

**BISMARCK RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
February 10, 2022**

The Bismarck Renaissance Zone Authority met on January 13, 2022 in the Tom Baker Meeting Room in the City-County Office Building at 221 North 5th Street and remotely via the online platform Zoom. Chair Christianson presided.

Authority members present were Jim Christianson, Mike Connelly, Joe Fink, Dustin Gawrylow, Todd Van Orman, Curt Walth and Greg Zenker.

Design Advisors Eric Hoffer and David Witham were present.

Design Advisor Bruce Whittey was absent.

Staff members present were Sandra Bogaczyk (Office Assistant II), Jannelle Combs (City Attorney), Ben Ehreth (Community Development Director) and Daniel Nairn (Senior Planner).

Guests present were Kate Herzog (The Downtowners) and Dawn Kopp (Artist).

CALL TO ORDER

Chair Christianson called the meeting to order at 4:00 p.m.

MINUTES

The minutes of the January 13, 2022 meeting were distributed prior to the meeting.

MOTION: A motion was made by Mr. Walth and seconded by Mr. Van Orman to approve the minutes of the January 13, 2022 meeting. The motion passed unanimously by voice vote with members Connelly, Gawrylow, Van Orman, Walth, Zenker and Chair Christianson voting in favor.

Mr. Fink joined the meeting at this time.

**RENAISSANCE ZONE PROJECT AND DOWNTOWN DESIGN REVIEW – 319 NORTH
MANDAN STREET**

MY HAPPY PLACE, LLC – REHABILITATION OF FIVE-UNIT APARTMENT BUILDING

Mr. Nairn gave an overview of the staff report and stated that the applicant, My Happy Place, LLC, is requesting approval for a Rehabilitation Renaissance Zone project and Downtown Design Review approval for a five-unit multi-family residential property at 319 North Mandan Street. He stated that the owner intends to make improvements to both the building and individual units and keep the property as rental units. Mr. Nairn stated that the owner intends to continue renting units during construction, which would include installing new windows, electrical systems and individual unit appliances, including unit air conditioners, updating bathrooms and kitchens, painting the exterior, paving a new parking lot and planting new landscaping. Mr. Nairn stated that the applicant estimates a budget of \$122,000 for capital improvements in a 4,039 square foot building, exceeding the \$30 per square foot threshold value of \$121,170 necessary to meet minimum program requirements. He stated that, although

there is an 18-month time limit required for the project, the applicant believes it may take longer due to tenants living in the building during construction. He stated that the applicant is aware that she must appear before the Renaissance Zone Authority to request any project extension and is aware that there is no financial benefit until after the project is completed and all requirements are met. Mr. Nairn stated that minor improvements to the property have been made within recent months, but this project estimate includes only activities that have not been physically initiated.

Mr. Nairn stated that, based on the findings contained in the staff report, staff recommends approval of the Rehabilitation Renaissance Zone project for the building at 319 North Mandan Street as presented in all submitted documents and materials, as a 100% property tax exemption on the building for five years and an exemption from state tax on income derived from the location for five years.

Chair Christianson opened the public hearing.

There being no comments Chair Christianson closed the public hearing.

Mr. Fink asked what the anticipated time frame is if not 18 months. Ms. Andre stated that she was hoping to be done in 18 months.

Mr. Walth asked what exterior material is on the building and asked if it was in good repair. Ms. Andre replied that the stucco siding is in good condition and any repairs are in the budget. Mr. Walth asked what is the condition of the roof and plumbing and Ms. Andre said the roof was in good condition, that there is no evidence of leaking, and that some plumbing has been redone but any further repairs appear to be surface issues.

Mr. Connelly asked what type of windows are going replace the old ones and if parking needed to be expanded to accommodate five units. Ms. Andre stated that she intends to install double-paned double hung windows and that there are currently the required five parking spaces but pavement around the building needs to be re-leveled for better water drainage away from the building.

Mr. Walth stated a concern that no roof inspection has occurred and would like to see that a roof inspection has been performed.

Mr. Fink asked what inspections have been done. Ms. Andre stated that she inspected the building herself.

Chair Christianson asked if the applicant was open to getting building inspections. Ms. Andre stated that without seeing evidence of any issue she does not see a need to get an inspection.

