



West Fargo City Commission Meeting
West Fargo City Hall Commission Chambers
800 4th Ave E, West Fargo, 58078
Thursday, October 6, 2022 5:30 PM

Meeting Items

- A. Call to Order
- B. Pledge of Allegiance
- C. Approve Order of Agenda

Regular Agenda

- 1. Confirm Special Assessment List - Dustin Scott, Assistant City Administrator
 - Street Improvement District No. 2250 (Sheyenne Street Reconstruction from Beaton Drive to 40th Ave)
- 2. Office Lease Agreement -- Dustin Scott, Assistant City Administrator
- 3. Non-Agenda Items
- 4. Adjourn



To: City Commission
From: Dustin T. Scott, Assistant City Administrator
Date: October 6, 2022
Subject: Street Improvement District No. 2250 (Sheyenne Street Reconstruction from Beaton Drive to 40th Ave)
Action: Confirm and Approve Special Assessment List

SPECIAL ASSESSMENT COMMISSION

Chairman:

Jim Brownlee

Commissioner:

Eddie Sheeley

Commissioner:

Elliot Steinbrink

BOARD OF CITY COMMISSIONERS

President:

Bernie Dardis

Commissioner:

Brad Olson

Commissioner:

Robin Anderson

Commissioner:

Mark Simmons

Commissioner:

Mandy George

City Administrator:

Tina Fisk

Asst. City Administrator:

Dustin T. Scott

Infrastructure Funding

Manager:

Eric Watne

ENGINEERING DEPARTMENT

City Engineer:

Dan Hanson

Asst. City Engineer:

Andrew Wrucke

Asst. City Engineer:

Jerry Wallace

Eng. Office Manager:

Kayla Volness

Summary and Recommendation:

The Special Assessment Commission held a public meeting on September 7, 2022 to hear the city attorney's findings of fact for the objections received at the Special Assessment Commission meeting on August 8, 2022. The Special Assessment Commission approved the assessments as published with seven revisions and a non-binding recommendation to cap parcels with high density multi-family units.

Attachments:

1. Sample letter to owners
2. Affidavit of Publication
3. Assessment Allocation Map

NOTE: Additional project information is available on the city's website:
<https://www.westfargond.gov/1021/Special-Assessment-Projects>

Staff Recommendation: Confirm and Approve Special Assessment List.

Policy Analysis:

This improvement district was administrated in accordance with North Dakota Century Code as well as City of West Fargo policies and ordinances. The city's "Special Assessment Policy" is available on the city's website.

Financial Summary:

Total Project Cost:	\$69,766,873
Assessments	\$32,270,000
City Funds	\$4,658,000
Other Funds	\$32,838,873

Previously Presented Information and Commission Actions:

- ❖ **2014, 2015, 2016** – Various public input meetings to discuss need for project on Sheyenne Street, gather public input on issues of the corridor, discuss the proposed improvements, and discuss financial requirements for construction.
- ❖ **2016** – Corridor Study through MetroCOG (and NDDOT) completed. Preliminary Design and Environmental work started.

October 3, 2016 – City Commission discussion of interchange alternatives during preliminary design.

- ❖ **November 15 and 17, 2016** – Public Input meetings held at City Hall and Triumph Lutheran Church to discuss the overall project and design alternatives being discussed.
- ❖ **May 30, 2017** – Public Input Meeting held at City Hall for Windsor Green neighborhood ingress/egress.

June 19, 2017 – City Commission discussion of design alternatives and cost estimates evaluated during preliminary design.

September 5, 2017 – City Commission approved creation of Improvement District 2250 and authorized creation of Engineer's report.

October 16, 2017 – City Commission approved Engineer's report and directed creation of plans and specifications and authorize resolution of necessity.

November 9, 2017 – NDDOT Documented Categorical Exclusion (CATEX) document finalized for Sheyenne Phases 1-3 and interchange.

November 20, 2017 – City Commission approved Plans and Specifications and authorized ad for bids.

April 16, 2018 – City Commission awarded construction contract in concurrence with the NDDOT for Segment 2.

November 15, 2018 – City Commission awarded contract in concurrence with the NDDOT for Segment 3.

Construction began 2018 / complete November 2020

❖ **May 4 2019** – City held a “Construction Carnival” which was open to the public. This was a fun, interactive opportunity to provide updated project and construction information to the public.

