



Community Development Department

RENAISSANCE ZONE AUTHORITY

MEETING AGENDA

February 10, 2010

City-County Office Building

4:00 p.m.

Tom Baker Meeting Room

1. **Call to Order and Introductions – Jeff Ubl – Technical Advisor**
2. **Consider Approval of Minutes – January 13, 2010 Meeting**
3. **Official Urban Renewal Plan Revisions– Public Hearing**
4. **Renaissance Zone Projects – Public Hearing**
 - A. Request of James Devine/J2 Studio Architecture + Design for designation of the lease of space in the building at 521 East Main Avenue as a Renaissance Zone Project. The property is owned by Civic Square Development, LLP and is legally described as part of Block 12, Original Plat (Parcel 1 of Tract 605).
 - B. Request of Travis Vannatta/Jimmy John's for designation of the lease of space in the building at 301 South 3rd Street as a Renaissance Zone Project. The property is owned by B & C Properties, LLP and is legally described as Lots 19-24 and the West ½ of the Vacated Alley Adjacent, Block 65, Original Plat.
5. **Discussion with the State Renaissance Zone Program Manager Gordon La France**
6. **Renaissance Zone Program Suggested Policy Changes**
7. **Renaissance Zone State Guideline Changes – Overview**
8. **Status of Approved Renaissance Zone Projects**
9. **Status of Approved CORE Incentive Projects**
10. **Other Business**
11. **Adjourn – Next regular meeting is scheduled for March 10, 2010.**

Bismarck-Burleigh County Community Development Department

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**RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
January 13, 2010**

The Bismarck Renaissance Zone Authority met on January 13, 2010 in the Tom Baker Meeting Room in the City-County Office Building at 221 North 5th Street.

Authority members present were Dave Blackstead, Parrell Grossman, Chuck Huber, George Keiser, Kevin Magstadt, Carol Vondrachek and Curt Walth.

Technical Advisor Bruce Whittey was present.

Staff members present were Jason Tomanek, Kimberley Gaffrey, Carl Hokenstad, Bill Wocken, Charlie Whitman, Ray Ziegler and Brenda Johnson.

Guests present were Alan Traeholt (Ulteig Engineers), Rocky Gordon (Bismarck Parking Authority), Neal Schmidt (Bacon Signs), Jeff and Jody Smith (J & J Smith Property Management, LLC), Jim Christianson (NorthWest Companies), Marie Arceo (KFYR), Lee Ellison (KFYR), LeAnn Eckroth (Bismarck Tribune), Kyle Holwagner (Daniel Companies) and Dawn Kopp (Downtowners).

CALL TO ORDER

Chairman Blackstead called the meeting to order at 3:30 p.m.

MINUTES

The minutes of the December 9, 2009, December 17, 2009 and January 4, 2010 meetings were distributed with the agenda packet.

MOTION: A motion was made by Mr. Keiser and seconded by Mr. Magstadt to approve the minutes of the December 9, 2009, December 17, 2009 and January 4, 2010 meetings as received. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek and Walth voting in favor.

PUBLIC HEARING - PROPOSED 6TH STREET PARKING RAMP

Bill Wocken, Bismarck City Administrator, presented the proposed 6th Street Parking Ramp Plan. The plan is attached as Exhibit A.

Mr. Huber asked if the height of the entrance to the ramp and the parking space widths have been addressed in the plan since many people drive SUV's. Mr. Wocken responded by saying yes, those concerns have been addressed in the plan.

Mr. Keiser asked if the Kokkeler's Jewelry building will be taken down. Mr. Wocken answered by saying no, Kokkeler's Jewelry will remain in its current location.

Mr. Keiser asked if any skyways are proposed for this structure. Mr. Wocken said that skyways are a welcomed addition to the parking ramp and could be easily added, but there are none included in the plan at this time. Mr. Wocken added that there are two elevator locations in the proposed plan.

Mr. Keiser inquired whether or not additional levels could be added to the ramp in the future. Mr. Wocken stated that the committee feels six levels is the maximum height for this structure because any more than that would cause the ramp to become out of scale with the adjacent buildings. Also, adding levels at a later date would be very costly and there would be structural difficulties.