There was a general discussion about roof inspections at this time.

MOTION: A motion was made by Mr. Van Orman and seconded by Mr. Fink to approve the Rehabilitation Renaissance Zone project for the building at 319 North Mandan Street as presented in all submitted documents and materials, as a 100% property tax exemption on the building for five years and an exemption from state tax on income derived from the location for five years. The motion passed with members Fink, Connelly, Gawrylow, Van Orman, Zenker and Chair Christianson

voting in favor. Authority member Walth opposed.

Mr. Nairn stated that all but the blue door color is accurate regarding the staff report image of this building. He stated that the owner would like to maintain the same style of the current windows but the new ones will be white instead of brown. He stated that the owner intends to use landscaping to conceal the air conditioner units which will be positioned on the ground, and would otherwise be visible from the street.

Mr. Nairn stated that, based on the findings contained in the staff report, staff recommends approval of the proposed design for 319 North Mandan Street as presented in all submitted documents and materials, with the following conditions:

1. Landscaping is installed to screen exterior air conditioning units from the street.
2. Any substantive revisions to the approved design must be reconsidered by the Downtown Design Review Committee prior to installation.

Mr. Witham stated that he has no real concern about the proposed plan and shared with staff that guidelines are met. He stated that he would like to see the style of the windows maintained in a new casing.

There was discussion at this time about the positioning of the air conditioning units and how units would receive air conditioning.

Mr. Fink asked what the color scheme will be. Ms. Andre stated that looking at the image in the staff report all the tan will become light grey and what is currently brown will become dark grey, while the brown windows will be white.

Mr. Zenker stated that he has worked with a similar HVAC system proposed and stated that the lines running up the building, when painted, look appealing.

MOTION: A motion was made by Mr. Van Orman and seconded by Mr. Walth to approve the proposed design for 319 North Mandan Street as presented in all submitted documents and materials, with the following conditions:

1. Landscaping is installed to screen exterior air conditioning units from the street.
2. Any substantive revisions to the approved design must be reconsidered by the Downtown Design Review Committee prior to installation.

The motion passed with members Fink, Connelly, Gawrylow, Van Orman, Walth, Zenker and Chair Christianson voting in favor.

Chair Christianson thanked Ms. Andre and wished her good luck with her project.

DOWNTOWN DESIGN REVIEW – 112 NORTH 4TH STREET NEW GEN 1, LLC – “LIFT” PUBLIC ART MOSAIC

Mr. Nairn gave an overview of the staff report and stated that the applicant, New Gen 1, LLC, is requesting Downtown Design Review approval for public art mosaic to be created on the

building at 112 North 4th Street. He stated that the project, intended to compliment nearby pollinator gardens and titled Lift, would be five-foot by five-foot mural with stained glass and black Carrara glass reclaimed from the storefront of this building when it was most recently rehabilitated. He stated that the building is a contributing structure to the Downtown Historic District and the art piece will be installed over an area which is not an original façade.

Mr. Nairn stated that, based on the findings contained in the staff report, staff recommends approval of the proposed design for 112 North 4th Street as presented in all submitted documents and materials, with the condition that any substantive revisions to the approved design must be reconsidered by the Downtown Design Review Committee prior to implementation.

Mr. Nairn stated that Dawn Kopp, Artist, was present to answer any questions.

Chair Christianson asked if the owner has approved the project. Mr. Nairn affirmed.

MOTION: A motion was made by Mr. Fink and seconded by Mr. Connelly to approve the proposed design for 112 North 4th Street as presented in all submitted documents and materials, with the condition that any substantive revisions to the approved design must be reconsidered by the Downtown Design Review Committee prior to installation. The motion passed with members Fink, Connelly, Gawrylow, Van Orman, Walth, Zenker and Chair Christianson voting in favor.

Chair Christianson thanked Ms. Andre and wished her good luck with her project.