❖ **May through October 2019** – Bi-weekly public update meetings along with regular progress updates posted with Facebook live and other media sources.

March 1, 2021 – City Commission approved Resolution Directing Assessments be Levied in the amount of \$32,270,000.

May 24, 2021 – Special Assessment Commission (public meeting) to review benefits and levied assessments.

- **SA Commission Action:** Commissioner Sheeley moved and Commissioner Anderson seconded to approve the Assessment List and direct publication of list and notice of hearing of objections. No opposition, motion carried.

June 30, 2021 – Letter sent to property owners within the district indicating their assessment amount and information regarding upcoming hearing of objections.

July 12, 2021 – Special Assessment Commission meeting to hear objections to assessments from property owners.

- **S.A. Commission Action:** Commissioner Sheeley moved and Commissioner Anderson seconded to approve and confirm assessment list and file with the City Auditor. No opposition, motion carried.

August 2, 2021 – John Shockley appeared before the Commission to let everyone know that the Special Assessment District list will be brought to the first Commission meeting in September which is now Tuesday, September 7, 2021, except District No. 2250. District No. 2250 will be presented at a later date after it is brought back to the Special Assessment Committee with Policy changes.

August 31, 2021 – Post cards sent to notify delay.

June 20, 2022 – Letters sent informing residents District 2250 will return to the Special Assessment Commission for new consideration.

June 27, 2022 – Special Assessment Commission (public meeting) to review benefits and levied assessments

July 20 and 27, 2022 – Published assessment list in the Forum

July 29, 2022 – Letters mailed out to property owners within the district.

August 8, 2022 – Special Assessment Commission meeting to hear objections to assessments from property owners.

September 7, 2022 – Special Assessment Commission meeting to hear findings of fact for objections.

- **S.A. Commission Action:** Commissioner Sheeley moved and Commissioner Steinbrink seconded to approve and confirm assessment list with the changes recommended by the staff and have the city attorney submit the findings of fact. Motion includes non-binding recommendation to have a unit cap of 150 on high density multi-family units. No opposition, motion carried.

September 21, 2022– Publish Notice of Confirmation of Assessment List filed with City Auditor and time/date of meeting for City Commission action.

October 6, 2022 – City Commission hearing of written appeals.



City Auditor
800 Fourth Ave. E.
West Fargo, ND 58078
Phone: 701.515-5000

07/27/2022

[REDACTED]
[REDACTED]

WEST FARGO, ND 58078-0000



Notice of Hearing: Next Steps for Assessed Improvements Impacting Your Property

Parcel Number: [REDACTED]
Address: [REDACTED]
Improvement District: 02-2250 - SHEYENNE ST - BEATON TO 40TH AVE

Attention Property Owner,

City records indicate you own the property identified above by parcel number and address. This property is included in Improvement District No. 02-2250 SHEYENNE ST - BEATON TO 40TH AVE, which used special assessments for funding all or part of the project's costs. The City of West Fargo is now completing the special assessment process to allocate these costs to properties within the improvement district. Costs are allocated based on the benefit the property is receiving from the project. This letter is to notify you of the next steps in this process.

During a public meeting held June 27, 2022, the Special Assessment Commission reviewed project information and approved a special assessment list representing the allocation of project benefits to properties within this improvement district. The amount allocated to this parcel is \$ [REDACTED], pending final approval by the West Fargo City Commission.

Next, the Special Assessment Commission will hold a public hearing at 5:30 p.m. Aug. 8, 2022 in the Commission Chambers of West Fargo City Hall. Property owners who feel there are errors in the benefit allocation to their property may object to their pending assessments at this public hearing. After hearing objections, the Special Assessment Commission will finalize the special assessment list for the City Commission to review.

Then, the City Commission reviews and provides final approval on this matter. This item is tentatively scheduled for the Sept. 19, 2022 agenda. If you do not agree with the Aug. 8 Special Assessment Commission decision you may file a written notice of appeal to the West Fargo City Commission prior to its approval on this matter. Only a person who has filed a written notice of appeal may appear before the West Fargo City Commission to present their appeal.

