

**BISMARCK RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
November 9, 2023**

The Bismarck Renaissance Zone Authority met on November 9, 2023, 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 and was present in the Tom Baker Meeting Room.

Authority members present were Jim Christianson, Kirsten Dvorak, Dustin Gawrylow, Curt Walth and Greg Zenker.

Authority members Nancy Guy and Joe Fink were absent.

Design Advisor David Witham was present.

Design Advisor Eric Hoffer was absent.

Staff members present were Jannelle Combs (City Attorney), Ben Ehreth (Director of Community Development), Sarah Fricke (Senior Administrative Assistant), Isak Johnson (Planner), and Daniel Nairn (Planning Manager).

Guests present were Jason Frank (Diversity Homes, Inc.) and Kate Herzog (Downtowners).

CALL TO ORDER

Chair Christianson called the meeting to order at 4:00 p.m. and welcomed guests present.

MINUTES

The minutes of the September 14, 2023 meeting were distributed prior to the meeting.

MOTION: A motion was made by Mr. Zenker and seconded by Ms. Dvorak to approve the minutes of the September 14, 2023 meeting. The motion passed unanimously by voice vote with members Dvorak, Gawrylow, Walth, Zenker and Chair Christianson voting in favor.

**DOWNTOWN DESIGN REVIEW – 418 NORTH 2ND STREET
HEARTLAND LAW OFFICE, P.C. – FAÇADE IMPROVEMENTS**

Mr. Nairn gave an overview of the staff report and stated that the applicant, Heartland Law Office, P.C., is requesting Downtown Design Review approval of modifications to the exterior of the existing building at 418 North 2nd Street. Mr. Nairn stated that the applicant intends to replace an existing front porch, some of the siding and all of the windows and stated that while the building was initially residential the proposed occupant is a law firm and the building has been an office for a number of years. The materials and design were described and detailed in the staff report. He noted that off-street parking is not required in the DF – Downtown Fringe zoning district even though there is parking in the rear of the building.

Mr. Nairn stated that, based on the findings contained in the staff report, staff recommends approval of the proposed design for 418 North 2nd 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. Witham asked the applicant to further explain the placement of different colored siding and after Mr. Frank's answer suggested the same color siding proposed for the front of the building also wrap around to the south side onto the shallow side of the façade which juts forward from the remaining section of the building.

MOTION: A motion was made by Mr. Walth and seconded by Mr. Zenker to approve the proposed design for 418 North 2nd Street as presented in all submitted documents and materials, with the following conditions:

1. The new wall siding is also applied to the south face (approximately three feet in depth) around the corner from the front entrance.
2. Any substantive revisions to the approved design must be reconsidered by the Downtown Design Review Committee prior to implementation.

The motion passed unanimously by voice vote with members Dvorak, Gawrylow, Walth, Zenker and Chair Christianson voting in favor.

OTHER BUSINESS

UPDATE ON RENAISSANCE ZONE RENEWAL PROCESS

Chair Christianson summarized his presentation to County Commission on November 1, 2023 to request reinstatement of the Renaissance Zone and stated that the County requested that the Renaissance Zone Authority commit to three conditions to gain their support:

1. A representative of the County Commission be a voting member on the Renaissance Zone Authority board.
2. New project benefits would require the existing tax base revenue to remain unchanged.
3. Future amendments to the Renaissance Zone Development Plan have to be approved by the County Commission.

Chair Christianson stated that he would support County Commission having a voting seat on the Authority as long as both Bismarck Schools and the Park Board were also granted a seat on the Renaissance Zone Authority board.

Chair Christianson stated that the second request was initiated due to a recent project which had an already high value, as opposed to most other projects having a low value when they are approved.

Chair Christianson stated that he would support other board members having a voting seat on the Authority but not in favor of giving any political subdivision veto power. He reminded Authority members that any motions made must be approved by City Commission.

Mr. Walth asked Chair Christianson to summarize any comments County Commission made about residential properties and new construction projects being amended in the Development Plan. Chair Christianson stated that comments were made but not included in the voice vote made by the Commission.

Mr. Nairn was asked to comment on the dollar amount of new construction projects as opposed to rehabilitation projects in the last 22 years. Mr. Nairn stated that of the \$94 million total investment in Renaissance Zone projects, \$55 million was invested in new construction projects. Chair Christianson stated that he would not favor eliminating new construction projects from the Development Plan.

Mr. Gawrylow stated that he would support the three consensus items and stated that he questioned the legality of the State's process as described at the County meeting. He described it as at best, a loophole in the intent of the process and suggested that the Renaissance Zone Authority request a one-year renewal to work on amending the Development Plan, and with the County to include their requests, and then request a five-year renewal.

