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NOV 24 2014

MEMORANDUM

CASS COUNTY COMMISSION

**Highway
Department**

Jason Benson, P.E.
County Engineer

Richard S. Sieg
Superintendent

Thomas B. Soucy, P.E.
Design and Construction
Engineer

TO: Cass County Commission

FROM: Jason Benson, County Engineer *JAB*

DATE: November 24, 2014

SUBJECT: Agenda topic for December 1, 2014 Commission Meeting:
John Swartz Home Acquisition with the Lake Shure Bridge
Project as part of FEMA Hazard Mitigation Grant Program

Last February the Commission authorized the acquisition of the John Swartz property at 4802 57th St N, located at the northwest corner of the Lake Shure Bridge Project. This was due to FEMA concerns with Mr. Swartz and his dispute over the bridge project. Mr. Swartz had contacted numerous agencies about his desire to have his house acquired, to include calls to FEMA, NDDDES, and County officials. During the meeting we discussed the option of acquisition and it was determined that the best option would be to move ahead with acquisition. At the time the estimated acquisition and administrative costs would be around \$250,000. The project cost split is 75% FEMA, 10% NDDDES, and 15% Cass County. The additional cost of demolition is approximately \$37,500. Total project cost to the County for the bridge and acquisition was expected to be \$285,000.

In June 2014, the Lake Shure Bridge project was authorized by FEMA and working with the Lake Agassiz Regional Council for acquisition work, appraisals were started. Appraisals came back in July with an offer of \$265,000. Since this acquisition was part of the bridge project, it was considered a forced buyout and Federal regulations authorize Mr. Swartz for additional relocation compensation. Mr. Swartz demanded that he could not find a comparable house in the Fargo area and that we needed to find him comparable housing. Attempts were made to identify a comparable home regarding out buildings and property. Due to the current housing market, finding a comparable home has been very difficult. Over time Mr. Swartz has continued to refuse comparable properties based on numerous issues, including that he did not want to move to Minnesota. Because of the fast paced housing market, when a comparable came available, it would sell quickly and no longer be eligible.

1201 Main Avenue West
West Fargo, North Dakota
58078-1301

701-298-2370
Fax: 701-298-2395

The last home we offered was listed for \$389,900. This was sent to FEMA for approval. Due to the increased cost, FEMA took several weeks to notify us of their acceptance. Then Mr. Swartz informed us that the offered house was no longer available as there was an offer on it. Mr. Swartz indicated that a similar priced house north of Moorhead was available for approximately \$390,000. He requested that we use that house. Since Mr. Swartz was now willing to go with a home in Minnesota, we searched for other comparable homes and found one near Georgetown for \$300,000. This new home has more acreage, more square footage, more bedrooms, bathrooms, and living space. The house has three out buildings that are each larger than his existing shop. Mr. Swartz has brought up commute time in the past. This rural Georgetown home has a commute time to his work of 24 minutes. The current FM Metro COG mean commute time is 17 minutes and the travel time from Horace is 22 minutes. I feel this rural Georgetown home is the best available and comparable home. Due to this, the following offer has now been made:

1. The offer to purchase his home for \$265,000 and with his response document due back to the County by December 5th, 2014
2. The county will provide an additional \$35,000 to help you acquire the property at 18048, 5th St N. Georgetown. The county will also pay for your moving expenses estimated at \$12,885.

Regarding comparable housing, the following apply and have been adhered to:

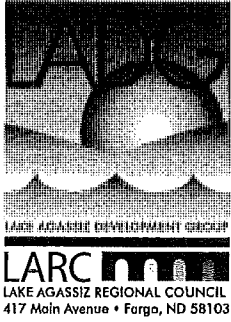
1. 49 CFR Section 24.204 Availability of comparable replacement dwelling before displacement.
2. General. No person to be displaced shall be required to move from his or her dwelling unless at least one comparable replacement dwelling (defined at §24.2 (a)(6)) has been made available to the person. When possible, three or more comparable replacement dwellings shall be made available. A comparable replacement dwelling will be considered to have been made available to a person, if:
 - a. The person is informed of its location;
 - b. The person has sufficient time to negotiate and enter into a purchase agreement or lease for the property; and
 - c. Subject to reasonable safeguards, the person is assured of receiving the relocation assistance and acquisition payment to which the person is entitled in sufficient time to complete the purchase or lease of the property."

If Mr. Swartz does not feel this is a reasonable offer, he has the option to remain in his current home. This would only require some minor rebuilding of his access approach and potentially some guardrail work. Under 49 CFR Section 24.101 Applicability of Acquisition Requirements, "If a Federal Agency will not acquire a property because negotiations fail to result in an agreement, the owner of the property shall be so informed in writing. Owners of such properties are not displaced persons, and as such, are not entitled to relocation assistance benefits." Therefore, Mr. Swartz can refuse the offer, stay

in his current home, and no longer be considered eligible for further relocation assistance benefits.

SUGGESTED MOTION:

Resolve to acquire the property at 4802 57th St N at the current offer of \$265,000, with an additional \$35,000 for the comparable property, and moving expenses at \$12,885. If Mr. Swartz does not accept this offer, Cass County shall notify him in writing that he is no longer considered for acquisition, and make steps to improve his permanent access.



- Cass County • Ransom County • Richland County
- Sargent County • Steele County • Traill County

November 17, 2014,

To: Justin Messner
From: Irvin Rustad
RE: Change in the Scope of Work - 4802 57th St N. Harwood, ND
Relocation of the Resident

Attached, please find the information that will document the need to revise the budget of Cass County Lake Shure Bridge Project DR-1981- ND-24-R- The total is \$42,885. Let me know if there is any additional information needed.

