale will take place this biennium as the bill contains an emergency clause.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Brenda M. Welsz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	01/12/2001

FISCAL NOTE
Requested by Legislative Council
12/26/2000

Bill/Resolution No.: HB 1114

Amendment to:

1A. State fiscal effect: *Identify the state fiscal effect and the fiscal effect on agency appropriations compared to funding levels and appropriations anticipated under current law.*

	1999-2001 Biennium		2001-2003 Biennium		2003-2005 Biennium	
	General Fund	Other Funds	General Fund	Other Funds	General Fund	Other Funds
Revenues		\$18,948				
Expenditures						
Appropriations						

1B. County, city, and school district fiscal effect: *Identify the fiscal effect on the appropriate political subdivision.*

1999-2001 Biennium			2001-2003 Biennium			2003-2005 Biennium		
Counties	Cities	School Districts	Counties	Cities	School Districts	Counties	Cities	School Districts
	\$18,948							

2. Narrative: *Identify the aspects of the measure which cause fiscal impact and include any comments relevant to your analysis.*

This bill authorizes the sale of approximately 47.37 acres of State Hospital land to the city of Jamestown. The estimated value of the land is \$400 per acre. The sale will result in added revenue of \$18,948 in the current biennium as an emergency clause has been added to the bill.

3. State fiscal effect detail: *For information shown under state fiscal effect in 1A, please:*

A. Revenues: *Explain the revenue amounts. Provide detail, when appropriate, for each revenue type and fund affected and any amounts included in the executive budget.*

The other revenue to be received by the Department from the City of Jamestown is based on the sale of approximately 47.37 acres of land in Stutsman County valued at \$400 per acre. The amount is not included in the executive budget as the sale will take place this biennium as the bill contains an emergency clause.

B. Expenditures: *Explain the expenditure amounts. Provide detail, when appropriate, for each agency, line item, and fund affected and the number of FTE positions affected.*

C. Appropriations: *Explain the appropriation amounts. Provide detail, when appropriate, of the effect on the biennial appropriation for each agency and fund affected and any amounts included in the executive budget. Indicate the relationship between the amounts shown for expenditures and appropriations.*

Name:	Brenda M. Welsz	Agency:	Department of Human Services
Phone Number:	328-2397	Date Prepared:	01/02/2001

18124.0101
Title.0200

Adopted by Political Subdivisions Committee
January 12, 2001

YR
1/12/01

HOUSE AMENDMENTS TO HOUSE BILL NO. 1114 HOUSE POL. SUBS. 1-12-01

Page 1, line 5, remove "1."

HOUSE AMENDMENTS TO HOUSE BILL NO. 1114

HOUSE POL. SUBS. 1-12-01

Page 2, remove lines 15 and 16

Renumber accordingly

Date: 1-12-01

Roll Call Vote #: on amendment

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO.

House POLITICAL SUBDIVISIONS

Committee

- ☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number

Action Taken Amendment

Motion Made By

Rep. Maragos

Seconded
By

Rep. Ekstrom

Representatives	Yes	No	Representatives	Yes	No
Chairman Glen Froseth		✓	Rep. Wayne W. Tieman	✓	
Vice-Chair Dale C. Severson	✓				
Rep. Lois Delmore	✓				
Rep. Rachael Disrud	✓				
Rep. Bruce Eckre	✓	✓			
Rep. Mary Ekstrom		✓			
Rep. April Fairfield		✓			
Rep. Michael Grosz	✓				
Rep. Jane Gunter	✓				
Rep. Gil Herbel	✓				
Rep. Nancy Johnson		✓			
Rep. William E. Kretschmar	✓				
Rep. Tom Kuster Nemecek		✓			
Rep. Andrew G. Maragos	✓				

Total (Yes) 19 No 5

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Take subsect. 2 of sect. 1 out.

Date: 1-12-01

Roll Call Vote #: / on bill

2001 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. HB 1114

House POLITICAL SUBDIVISIONS

Committee

- ☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number 18124, 0101 0100

Action Taken Do Pass As Amended

Motion Made By

Rep. Maragos

Seconded

By

Rep. Dirud

Representatives	Yes	No	Representatives	Yes	No
Chairman Glen Froseth	✓		Rep. Wayne W. Tieman	✓	
Vice-Chair Dale C. Severson	✓				
Rep. Lois Delmore	✓				
Rep. Rachael Dirud	✓				
Rep. Bruce Eckre	✓				
Rep. Mary Ekstrom	✓				
Rep. April Fairfield	✓				
Rep. Michael Grosz	✓				
Rep. Jane Gunter	✓				
Rep. Gil Herbel	✓				
Rep. Nancy Johnson	✓				
Rep. William E. Kretschmar	✓				
Rep. Joe Kroeber	✓				
Rep. Andrew G. Maragos	✓				

Total (Yes) 15 No 0

Absent 0

Floor Assignment Rep. Maragos

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE (410)
January 15, 2001 9:20 a.m.

Module No: HR-05-0963
Carrier: Maragos
Insert LC: 18124.0101 Title: .0200

REPORT OF STANDING COMMITTEE

HB 1114, as amended, Political Subdivisions Committee (Rep. Froseth, Chairman)
recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends
DO PASS (15 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING), placed on the Sixth
order on the calendar.

Page 1, line 5, remove "1."

Page 2, remove lines 15 and 16

Renumber accordingly

2001 SENATE POLITICAL SUBDIVISIONS

HB 1114

2001 SENATE STANDING COMMITTEE MINUTES

BILL/RESOLUTION NO. HB1114

Senate Political Subdivisions Committee

☐ Conference Committee

Hearing Date February 15, 2001

Tape Number	Side A	Side B	Meter #
1	x		35.8-56.0
March 15, 2001 2	x		0.0-11.8
Committee Clerk Signature <i>Nancy J. Winkler</i>			

Minutes:

The hearing was opened on HB1114.

ALEX SCHWEITZER: Superintendent of the North Dakota State Hospital and the Developmental Center. See attached testimony. SENATOR WATNE: Last year in this committee, a piece of property was taken from the state hospital and deeded over to the city of Jamestown, can you show me on this map where that property is located? ALEX SCHWEITZER: On that map I cannot, I would have to provide you with more expanded map. The land the last time, is east of the State Hospital. This particular piece of land is west along Hwy 281. SENATOR WATNE: Thank you. ALEX SCHWEITZER: But I can provide that for the committee, if you want it Senator Cook. SENATOR FLAKOLL: Am I to understand that the amount paid would be the greater of the amount between as an example, \$400 or the appraised value, whichever is greater. ALEX SCHWEITZER: Actually the amendment, would be the actual appraised value of the property. We had first to determine the \$400 based on what has

been historically the price of property that we've sold at the state hospital. We agreed that the House Committee that we'd sell the property at the actual appraised value, so its not the greater amount but the actual appraised value. SENATOR FLAKOLL: The second question relates to the amendments with respect to, I believe you talked about the 5.2 section, but on 5.5 is that essentially the same thing where you think in terms that apply to both of those with respect to offer the sale of public land. The stuff at the courthouse? Do both of those apply? Is that what

ALEX SCHWEITZER: They both do. In fact, the second section 54:01:05.5 again speaks of a public auction and again speaks of no land can be sold., again speaks of a public auction. Both of those sections are inconsistent with the bill as it was passed out of the House which basically says, this land is to be sold to the city of Jamestown if you pass this bill. That is the reason why we're asking for the exemption. SENATOR WATNE: Just to be sure I've got this straight, we have policies in this state how state land can be sold, which is it has to go out to the general public and all this type of thing. This bill is saying that this land will not go through the regular procedures, it can only be sold, to the city of Jamestown at an appraised price. ALEX