A written notice of appeal must include the 1) name(s) of all owners of the property; 2) address of the property; and 3) reference the improvement district. The appeal should go to cityauditor@westfargond.gov or Attn: City Auditor, 800 Fourth Ave. E. West Fargo, ND 58078 before the City Commission meeting.

At the conclusion of this process, final assessments are included for payment on your next annual Cass County property tax statement or can be paid in full within 10 days of final approval by contacting the City's Finance Department at (701) 515-5000.

Legal notice of the public hearings will be published in The Forum of Fargo-Moorhead. Details about the meetings, the improvement district project, the method for allocating costs and recommendations for reviewing your cost allocation to determine if an objection or appeal would be successful are available at westfargond.gov/Special-Assessments.

Thank you,

Tina Fisk, City Administrator



AFFIDAVIT OF PUBLICATION

STATE OF NORTH DAKOTA

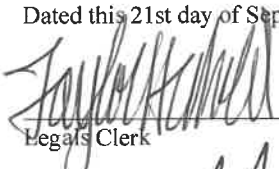
ss.

COUNTY OF CASS

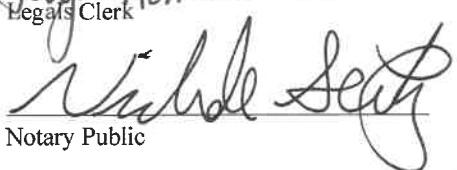
Taylor Herhold, The Forum of Fargo-Moorhead, being duly sworn, states as follows:

1. I am the designated agent of The Forum of Fargo-Moorhead, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspaper listed on the attached exhibit.
2. The newspaper listed on the exhibit published the advertisement of: ***Legal Notice; (1) time: Wednesday September 21, 2022***, as required by law or ordinance.
3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Dated this 21st day of September, 2022



Legals Clerk



Notary Public

NICHOLE SEITZ
Notary Public
State of North Dakota
My Commission Expires Jan. 3, 2024

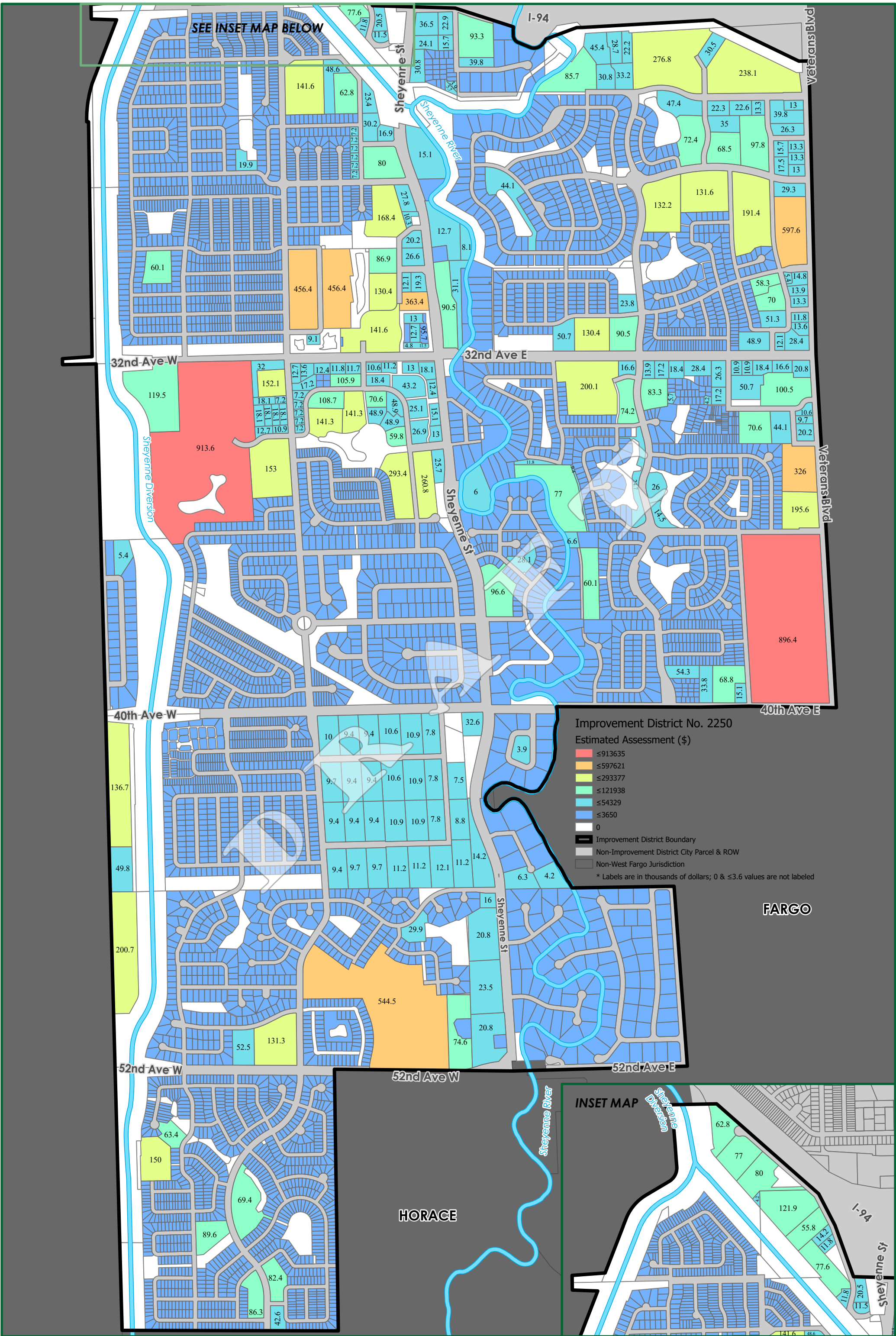
**NOTICE OF CONFIRMATION OF
AMENDED ASSESSMENT LIST IN
STREET IMPROVEMENT DIS-
TRICT NO. 2250 OF THE CITY OF
WEST FARGO, NORTH DAKOTA**