RENAISSANCE ZONE PROGRAM REAUTHORIZATION REQUEST

Mr. Nairn stated that City of Bismarck's current Memorandum of Understanding with the State Department of Commerce, allowing the City to have a Renaissance Zone, is set to expire on July 31, 2022. Mr. Nairn listed dates and events where Authority members can participate to represent the Authority in informing the public about seeking support for the extension of the Renaissance Zone program for up to five years. Those date and events include:

February 10: Renaissance Zone Authority public hearing on request

March 8: Local Issues Committee of Bismarck-Mandan Chamber-EDC, if recommended by Local Issues Committee.

March 22: Bismarck City Commission

March 28: Bismarck Public Schools Board

April 4 or 18 (tentative): Burleigh County Commission

April 21: Bismarck Board of Park Commissioners

May: Request and support letters compiled and submitted to North Dakota Department of Commerce Community Services Division.

Mr. Nairn referenced the Renaissance Zone program evaluation information, including a study on the return on investment evaluation report, contained in the meeting packet.

Chair Christianson opened the public hearing at this time.

Ms. Herzog stated her reasons why The Downtowners would like to see reauthorization approved.

There being no further comments Chair Christianson closed the public hearing.

MOTION: A motion was made by Mr. Fink and seconded by Mr. Walth to recommend a five-year extension of the Renaissance Zone program to the City Commission and the State Department of Commerce. The motion passed with members Fink, Connelly, Gawrylow, Van Orman, Walth, Zenker and Chair Christianson voting in favor.

OTHER BUSINESS

RENAISSANCE FUND ORGANIZATION DISCUSSION

Mr. Nairn referenced a memorandum included in the meeting packet which states that the State Renaissance Zone law allows a Renaissance Fund Organization (RFO) as an additional tool for economic development in the Renaissance Zone. An RFO provides financing to development projects in the Renaissance Zone, which allows investors to receive state tax credits in proportion to their investment. The RFO does not affect property tax and there is no local administrative role, thus there would be no fiscal impact to the city or other political subdivisions. Mr. Nairn explained how this fund can assist the City in further developing its downtown and how it was brought to staff's attention by Ms. Herzog of The Downtowners.

Ms. Herzog was asked by staff to further explain how the fund can drive development downtown.

Ms. Herzog stated that The Downtowners Association and The Downtown Community Foundation have been looking at ways to employ private capital in development in the downtown. She explained how several opportunities exist where tax credits could be used for this type of investment and how other communities in North Dakota have used most of the reserves. She described some history of how the program has been used and described its potential for North Dakotans to assist Bismarck businesses in further developing the downtown.

Ms. Herzog explained that the program is fully audited by the State and that the money available must be used through the Renaissance Zone program. She added that liability resides with the State oversight board.

There was much conversation about State guidelines and how Fargo has used a majority of the allocation and how Bismarck could benefit from the fund.

Ms. Herzog stated that an RFO would have to be added to the Development Plan if Authority members decided to apply. Mr. Nairn stated that a statement in the Development Plan already states that Authority members reserve the right to use and RFO should one be approved.

Chair Christianson gathered consensus and decided to continue the discussion in the next

Renaissance Zone Authority meeting.

REPORT FROM STAFF

Mr. Nairn stated that the First Street Lofts project closed and is completed and approved by the Department of Commerce.

Mr. Nairn reminded Authority members that if they were planning to attend one of the reauthorization meetings that he would be available to attend with a member.

REPORT FROM THE DOWNTOWNERS

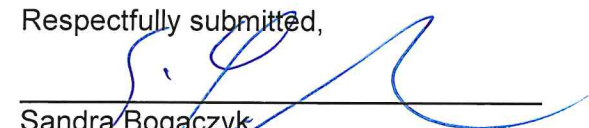
Ms. Herzog updated Authority members about private economic development incentives and CRA development fund opportunities which work with local banks to fund development based on low income census tracts. She spoke about a possibility of reviving the CORE program for technical assistance for approved Renaissance Zone projects by using such programs.

Chair Christianson asked staff to condense the return on investment reports to smaller chunks of information to inform the public when Authority members make public meeting visits. He also thanked Ms. Herzog for her continued efforts for downtown development.

ADJOURNMENT

There being no further business, the meeting of the Bismarck Renaissance Zone Authority adjourned at 4:49 p.m. to meet again on March 10, 2022.

Respectfully submitted,



Sandra Bogaczyk
Recording Secretary

Jim Christianson
Chair