SCHWEITZER: That's correct. That's normally about the last five tracts of land that the hospital has sold, and has always been exempt from these two provisions. We've used the appraisal and have sold the land with an exemption. We've only asked to do this when its a local public, political subdivision that's asked to purchase this property. Our intent is to support the city of Jamestown and the two areas that they see as a need to enhance tourism and to enhance economic development in the Jamestown area. SENATOR COOK: Mr. Schweitzer your answer to Senator Watnes' should say provided the amendments get passed. ALEX SCHWEITZER: Provided the amendments get passed. I am not presuming anything Mr. Chairman. I am not ever presuming the bill will pass. SENATOR COOK: I just stated that so Senator Watne could be sure the

amendments that would be passed out. KEVIN COOPER: I am the Development Director for the Jamestown Stutsman Development Corporation. I am here to speak in support of HB1114, with the amendments as described by Mr. Schweitzer. I would like to elaborate on the background of the project and also on the goings on perhaps in the House relative to when they passed it out as they did. There was some, I believe some perception that this, what you might want to call a "hot commercial development property". That really isn't the case. It's been land and as I understand it, maybe Mr. Schweitzer could back me up on it, there has never been any interest on the part of a commercial for profit real estate developer in this property. It has always been used as tillable agricultural land, and has been rented as such. We are the economic development arm of the city and county, our purposes are public purposes. We would like to purchase this land in order to develop it and we're prepared to spend about over \$200,000,

Perhaps all of it this year on developing the infrastructure in it, we do not have a profit motive in relative to this project. For the purpose of having land for putting industrial or light industrial and or possibly commercial properties there. We will not make a profit out on it. This is something that overtime will result in economic development for Jamestown, but also for the state of North Dakota in the form of sales and income and taxes and so forth. The idea of doing a open bidding process besides the fact that it is not consistent with the past practices of the state regarding the sale of hospital land. There is some potential there for somebody who wants to make a fast buck, because they know that we want the land and we are willing to pay the appraised value for the land and we hired an appraiser out of Bismarck that is actually performing the appraisal right now and we expect that to be done the first week in March. SENATOR COOK: You are not for profit? KEVIN COOPER: Yes. We are nonprofit corporation. SENATOR COOK: Do you in turn, the bill would sell it to the city of Jamestown, you in turn buy it from the city of

Jamestown? KEVIN COOPER: Yes, we would. We are, have a contract with both the city and the county, as a job development authority and so its more like an intergovernmental transfer type thing. We would use our economic development dollars which are generated from the city sales tax dollars and also from the county property mills to pay for the land. So we would be using tax dollars to pay for it. SENATOR COOK: Is it pretty well know in Jamestown that you want it?

KEVIN COOPER: Oh yea! Its gotten some attention, especially about a month ago, when the House decided to put it up for open bids. DWAIN HEINRICH: President of the Jamestown City Council. See written testimony, along with photographs of the area. SENATOR WATNE: Why do you say, the only other person that would be interested in this plan would have less than honorable intentions? DWAIN HEINRICH: That is not my intent to say that would be the only person that would be, but someone certainly could especially in the situation where we have a museum building partially on city land and partially on state of North Dakota land, that in the only purpose for that for parking for the museum or the building that for an open bidding situation someone certainly could there to cause problems for the museum. SENATOR WATNE: I am a realtor, and we do development work in Minot, and Jamestown has gotten a lot of land from the State Hospital, because you already have interest going there, the buffalo, and things going on, I could see another developer coming along and saying lets build a beautiful restaurant, that may have an interest in this land. And as a state legislator and protecting state land for the citizens of this state of North Dakota, don't you think its fair that it is an open bidding process, in case someone came in, it would be to your advantage to wouldn't it? DWAIN HEINRICH: Fair is a difficult word to analyze. If the photographs, this is taken from the Interstate and this is the museum on the top of the hill, the property that we're talking about is this valley right down

along this side of the property. This hillside here in front of the museum, and this a photo from the museum looking out west toward the buffalo, so basically this hillside within that area, so as far as for commercial development and of course the parking lot and the building where the museum stand, for someone to come in there and buy that property for the purpose of building a restaurant, so on and so forth, I would imagine that would be possible, I think, there is other land on the road to the buffalo from E-rest 281 through Jamestown that would probably be more attractive and the other thing and I don't have a copy of the easement, but I believe that the easement that the city of Jamestown has for the parking is like the '99 year easement. So it isn't something that would have an immediate impact unless for some reason, someone choose to tell them, the museum that we have a problem because the building was built where it was not supposed to be.

I think that is the real purpose of trying to acquire this land, is to create, eliminate that from becoming a problem. SENATOR FLAKOLL: What is the current zoning is on the two pieces of property, and will that need to be changed to accomplish the needs that your anticipating?

DWAINE HEINRICH: As far as the industrial park land, when that is annexed into the city, I believe it all comes in as residential and then has to be rezoned. The other property I am not certain of that. SENATOR FLAKOLL: If you look at an Industrial Park, is that more significant, is there a airport close to the industrial park, the proposed industrial park location? DWAINE HEINRICH: The airport is on the northwest side of town, this is on the south side of town.

SENATOR MATHERN: By the interstate. SENATOR COOK: The answer to your question is

no. SENATOR FLAKOLL: Do you have a two mile? SENATOR POLOVITZ: Is there any provision in your request in this bill, that says that in case you do not use it for city purposes, that the land then reverts back to the state? That it can't be sold eventually to somebody else?

DWAINE HEINRICH: I am not sure, I certainly wouldn't be opposed to that. But as I mentioned earlier, we have already budgeted \$177,000 for initial site work. The park will be developed.

SENATOR POLOVITZ: The possibility is that you could turn it over? DWAINE HEINRICH:

Theoretically, yes, I certainly would not be something that would go through the Jamestown City

Council. SENATOR POLOVITZ: I think my feeling Mr. Chairman, I think it would be to your advantage to somehow amend this, but, to get assurance that it does not go back to anybody else

except the state, the original seller. DWAINE HEINRICH: I believe that as far as, if this is

developed, into an industrial park, we will be attracting businesses. And some of those

businesses, as far as part of the economic package, maybe acquiring this property. SENATOR

COOK: Senator Polovitz, if this was to pass the city of Jamestown would immediately, I

understand, sell it to the development corporation. SENATOR POLOVITZ: Which then would

be sold? SENATOR COOK: The development corporation, the individuals, not the land.

SENATOR MATHERN: The state hospital at one time was self supporting. A lot of land, they

did there own farming and dairy, all those, this was my home area, I lived in Jamestown. Its not

economical anymore. The state hospital I would believe doesn't have the use for all of this land

anymore. So I think that's one reason the city looking at moving out into that area. SENATOR

FLAKOLL: Are there potential tenants already lined up for the Industrial park? DWAINE

HEINRICH: We had a very real prospect that as it turned out could not wait, so they are, that

prospect has had to take other building in Jamestown. At the current time, I do not know of any

company ready to move in. What I believe the, if that should not occur, I believe what will

happen is that a spec building will be built because we are running out of existing buildings in

Jamestown for new or expanding businesses. SENATOR WATNE: Do you have any other area

around Jamestown that is an industrial complex or zoned M1 or anything? DWAINE

Page 7

Senate Political Subdivisions Committee

Bill/Resolution Number HB1114

Hearing Date February 15, 2001

HEINRICH: We have industrial food park which is east of Jamestown. That facility is one which of course a lot of money has been invested, but for bringing in light industrial or back office type businesses, the two don't necessarily go well together. It is true that near our airport, there is some land that is available. Problems there include restrictions near the airport, some of that land apparently can't be sold and some have water table problems.