Notice is hereby given that the Special Assessment Commission of the City of West Fargo has amended and confirmed the Special Assessment List for Street Improvement District No. 2250 of the City.

Notice is further given that said amended and confirmed list has been filed with the City Auditor, is open for public inspection, and the City Commission will conduct a public hearing on said list at 5:30 p.m. on the 6th day of October, 2022, at the City Commission Rooms in the City Hall in said City to act upon said list; Notice is further given that any person aggrieved may appeal from the action of the Special Assessment Commission by filing with the City Auditor prior to the hearing a written notice of appeal stating thereon the grounds upon which the appeal is based. Any person having filed such a written notice may appear before the City Commission and present his reasons why the action of the Special Assessment Commission should not be confirmed.

Dated this 7th day of September, 2022.

Tina Fisk
City Auditor
West Fargo, North Dakota
(Sept. 21, 2022) 102445





To: West Fargo City Commission

From: Dustin Scott, Asst. Administrator

Date: October 6, 2022

Subject: Office space at 1405 Prairie Parkway

Action: Approve Lease Agreement

Commission President

Bernie Dardis

Primary Portfolio:
Administration/Finance

Secondary Portfolio:
Street, Water and Sewer

Commission Vice President

Brad Olson

Primary Portfolio:
Street, Water and Sewer

Secondary Portfolio:
Administration/Finance

Commissioner

Roben Anderson

Primary Portfolio:
Planning, Zoning and Engineering

Secondary Portfolio:
Sanitation

Commissioner

Mark Simmons

Primary Portfolio:
Police and Fire

Secondary Portfolio:
Planning, Zoning and Engineering

Commissioner

Mandy George

Primary Portfolio:
Sanitation

Secondary Portfolio:
Police and Fire

Administration

Tina Fisk, Administrator

Dustin Scott, Assistant
City Administrator

New Information:

After discussion on the draft lease agreement presented on October 3, 2022, city commissioners directed staff to work on an option for a 3-year term. This option would result in the following changes to the agreement:

1. Remove the early termination clause
2. Increased base rates as follows:

	5-year Term			3-year Term			
Year	Base	Annual	w/ CAMs	Base	Annual	w/ CAMs	Difference
1	\$12.75	\$60,652	\$ 89,479	\$13.25	\$63,030	\$ 91,858	\$ (2,379)
2	\$13.13	\$62,471	\$ 91,299	\$13.65	\$64,933	\$ 93,760	\$ (2,462)
3	\$13.53	\$64,345	\$ 93,173	\$13.92	\$66,217	\$ 95,045	\$ (1,872)
4	\$13.93	\$66,276	\$ 95,103	\$ -	\$ -	\$ -	\$ 95,103
5	\$14.35	\$68,264	\$ 97,091	\$ -	\$ -	\$ -	\$ 97,091
Total			\$466,145			\$280,663	\$ 185,482

Summary and Recommendation (presented at Oct. 3, 2022 meeting):

During their regular meeting on September 19, 2022, city commissioners authorized staff to work on a lease agreement for office space located at 1405 Prairie Parkway. The draft agreement was reviewed by the City Attorney and attached are pages 1-5 which summarize the terms and conditions.

