

MICROFILM DIVIDER

OMB/RECORDS MANAGEMENT DIVISION

SFN 2053 (2/85) 5M



ROLL NUMBER

DESCRIPTION

1114

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 #
1	x		1658-5072
Committee Clerk Signature <i>Pam Davis</i>			

Minutes: Chairman Froseth called the meeting on HB1114 with those present: Chairman Froseth, Vice-Chair Severson, Rep. Distud, 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

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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 Owen</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.

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House Political Subdivisions Committee
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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. Weisz	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 1/12/01
January 12, 2001

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. Tim Nemein		✓			
Rep. Andrew G. Maragos	✓				

Total (Yes) 10 No 5

Absent 0

Floor Assignment _____

If the vote is on an amendment, briefly indicate intent:
Take subsect. 2 of sect. 1 out.