Hearing Closed on HB1114.

March 15, 2001 (Tape 2, Side A, Meter #0.0- 11.8)

Senator Cook and the Political Subdivision Committee met to discuss HB1114. Senator Cook was waiting for the appraisal of the property being discussed by the State Hospital. After sharing that information with the committee, much discussion followed.

Senator Watne moved a Do Pass to approve the amendments

Senator Christenson- 2nd

Roll call vote: 8 Yeas, 0 No , 0 Ab.

Senator Lee moved a Do Pass as Amended and Re-refer to Appropriations

Senator Flakoll- 2nd

Roll call vote: 8 Yeas, 0 No, 0 Ab.

Carrier: Senator Cook

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1114

Page 1, line 5, replace "this section" with "subsection 1"

Page 1, line 6, after "services" insert "and may convey the land described in subsection 2 to the city of Jamestown, North Dakota, for two hundred dollars per acre or the most recent appraised value, whichever is higher"

Page 1, after line 7, Insert:

"1."

Page 2, after line 5, insert:

"2."

Page 2, after line 13, Insert:

"3. Sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer of the land described in subsection 2."

Renumber accordingly

Date: Mar 15 2001
Roll Call Vote #: /

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. S.B. 1114

Senate Political Subdivisions Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken approve
No Pass to Move the Amendments

Motion Made By Sen. Watne Seconded By Sen. Christenson

Senators	Yes	No	Senators	Yes	No
Senator Cook	✓		Senator Christenson	✓	
Senator Lyson	✓		Senator Mathern	✓	
Senator Flakoll	✓		Senator Polovitz	✓	
Senator Lee	✓				
Senator Watne	✓				

Total (Yes) 8 No 0

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:

Date: Mar. 1, 2001
Roll Call Vote #: 2

2001 SENATE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. S.B. 1114

Senate Political Subdivisions Committee

☐ Subcommittee on _____
or
☐ Conference Committee

Legislative Council Amendment Number _____

Action Taken No Pass AS amended & re-refer to Appropriations

Motion Made By Sen. Lee Seconded By Sen. Hulse

Senators	Yes	No	Senators	Yes	No
Senator Cook	✓		Senator Christenson	✓	
Senator Lyson	✓		Senator Mathern	✓	
Senator Flakoll	✓		Senator Polovitz	✓	
Senator Lee	✓				
Senator Watne	✓				

Total (Yes) 8 No 0

Absent 0

Floor Assignment Sen. Cook

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1114, as engrossed: Political Subdivisions Committee (Sen. Cook, Chairman) recommends **AMENDMENTS AS FOLLOWS** and when so amended, recommends **DO PASS** and **BE REREFERRED** to the **Appropriations Committee** (8 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). Engrossed HB 1114 was placed on the Sixth order on the calendar.

Page 1, line 5, replace "this section" with "subsection 1"

Page 1, line 6, after "services" insert "and may convey the land described in subsection 2 to the city of Jamestown, North Dakota, for two hundred dollars per acre or the most recent appraised value, whichever is higher"

Page 1, after line 7, insert:

"1."

Page 2, after line 5, insert:

"2."

Page 2, after line 13, insert:

"3. Sections 54-01-05.2 and 54-01-05.5 do not apply to the transfer of the land described in subsection 2."

Renumber accordingly

2001 TESTIMONY

HB 1114

**The House Political Subdivisions Committee
Representative Glen Froseth, Chairman**

House Bill 1114

January 11, 2001

Mister Chairman and members of the House Political Subdivisions Committee, for the record my name is ~~Alex C. Schweitzer~~ ^{Ken Schwab} and I am the Superintendent of the North Dakota State Hospital and Developmental Center.

I am here to support the Department of Human Services request to convey certain land in Stutsman County, as described in House Bill 1114, to the City of Jamestown, North Dakota at a price determined by the Department of Human Services.

This requested sale involves two tracts of land owned by the State of North Dakota. The legal description of the first tract is found on page one of the House Bill and is being sold to the City of Jamestown for the development of a business park. The legal description for the second tract is found on page two of the House Bill. It is being sold to the City of Jamestown because the National Buffalo Museum building was moved into the Frontier Village site a couple of years ago and placed on land believed to belong to the City of Jamestown. The building is located on land belonging to the State of North Dakota subject to an easement granted to the City of Jamestown. The city would like to acquire ownership of the parking lot easement tract.

This bill would authorize the sale of approximately 47.37 acres of State Hospital land to the city of Jamestown. The estimated value of the land is \$400 per acre. The sale would result in added revenue of \$18,948 in the current biennium as an emergency clause has been added to the bill.

The reason for the emergency clause for the first tract of land is to facilitate the relocation of a company from another locale to this business park. Because there is a potential tenant for this property, it is necessary to expedite the process of purchasing the property. The buyer would like to take ownership of the property in the spring of 2001, rather than mid-summer.

The reason for the emergency clause for the second tract of land is to facilitate ownership of the parking lot easement tract. The city would like to take ownership of the parking lot easement tract in the Spring of 2001, rather than mid-summer.

The State Hospital supports the sale of the two land tracts to the City of Jamestown. The hospital has no long range plan for utilization of these two pieces of property.

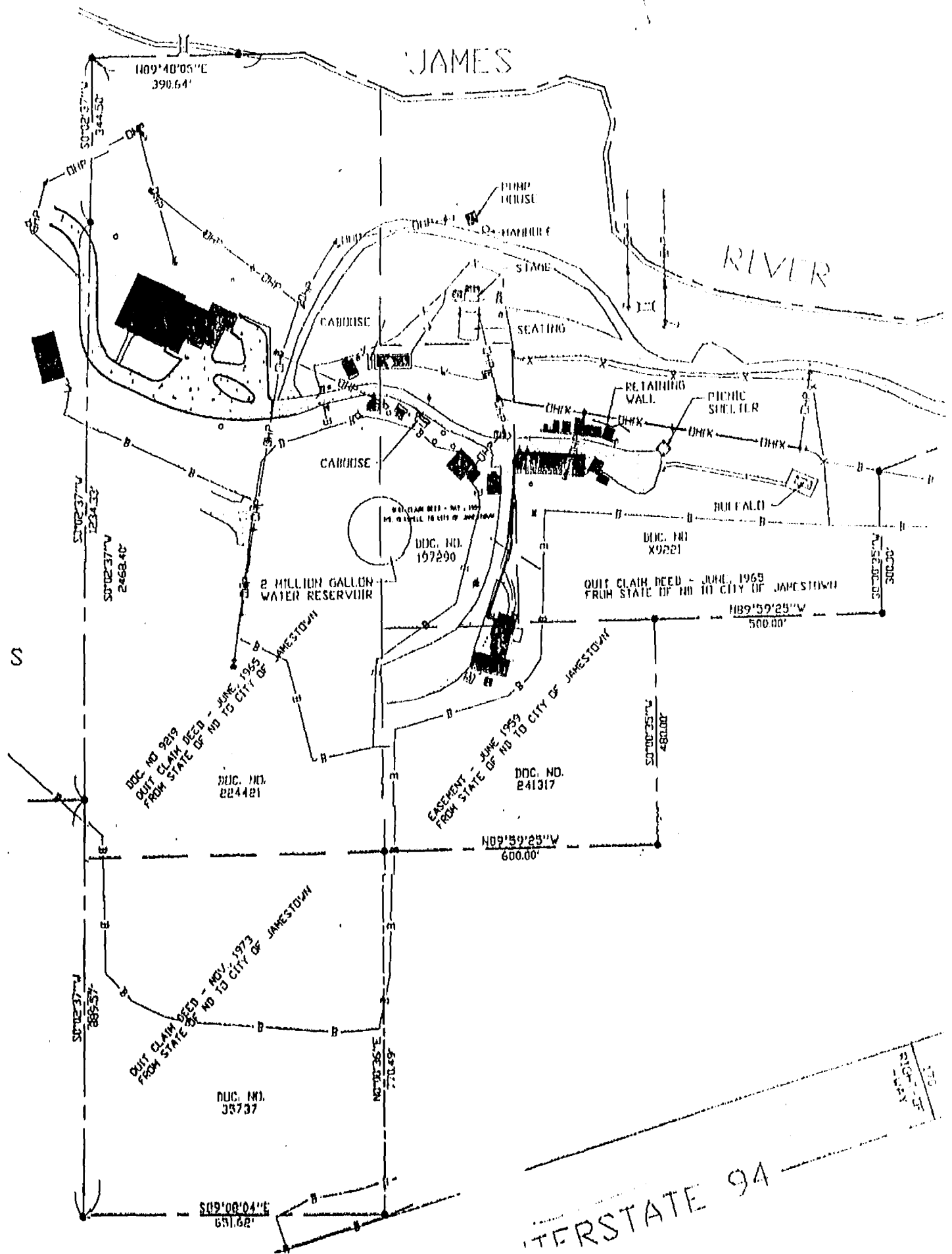
I would be glad to answer any questions on this request to convey this property.