This space will accommodate up to 13 staff and includes a conference room, storage, and other support areas. There is plenty of shared parking in front of the building and the City would have (10) dedicated overnight parking spaces in the back that can be monitored by a security camera.

The term of the lease is 5 years and the first-year rate is \$12.75/sf plus \$6.06/sf for CAM's, which staff feels is very good for the market and location. The space is move-in ready with zero "fit-up" costs and no deposit or upfront payment required. The only items needed to make the space ready would be extending a fiber line from 13th Ave, new desk furniture, and miscellaneous items such as a printer, general office supplies, etc.

The estimated cost for the first year is approximately \$150,000 including rent (\$89k), desk furniture (\$35k), city fiber install (\$18k), and miscellaneous items. Staff recommends using Covid funds to finance the first year but other options include sales tax and general fund reserves.

Staff Recommendation: Approve Lease Agreement



To: West Fargo City Commission
From: Dustin Scott, Asst. City Administrator
Date: October 6, 2022
Subject: Office Space Recommendation
Action: Approve Lease Agreement

Commission President

Bernie Dardis

Primary Portfolio:
Administration/Finance

Secondary Portfolio:
Street, Water and Sewer

Commission Vice President

Brad Olson

Primary Portfolio:
Street, Water and Sewer

Secondary Portfolio:
Administration/Finance

Commissioner

Roben Anderson

Primary Portfolio:
Planning, Zoning and Engineering

Secondary Portfolio:
Sanitation

Commissioner

Mark Simmons

Primary Portfolio:
Police and Fire

Secondary Portfolio:
Planning, Zoning and Engineering

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Mandy George

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Secondary Portfolio:
Police and Fire

Administration

Tina Fisk, Administrator

Dustin Scott, Assistant
City Administrator

Summary and Recommendation:

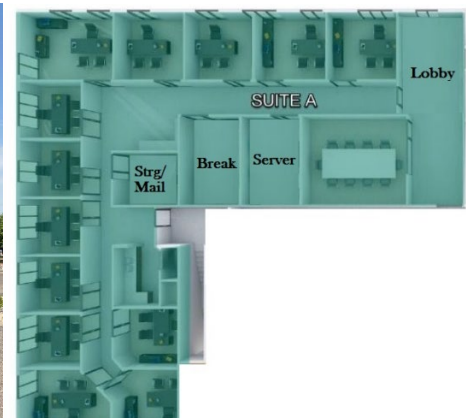
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Staff Recommendation: Approve Lease Agreement



LEASE AGREEMENT

BY AND BETWEEN

DAKOTA UPREIT LIMITED PARTNERSHIP
("LANDLORD")

and

CITY OF WEST FARGO
("TENANT")

PIONEER SHOPPING CENTER
WEST FARGO, ND

NOTICE

RENT AND OTHER CHARGES ARE TO BE PAID BY THE TENANT ON THE FIRST DAY OF THE MONTH. THE LANDLORD HAS THE RIGHT TO EXERCISE ITS REMEDIES AS SET FORTH IN ARTICLE 20 OF THE LEASE IF THE RENT AND OTHER CHARGES ARE NOT PAID WHEN DUE. THE TENANT

CANNOT ASSIGN OR SUBLEASE THE PREMISES UNTIL ALL PROVISIONS OF ARTICLE 15 OF THE LEASE HAVE BEEN FULFILLED.