Mr. Gawrylow stated that the new construction projects generate a far higher proportion of new revenue than rehabilitation projects and suggested that perhaps that fact is misunderstood by anyone suggesting that new construction not be included in the Development Plan. He suggested that the emotion behind the history of the TIF projects has inclined some people to mistrust the City. He supported membership of the political subdivisions at Authority meetings and does not support veto power over individual projects. He emphasized that the process is meaningful.

Chair Christianson stated that the State Commerce Department contacted him after the County Commission meeting and stated that reinstatement of the Renaissance Zone is only acceptable per state law that requires any city to employ the Development Plan as approved when it left the program. He stated that the Renaissance Zone Authority could only present a new Development Plan after being reinstated. He stated that TIF is a different program which is no longer in effect and will, therefore, not need to be discussed at Renaissance Zone Authority meetings.

Mr. Nairn was invited to describe the steps needed to possibly incorporate County's requests. He stated that the Development Plan can be amended for plan benefits but an ordinance must also be amended to change the constitution of the Renaissance Zone Authority, which does require a few months to approve.

There was conversation about how the political subdivisions would elect a member to sit on the Authority. Chair Christianson suggested that they should only accept a sitting member of each entity to be an Authority member. Commissioner Zenker suggested that the process could be likened to how City Commission members hold portfolios to boards and agreed that new members should be a sitting member of those boards.

Mr. Zenker stated that the City Commission could use one of the two open seats to appoint a

County Commissioner to the Renaissance Zone Authority at the end of 2023.

Chair Christianson invited Ms. Herzog to comment on the Legislative history of presenting the Renaissance Zone reinstatement bill to congress. She stated the bill's intent and included a suggestion for her to further qualify rules of reinstatement at the next legislative session.

Mr. Zenker stated that requested data was again forwarded to one of the County Commissioners. Mr. Nairn stated that a staff meeting with that commissioner was scheduled for next week to follow up on the commissioner's concerns.

Chair Christianson stated that the process is going to require good faith on the part of both County Commission and City Commission. He stated that for the record he is willing to support the suggested changes.

MOTION: A motion was made by Mr. Gawrylow and seconded by Mr. Walth to support a one-year reinstatement of the Renaissance Zone as presented. The motion passed with members Dvorak, Gawrylow, Zenker and Chair Christianson voting in favor.

Mr. Walth asked if one year was enough time to complete the process of amending the Development Plan and ordinance and again present a request for reinstatement at the end of the year. Mr. Nairn stated that one year is enough time to complete the request.

Mr. Zenker stated that he assumes the process could not begin until County allows the Renaissance Zone to be reinstated. Chair Christianson and Mr. Nairn confirmed that is their understanding.

There was a conversation as to how projects would be dealt with at the time of reinstatement.

Ms. Dvorak was concerned the County would not support reinstatement unless the motion included a County Commissioner being part of the Renaissance Zone Authority. Chair Christianson stated that the process does not allow that to happen. Ms. Dvorak stated she understood that but that the intent might go over well with the County to gain their support. Mr. Gawrylow suggested a future motion include a letter of intent.

MOTION: A motion was made by Mr. Zenker and seconded by Mr. Dvorak to support appointing a member of the County Commission to fill a Renaissance Zone Authority seat expected to be open as of January, 2024. The motion passed with members Dvorak, Gawrylow, Walth, Zenker and Chair Christianson voting in favor.

MOTION: A motion was made by Mr. Gawrylow and seconded by Ms. Dvorak to request that City Commission write a letter of intent to County Commissioners reciprocating the request of the County Commissioners to include the following items:

1. A representative of all three political subdivisions be a voting member on the Renaissance Zone Authority board.

2. To maintain the existing tax base revenue on properties to remain unchanged for the purposes of tax exemption.
3. That all three political subdivisions have a vote on amendments to the Development Plan and not including the ability to veto.

The motion passed with members Dvorak, Gawrylow, Zenker, Walth and Chair Christianson voting in favor.

REPORT FROM DOWNTOWNERS

Ms. Herzog updated Authority members on the status of business in the downtown, including the lease of a new tenant in a long-term vacant building, and the affects of higher interest rates on downtown development. She voiced her concerns that if motions mentioned at this meeting are adopted that it might incentivize developers to demolish standing buildings to avoid paying base taxes on that property.

Chair Christianson asked staff to provide the dates of the appearance of significant items mentioned today on board agenda. Mr. Nairn stated that City Commission meets November 28, 2023 and the next County Commission is December 4, 2023. Mr. Ehreth stated that he can request from Administration that the next City Commission agenda for November 14, 2023 be amended to include a request for a letter of intent to be sent to County Commission regarding proposed changes to the Renaissance Zone Development Plan and related city ordinances sooner than a few days before the County Commission meet.

ADJOURNMENT

There being no further business, the meeting of the Bismarck Renaissance Zone Authority adjourned at 4:41 p.m. to meet again on December 14, 2023.

Respectfully submitted,



Sandra Bogaczyk
Recording Secretary

Jim Christianson
Chair