SITE MAP OF
FRONTIER VILLAGE
And
NATIONAL BUFFALO
FOUNDATION MUSEUM

Jamestown, North Dakota

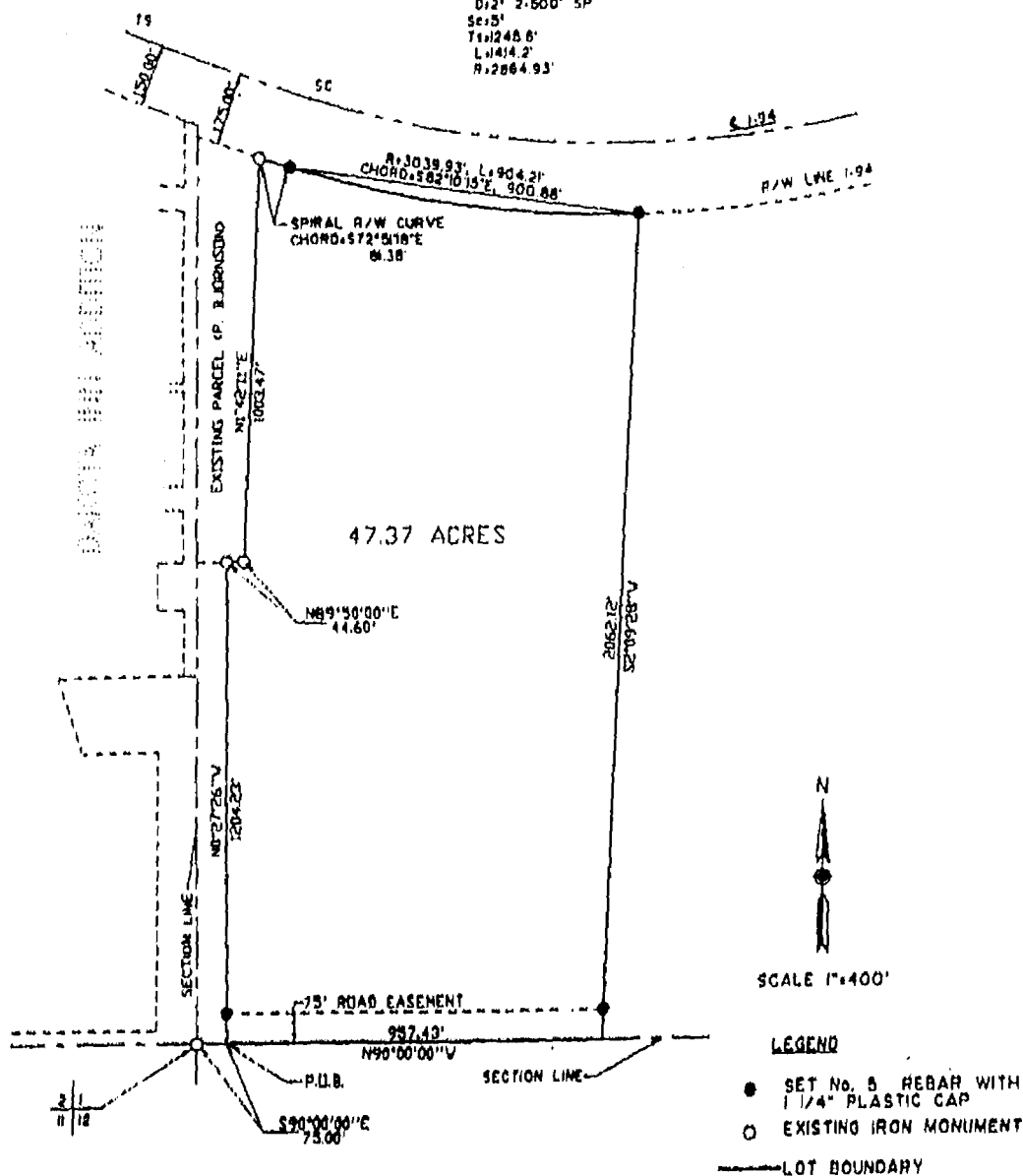
SITE MAP OF FRONTIER VILLAGE and NATIONAL BUFFALO FOUNDATION MUSEUM

Jamestown, North Dakota



PAGE 1 of 2

1. CURVE DATA
 $\Delta: 38.17^\circ$
 $D: 2' 2.500''$ 5P
 $S: 5'$
 $T: 1248.6'$
 $L: 1414.2'$
 $R: 2864.93'$



DRAWN BY: H.T.E.
CHECKED BY: J.H.F.
PROJECT NUMBER: 100-7-71
DATE: May 18, 2000



PARCEL DESCRIPTION

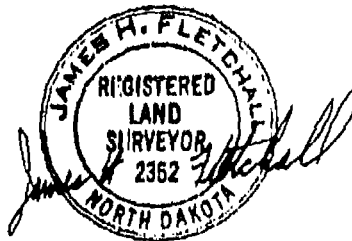
A tract of land located within the SW1/4 of Section 1, T139N, R64W of the Fifth Principal Meridian, Stutsman County, North Dakota being more particularly described as follows: Commencing at the SW corner of said Section 1; thence S90°00'00"E, along the south line of the SW1/4 of said Section 1, 75.00 feet to the point of beginning; thence N0°27'26"W, parallel with the west line of the SW1/4 of said Section 1, 1204.23 feet to a point on the south line of an existing parcel; thence N89°50'00"E, along the south line of said existing parcel, 44.60 feet; thence N1°42'11"E, along the easterly line of said existing parcel, 1003.47 feet to a point on the southerly right of way line of Interstate Highway 94; thence southeasterly, along a 5°00'00" spiral right of way curve, said curve having a chord bearing of S72°51'18"E and a chord length of 81.38 feet, a spiral length of 81.38 feet to the beginning of a circular right of way curve, said curve having a chord bearing of S82°10'15"E and a chord length of 900.88 feet; thence along said circular right of way curve an arc length of 904.21 feet; thence S2°09'28"W, 2062.12 feet to a point on the south line of the SW1/4 of said Section 1; thence N90°00'00"W, along the south line of the SW1/4 of said Section 1, 957.43 feet to the point of beginning. Bearings for the above description are based on an assumed bearing of N90°00'00"W along the south line of said Section 1. Said tract of land contains 47.37 acres more or less.