RETAIL LEASE REFERENCE PAGE

RETAIL CENTER:	Pioneer Shopping Center
LANDLORD:	Dakota UPREIT Limited Partnership
LANDLORD'S ADDRESS:	3003 32 nd Ave S, Suite 250, Fargo, ND 58103
LEASE REFERENCE DATE:	_____
TENANT LEGAL ENTITY NAME:	City of West Fargo
TENANT REPRESENTATIVE ADDRESS and PHONE NUMBER:	_____ _____
TENANT'S LEGAL ENTITY ADDRESS:	_____ _____
BUSINESS PHONE NUMBER:	_____
TENANT'S TRADE NAME:	_____
PREMISES IDENTIFICATION:	Pioneer Technology Building 1405 Prairie Parkway, Suite A, West Fargo, ND 58078
PREMISES AREA	4,757 square feet approximately
USE (AUTHORIZED BUSINESS):	General Office / City services
POSSESSION DATE:	December 1, 2022
RENT SCHEDULED COMMENCEMENT DATE:	January 1, 2023
TERMINATION DATE:	December 31, 2027
TERM OF LEASE:	5 years, beginning on the Commencement Date and ending on the Termination Date (unless sooner terminated pursuant to the Lease).
OPTION TO RENEW:	Tenant shall have two three-year options to extend the lease term, which shall be exercised consecutively by Tenant with advanced notice. Base rent shall increase by 3% each lease year during the extension terms. See Article 1, paragraph B.
OPTION TO RENEW NOTICE:	120 days written notice prior to the expiration of the lease
NOTICE BY TENANT TO VACATE:	180 days written notice prior to the termination of the lease

MINIMUM RENT (Article 3):	\$5,054.31, due on the 1 st of every month, with 3% annual increases
MINIMUM INSTALLMENT OF MINIMUM RENT:	\$12.75 per square foot for the initial lease year, with 3% annual increases
TENANT'S PROPORTIONATE SHARE OF COMMON AREA MAINTENANCE:	Currently at \$6.06 per square foot or \$28,827.42 and adjusted annually with CAM Reconciliation of the Center
PERSONAL GUARANTY:	None.
LATE FEE:	5 th of the month, the greater of 5% late fee or a minimum of \$100.00 per month. See Article 3H.
SECURITY DEPOSIT:	None Required
UTILITIES:	Tenant to pay its pro rata share of utilities. See Article 7.
INSURANCE:	Tenant to list Landlord as additional insured and provide immediately upon taking possession to Landlord. See Article 24C.
LANDLORD TO PROVIDE FIT UP:	According to the attached drawing, Exhibit B-1
HVAC MAINTENANCE:	Servicing contract currently handled by Landlord and included with CAM costs.
HOURS OF OPERATION:	To be determined
PROPERTY MANAGER & RENTAL PAYMENTS:	Dakota UPREIT Limited Partnership 3003 32 nd Avenue South, Suite 250 Fargo, ND 58103
PARKING:	Tenant shall have the exclusive right for up to 10 parking spaces for overnight parking of City vehicles. Location will be within the back row of parking furthest from the building at the rear of the building.
EARLY TERMINATION:	On or after 12/31/2025, Tenant shall have the right to terminate the Lease early provided that: 1. Tenant shall first provide Landlord written notice within 180 days advanced notice prior to the date of termination. 2. Tenant shall, within thirty (30) days following Tenant's vacating the Premises, deliver to Landlord a sum that is equal to the unamortized portion of Landlord's total fitup costs and leasing commissions, which shall be calculating on a straight line basis, without interest, plus an early termination fee equal to six (6) months of then current monthly base rent.

3. Tenant shall, at the time written notice is delivered to Landlord evidencing Tenant's election to exercise its right of early termination, allow Landlord to install reasonable signage indicating the availability of the Demised Premises and to conduct showings to prospective tenants after normal business hours.

The Reference Page information is incorporated into and made a part of the Lease Agreement. In the event of any conflict between any Reference Page information and the Lease, the Lease shall control. This Lease includes Exhibits A, A-1, B, B-1, C, D, E, and F, of which are made a part of this Lease. THIS LANGUAGE IS INTENDED TO NOTIFY THE TENANT OF SPECIFIC OBLIGATIONS MORE FULLY SET FORTH IN THE BODY OF THIS LEASE AGREEMENT.

LANDLORD:
DAKOTA UPREIT LIMITED PARTNERSHIP

By: _____
Its: Danel Jung, EVP

Dated: _____

TENANT:

By: _____
Its: _____

Dated: _____

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