Application Estimates

Property Acquisition - \$242,000 + Relocation Costs - \$28'000 Total \$270,000

Actual Costs

Appraisal and offer to Swartz \$265,000

Cost of House of Last Resort plus the Cost of Moving \$312,885

Comparable Home of Last Resort \$300,000 Total \$300,000.00

Moving Expense Total \$12,885.00

Total Cost of Relocation \$312,885.00

Additional Funds Needed To Complete Project \$42,885.00

Attachments:

1. Data sheet on the comparable house of last resort

www.lakeagassiz.com

Telephone: (701) 235-1197 • Fax (701) 235-6706 • TDD: (800) 366-6889

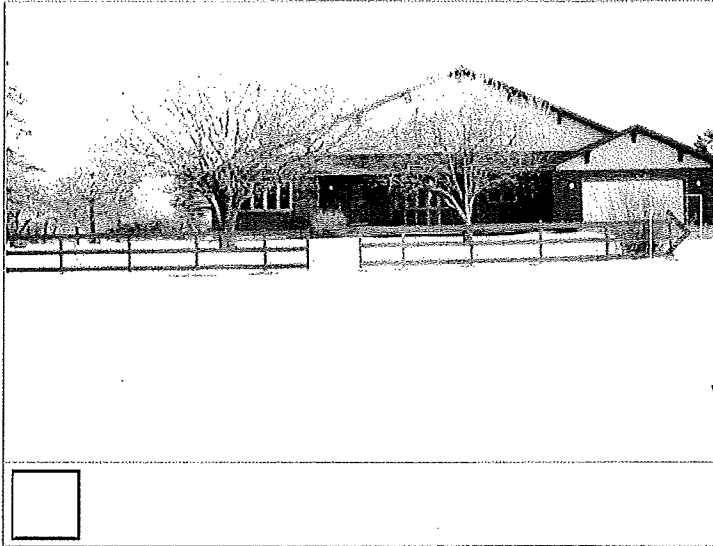
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Minnesota · Georgetown · 56546 · 18048 5th St N



Sign In

GET MORE INFORMATION

Call: (218) 790-8390

Your Name

Phone (Optional)

Email

I am interested in 18048 5th St N, Georgetown, MN 56546.

Contact Owner

18048 5th St N,
Georgetown, MN 56546
4 beds · 3 baths · 3,000 sqft

FOR SALE BY
OWNER
\$300,000
Zestimate®: \$302,059
Est. Mortgage
\$1,121/mo

Get Pre-Approved on Zillow
Apply for a New Mortgage with ditech

Selling my farmstead 16 miles north of Moorhead MN.
Very nice 4 bedroom house and about 13 acres New shingles, New 92% gas furnace and also radiant heat in the ceilings, and central air. Had the whole inside of the house textured and painted 2 years ago. Full Dry basement that is not counted in the square footage also a Double attached Garage.
1- 50 x 140 pole building and one 50 x 100 Miracle span building. If you didn't want the buildings the property could be split in half omitting the buildings.
Asking \$300,000 for everything less if you wanted just the house

**YOUR IDEAS CAN
SHAPE THE
FUTURE**

legalzoom

Nearby Similar Sales

SOLD: \$310,000
Sold on 7/9/2014
2 beds, 2.0 baths, 1800 sqft
1283 200th Ave N, Georgetown, MN 56546

FACTS

- Lot: 13 acres
- Single Family
- Built in 1976
- 49 days on Zillow
- Cooling: Central
- Heating: Forced air, Radiant
- Last sold: Nov 2011 for \$976,000
- Price/sqft: \$100

FEATURES

- Fireplace
- Flooring: Carpet, Linoleum / Vinyl
- Partial basement

More County website See data sources

Zestimate Details

Add owner estimate

Zestimate [?]	Rent Zestimate [?]	Zestimate forecast
\$302,059	\$1,541/mo	\$XXX,XXX
-\$441 Last 30 days	-\$68 Last 30 days	To see Zestimate forecast
\$272K \$353K	\$1.3K \$2.3K	Create a free account
Zestimate range	Zestimate range	One year

Zestimate ▾ 1 year 5 years 10 years

This home --

See sales similar to 18048 5th St N

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Popularity on Zillow



858 views since listing
929 all-time (chart)



5 shoppers saved
this home to their list of
favorites

Home Expenses

Neighborhood

MARKET GUIDE

Zillow predicts Fargo Metro home values will increase 2.3% next year.

[Learn more about forecast calculations.](#)

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Nearby Schools in Georgetown

SCHOOL RATING

GRADES DISTANCE

5

out of 10

R. Asp Elementary(assigned) K-5 14.0 mi

7

out of 10

Horizon Middle(assigned) 6-8 15.9 mi

6

out of 10

Moorhead High(assigned) 9-12 14.9 mi

Data by GreatSchools.org 

[More schools in Georgetown](#)

Get more information

Call: (218) 790-8390

Contact Owner

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[56546 Homes For Sale](#)

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18048 5th St N, Georgetown, MN, 56546 is a single family home of 3,000 sqft on a lot of 566,280 sqft (or 13.00 acres). Zillow's Zestimate® for 18048 5th St N is \$302,059 and the Rent Zestimate® is \$1,541/mo. This single family home has 4 bedrooms, 3 baths, and was built in 1976. Felton, Dilworth, and Moorhead are nearby cities.

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