SURVEYOR'S CERTIFICATE

I, James H. Fletcher, Interstate Engineering, Inc., Jamestown, ND, a duly Registered Land Surveyor in the State of North Dakota, do hereby certify that the attached survey was done by me or under my direct supervision and that the attached drawing and description is a true and correct representation of said survey to the best of my knowledge and belief.

May 8, 2000

James H. Fletcher
James H. Fletcher
ND RLS No. 2352

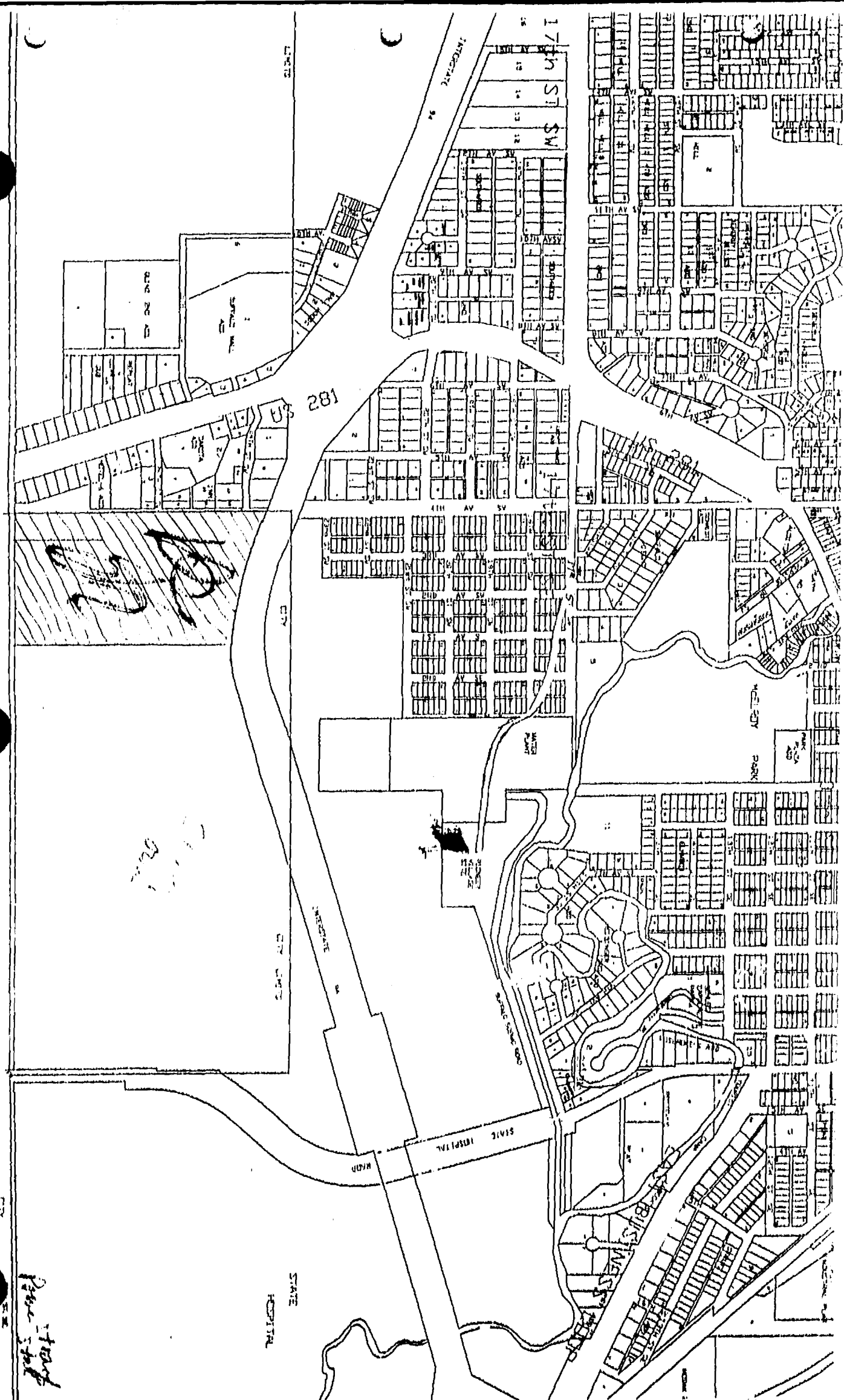


STATE OF NORTH DAKOTA)
COUNTY OF STUTSMAN)

On this 18th day of May, 2000, A.D., before me, a Notary Public in said County and State, personally appeared James H. Fletcher, known to me to be the same person described herein and who executed the within and foregoing instrument and he acknowledged to me that he executed the same.

Judith A. Brady
Notary Public
State of North Dakota

JUDITH A. BRADY
Notary Public, State of North Dakota
My Commission Expires May 22, 2002
STATE OF NORTH DAKOTA
NOTARY PUBLIC SEAL



Page 1 of 1

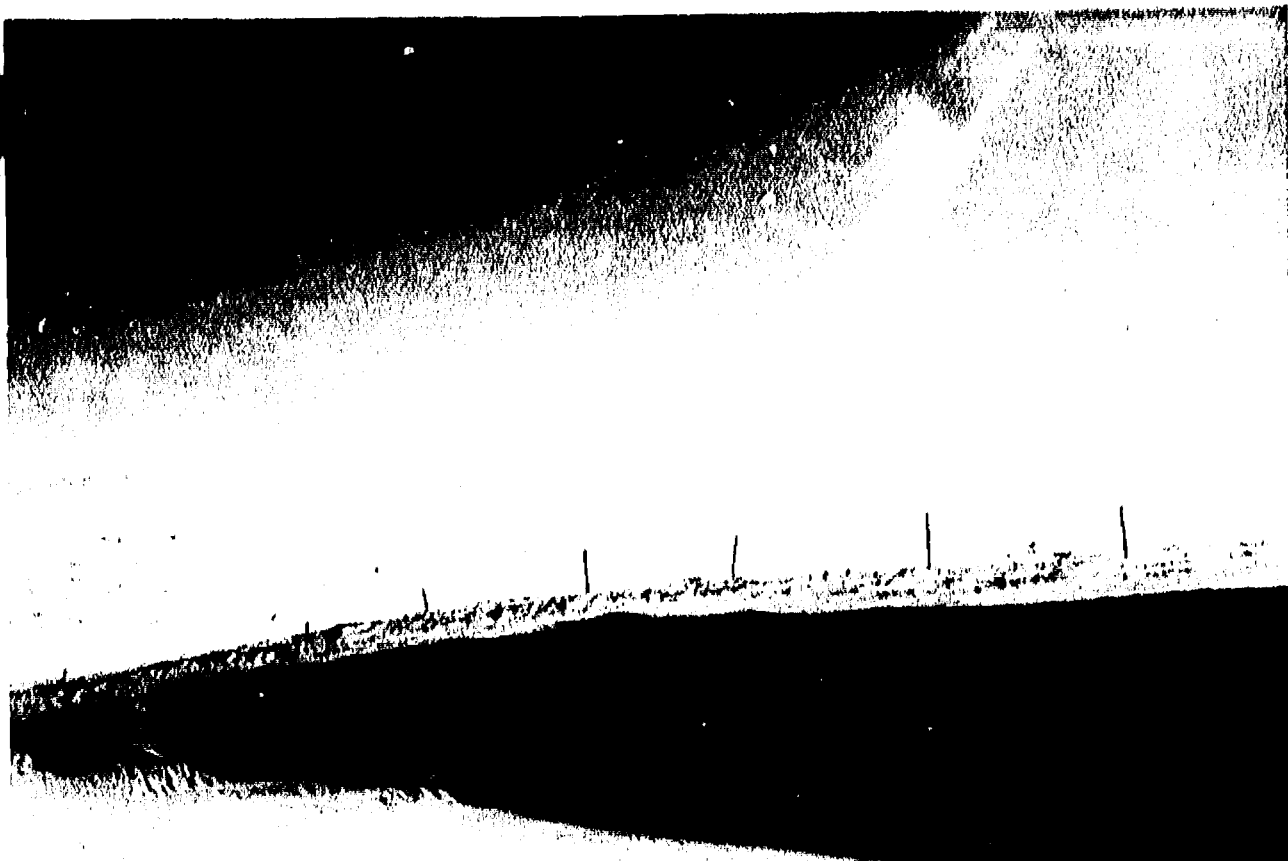
Frontier Village & ND Buffalo Museum Improvements (Funded by City of Jamestown)

	<u>Frontier Village</u>	<u>Museum</u>
1990	\$13,769.00	
1991	\$ 7,000.00	\$28,865.00
1992	\$ 550.00	\$91,635.00
1993	\$16,285.00	\$21,566.00
1994	\$27,391.00	
1995	\$20,956.00	\$17,500.00
1996	\$ 9,230.00	
1997	\$ 1,367.00	
1998	\$12,304.00	\$40,000.00
1999	\$14,741.00	
2000	<u>\$ 8,704.00</u>	<u>\$16,124.00</u>
	\$132,297.00	\$215,690.00
	<div> <div></div> <div>\$347,987.00</div> <div></div> </div>	

PHOTOS

PROPOSED
INDUSTRIAL
PARK

JAMESTOWN, ND



View South taken from I 94
Near West side of Property



View SW Taken from I 94
Taken from East of Property

3



VIEW
N - NE
FROM
SOUTH
of
PROPERTY

4



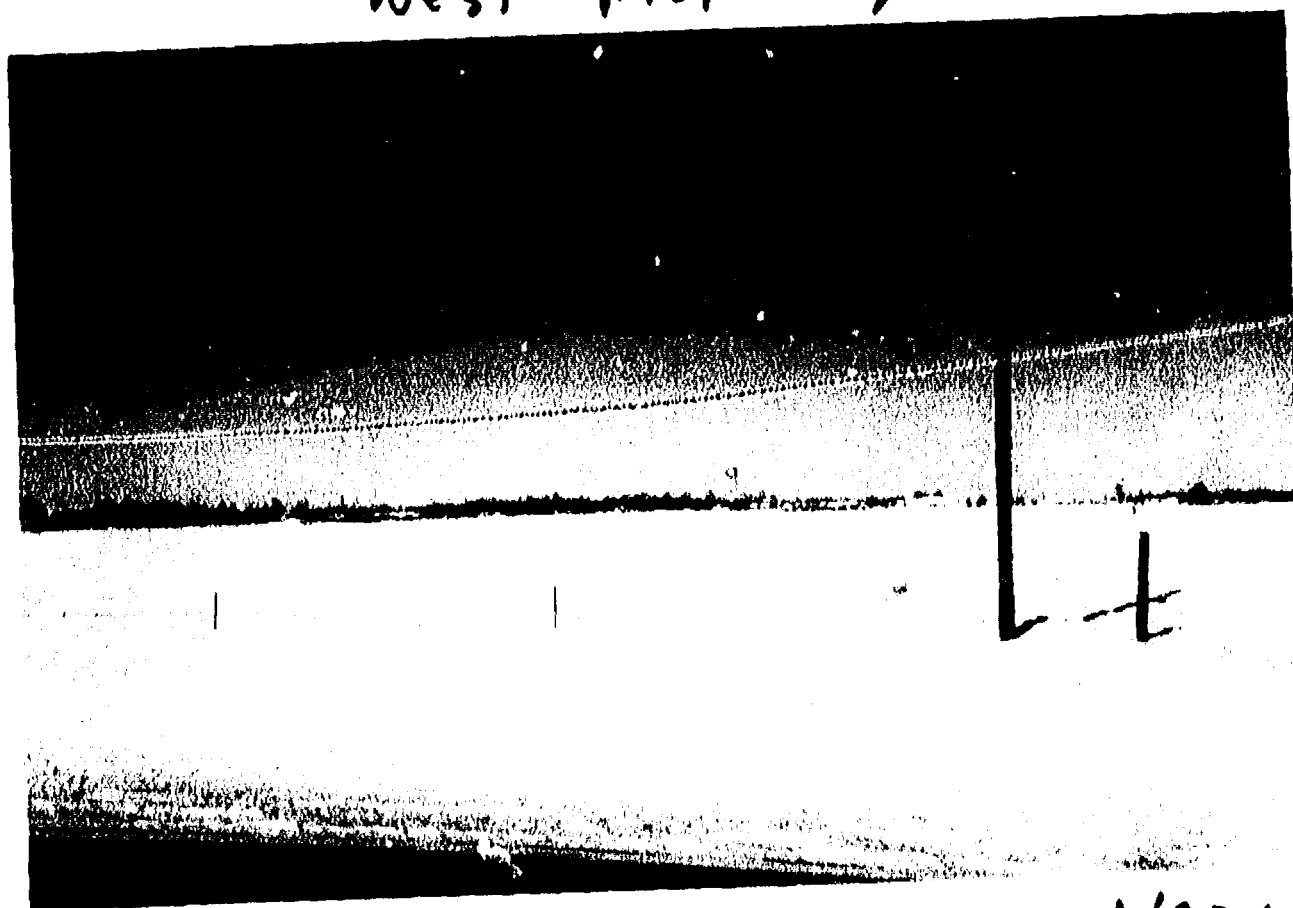
VIEW
WEST
FROM
ABOVE
US281
IN
VIEW

5

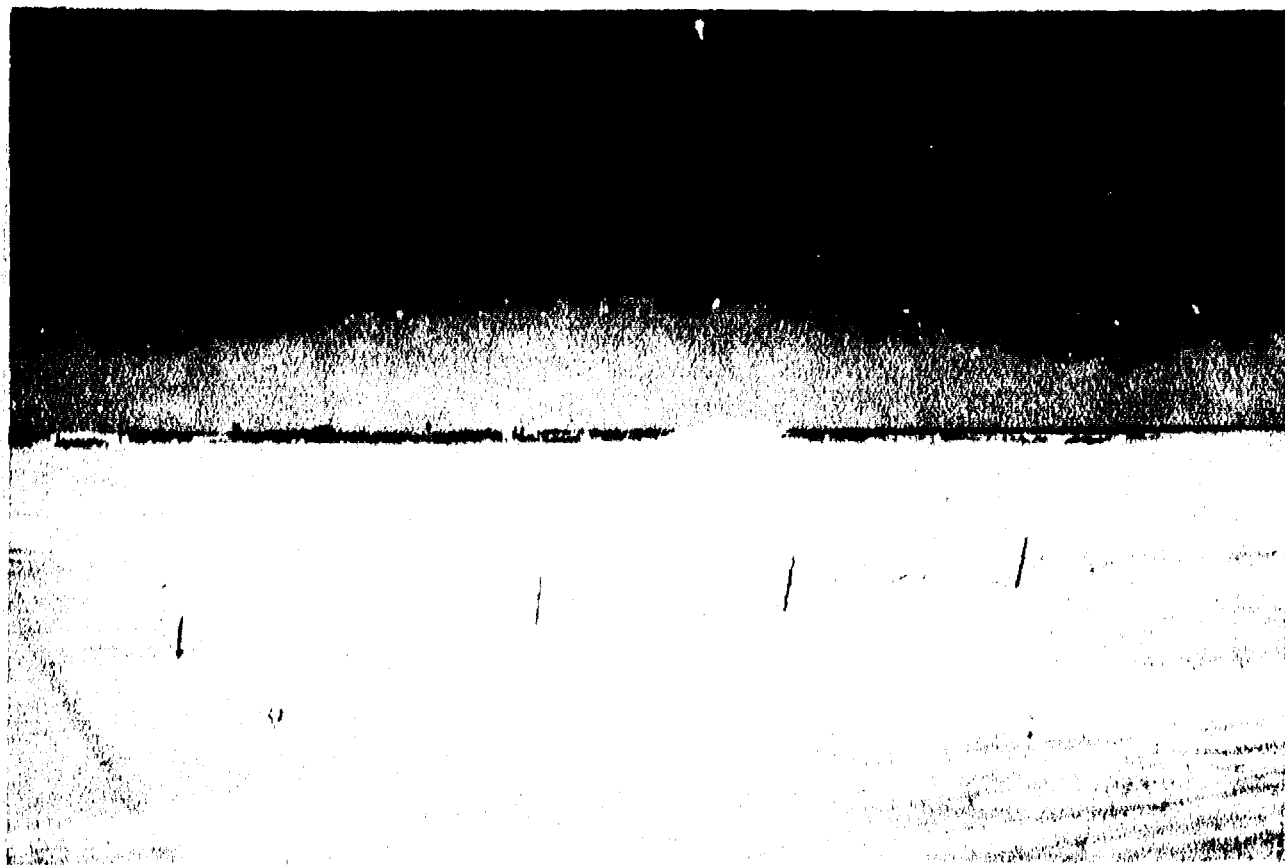


Straigh North From
West Property Line

6



View North Near
East Property Line



7

View North
From Center of
Property

5

February 15, 2001

House Bill 1114

Mr. Chairman and Distinguished Committee Members

My name is Dwaine Heinrich. I am here today as president of the Jamestown City Council. Mayor Kourajian sends his regards and regrets that he is unable to be here today.

Early on Jamestown recognized that continued growth and economic development would not occur naturally. All of you are aware of our famous "World's largest buffalo." Constructed in the late 1950's and with later additions of our Frontier Village and National Buffalo Museum, these combined attractions have become second or third largest tourist attraction in the state of ND. This has been a joint venture between volunteer and non-profit groups and the City of Jamestown. Attached you will find a breakdown of capital expenditures by the City of Jamestown for improvements for these attractions over the past ten years totaling \$347,987.00. This represents expenditures from the city's Capital Construction Fund and represents only a fraction of the total spent by the Frontier Village Association or the National Buffalo Museum, the Lions Club and other service, Fraternal and non-profit groups.

The parcel of land the city is asking to purchase from the state is a parcel near the "Buffalo" on which the city has had an easement from the state of ND since 1959. Since

that time the State of ND has not collected any direct revenue but has seen revenue because of the development of this area as one of ND's main tourist attractions. The easement from the State of ND was for the purpose of parking for this attraction. The City of Jamestown would like to plat this area to get away from the somewhat confusing meets and bounds descriptions currently in use. Please refer to the site map of the Frontier Village and National Buffalo Foundation Museum. When the city began this process it became aware of the fact that the National Buffalo Museum building is constructed partially on land deeded to the City of Jamestown and partially on land for which the City of Jamestown has the easement from the State of ND for parking purposes. I do not have a good explanation as to how the building came to be on the easement property other than the fact that no reliable plat was in existence. Our purpose is not to attempt to find fault but rather fix the situation before a larger problem develops.

As you can see from the photographs of the area, this is not land that would be attractive for commercial development other than the tourist attraction of which it is an important part.

We respectfully request that this bill be amended so that the City of Jamestown can be allowed to purchase the property for its appraised value. To allow public bidding could allow for a person with less than honorable intentions to create serious problems for the National Buffalo Museum and the City of Jamestown and jeopardize the museum's future. Those of us in Jamestown and others familiar with the work which has been done are simply in awe of what has been accomplished by a core group of hardworking volunteers which have made the National Buffalo Museum and the Frontier Village one of ND's brightest tourism success stories.

The next issue before us today is the acquisition of the approximate 47 acres of State Hospital land for use as an industrial park. Jamestown has a one cent sales tax which is dedicated exclusively for economic development. The Jamestown Stutsman Development Corporation is a joint effort between the City of Jamestown and Stutsman County. Our development arm is served by a volunteer board of directors made up of a cross section of our community. This group has been aggressive in promoting economic development in Jamestown and the surrounding area. We are proud to say that our successes have outnumbered our disappointments. We have an industrial park to serve our existing and hopefully future food processing facilities.

This past year the board made a determination that it is necessary to develop a new industrial park for attracting new light industrial or back office businesses to Jamestown. The group, after some discussion and searching, noted there is a 47 tract of agricultural land south of I-94 and east of US 281 which could be developed for this purpose and which is currently owned by the ND State Hospital. We are not aware of any previous or other existing interest in this land at this time for other than agricultural purposes. Please see the boundary survey and parcel description.

This land is not currently part of the city but we would have the property annexed into the city and developed and made available for new or expanding businesses by the Jamestown Stutsman Development Corporation for the benefit of Jamestown, Stutsman County and the State of North Dakota. We are serious about developing this property and have budgeted \$177,500.00 for initial site work.

I do not know of anyone affiliated with the JSDC, the City of Jamestown or Stutsman County opposed to paying a fair amount for this property based upon an independent appraisal.

JSDC - Jamestown, Stutsman
Development Corporation

The Stutsman County Commission is in support of this acquisition. An appraiser from Bismarck has been selected to do an independent appraisal and hopefully it will be completed by March 2nd.

We have laid our cards on the table regarding the reasons for wanting to acquire this property. We believe that our intentions are honorable and that in both cases the sale of this property to the City of Jamestown would be of benefit to all parties concerned. None of the people involved in the offer to purchase this property by the City of Jamestown stand to profit personally. I feel that it would be tragic for everyone should an open bidding be allowed and have someone with less than honorable intentions step forward to cause problems for our Frontier Village, the National Buffalo Museum or for our efforts to continue economic growth in Jamestown, and the surrounding area.

Thank you very much for your time and consideration.

**Frontier Village & ND Buffalo Museum
Improvements
(Funded by City of Jamestown)**

	<u>Frontier Village</u>	<u>Museum</u>
1990	\$13,769.00	
1991	\$ 7,000.00	\$28,865.00
1992	\$ 550.00	\$91,635.00
1993	\$16,285.00	\$21,566.00
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1999	\$14,741.00	
2000	<u>\$ 8,704.00</u>	<u>\$16,124.00</u>
	\$132,297.00	\$215,690.00
	<div style="display: flex; justify-content: space-around; align-items: center;"> <div style="text-align: center;"> \ </div> <div style="text-align: center;"> / </div> </div> <div style="text-align: center;">\$347,987.00</div>	

The Senate Political Subdivisions Committee

Senator Dwight Cook, Chairman

Engrossed House Bill 1114

February 15, 2001

Mister Chairman and members of the Senate Political Subdivisions Committee, for the record my name is Alex C. Schweltzer and I am the Superintendent of the Department of Human Services Institutions, the North Dakota State Hospital and the Developmental Center. Thank you for the opportunity to testify on Engrossed House Bill 1114.

I am here to support the Department of Human Services request to convey certain land in Stutsman County, as described in Engrossed House Bill 1114, to the City of Jamestown, North Dakota.

This requested sale involves two tracts of land owned by the State of North Dakota;

The legal description of the first tract of land is found on page one of Engrossed House Bill 1114. The bill would authorize the sale of approximately 47.37 acres of State Hospital farm land to the City of Jamestown for the purpose of developing a business park. The fiscal note prepared by the Department of Human Services indicates this tract of land would be sold at \$400 per acre, or a total of \$18,948.

The reason for the emergency clause for the first tract of land is to facilitate the relocation of a company from another locale to this business park. Because there is a potential tenant for this property, the Jamestown/Stutsman County

Page Two: Engrossed House Bill 1114

Development Corporation feels it is necessary to expedite the process of purchasing the property. (See Attached Map #1).

The legal description for the second tract is found on page two of the Engrossed House Bill. It is being sold to the City of Jamestown because the National Buffalo Museum building was moved to the Frontier Village site in 1992 and placed on land believed to belong to the City of Jamestown. The building is located on land belonging to the State of North Dakota subject to an easement granted to the City of Jamestown in 1959 for parking purposes. The city would like to acquire ownership of the parking lot easement tract.

The bill would authorize the sale of 6.61 acres of pasture land to the City of Jamestown to correct the parking lot easement problem. The fiscal note prepared by the Department of Human Services indicates this tract of land would be sold for \$200.00 per acre, or a total of \$1,322. (See Attached Map #2).

The Department of Human Services would like to offer the attached amendments to Engrossed House Bill 1114;

The first amendment would exempt the State Hospital from the provisions of sections 54-01-05.2 and 54-01-05.5 of the Century Code. We offer this amendment because of a significant inconsistency in Engrossed House Bill 1114. Although the bill authorizes conveyance of the land to the City of Jamestown, sections 54-01-05.2 would require the State Hospital to offer the property for sale at public auction at the front door of the courthouse in the county in which the property lies. It would seem that if the hospital was required to follow section 54-01-05.2

of the Century Code, that any buyer could make an offer on this piece of property, and this is in conflict with the intent of this bill. The hospital when selling land to local political subdivisions in years past has been exempt from sections 54-01-05.2 and 54-01-05.5 of the Century Code. The original bill exempted the hospital from these sections of the code, but the House Political Subdivisions Committee amended the exemption from the bill.

The second amendment is offered to address a concern from the House Political Subdivisions Committee that the property in question should receive an independent appraisal to determine the value of the property. The Department of Human Services also suggests that the sales price of each piece of property must be based on its appraised value.

The State Hospital supports the sale of the two land tracts to the City of Jamestown. The hospital has no long range plan for utilization of these two pieces of property.

I would be glad to answer any questions on this request to convey this property.

PROPOSED AMENDMENTS TO ENGROSSED HOUSE BILL NO. 1114

Page 1, line 8, before "A" insert "1."

Page 2, after line 13, insert:

- "2. The provisions of sections 54-01-05.2 and 54-01-05.5 do not apply to the transfers authorized by this Act.

The transfer of title and conveyance of these properties must be at no cost to the department of human services. An independent appraisal must be obtained for the properties described and the sales price of each property must be not less than the appraised value of that property."

Renumber accordingly

PHOTOS

FRONTIER VILLAGE
& NATIONAL

BUFFALO MUSEUM

JAMESTOWN, ND



View
NW
from
I 94

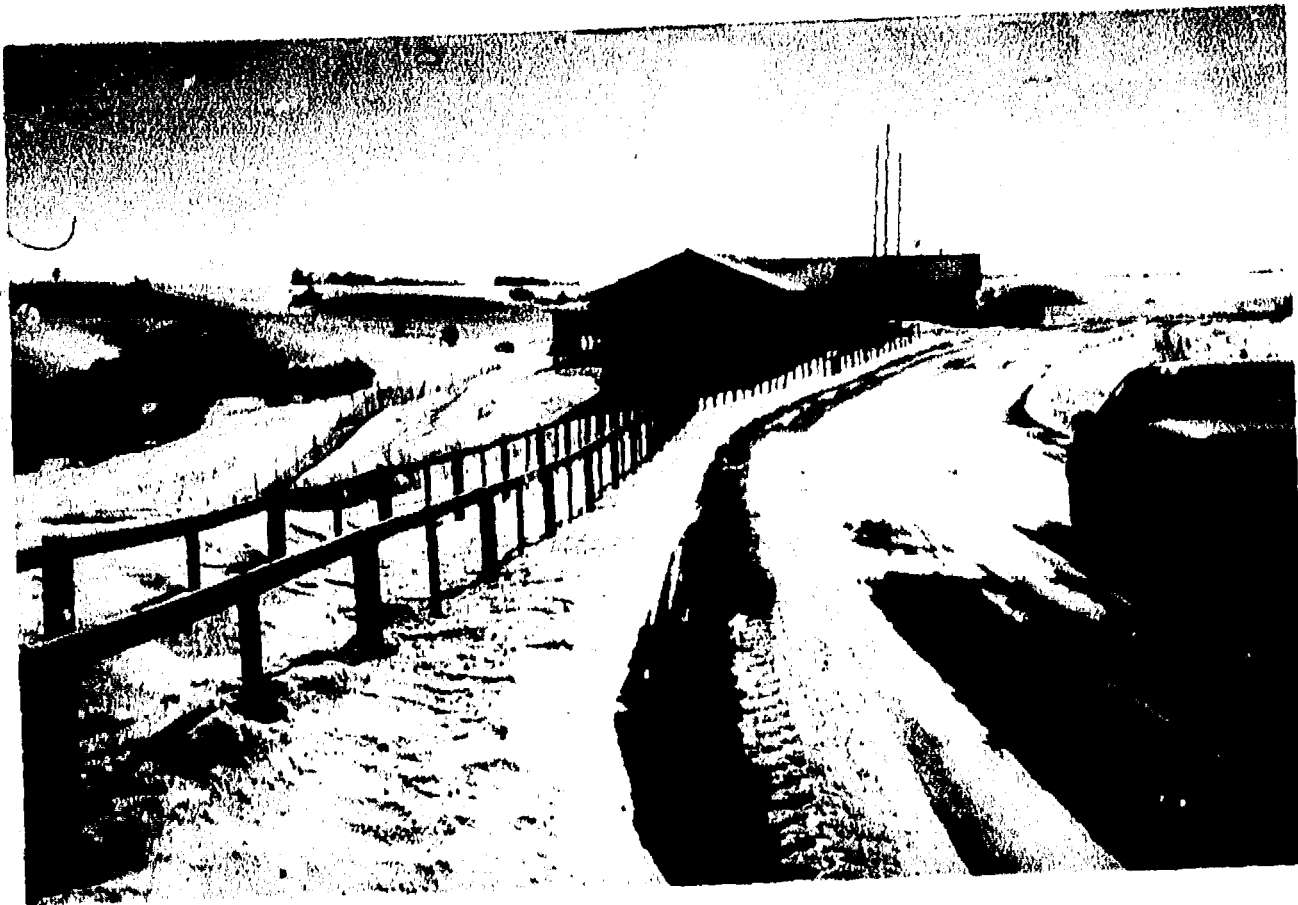
1



View
North
from
I 94

2

3



Nat'l
Buffalo
Museum

Taken
from
the
North

4



View
to East

from
South
of
Museum

5



view
NE
from
MUSEUM

6



view SW from NE
of MUSEUM