Mr. Whittey asked how many feet make up one level of the ramp. Mr. Wocken responded by saying each level is approximately eleven feet. Mr. Whittey commented that he is concerned with the overall height of the building compared to the surrounding buildings. Mr. Wocken said that concern was discussed in detail because the focal point of the neighborhood should not be the parking ramp; however, with the surrounding buildings, trees and the ascending grade up Thayer Avenue, the site will be able to accommodate a six level parking ramp. Mr. Grossman added that there may not be another opportunity for another parking ramp in the vicinity so putting in six levels when there is a chance to do so, might be the wise thing to do especially because of the limited financing opportunities that the City has now that may not be available in the future.

Chairman Blackstead opened the public hearing for the 6th Street Parking Ramp.

No public comment was received.

Chairman Blackstead closed the public hearing for the 6th Street Parking Ramp.

MOTION: A motion was made by Mr. Keiser and seconded by Ms. Vondrachek to recommend approval of the 6th Street Parking Ramp as presented. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek and Walth voting in favor.

RENAISSANCE ZONE PROJECT APPLICATION

A. 115 North 4th Street – J & J Smith Property Management, LLC – Purchase with Major Improvements

Mr. Tomanek gave an overview of the purchase with major improvements project by J & J Smith Property Management, LLC for the building at 115 North 4th Street that is currently owned by Howard Malloy. Mr. Tomanek said the applicant is proposing to purchase and rehabilitate the interior of the building at 115 North 4th Street for use as retail and professional office space. The rehabilitation will include the conversion of 6,000 SF of the building back to retail space and to finish and utilize unused space in the building's lower level and 2nd floor. Mr. Tomanek stated that the current assessed value is \$294,400 (building only), the proposed investment value is \$120,000+, and the City Assessing Division's estimated value after improvements is \$437,000. The estimated property tax benefit over five years is \$25,000 and the estimated income tax benefit is \$2,500 over five years.

Mr. Tomanek then listed the following findings for the proposed Renaissance Zone Project:

1. The proposed use is consistent with the City's Renaissance Zone Development Plan.
2. At this time there are no definitive plans to modify or rehabilitate the exterior of the building. The applicant is also requesting assistance from the CORE Technical Assistance Bank to secure the services of an architect to design, and prepare costs estimates for a renovated façade. The applicant has indicated that the exterior rehabilitation of the property is expected to occur at a later date as part of the CORE Façade and Signage Incentive Program. The updates would be professionally designed and historical aesthetics would be considered in all aspects of the project.
3. Using the 2009 City assessed value of the building (\$294,400) and the estimated investment of \$120,000, the level of re-investment is approximately 41 percent. With a proposed investment of 41 percent of the building's assessed value the applicants would be exempt from 80% of the property taxes for a period of five years. Historically Renaissance Zone Purchase Projects have been modified to allow for an increased property tax exemption if the final rehabilitation costs exceed the original estimates and would allow for a higher property tax exemption level.
4. The applicant currently owns an existing bridal store in downtown Bismarck. It is the applicant's intent to own and rehabilitate the building as a separate property management company with the understanding that the bridal shop would be a tenant in the building occupying the majority of the lease-able space. Currently there is a professional office that occupies space on the first floor. The applicant is working with the professional office to consider leasing space on the second floor of the building to allow for an expanded first floor retail space and use of the unfinished space on second floor.
5. The applicant is proposing to add two staircases (one leading to the basement and one leading to the 2nd floor), demolish and renovate the main floor for use as retail space, construct new walls, ceilings and flooring on the 2nd floor for use as office space and a 2,500 SF area for an apartment or commercial space, install and additional bathroom on the 2nd floor, update current bathrooms, install three or four new windows on the current 2nd floor apartment space, install new wall and floor coverings throughout the rehabilitated areas, install new wiring and lighting in rehabilitated areas.
6. The applicant anticipates that the building will be occupied and open for business by October 2010.
7. Currently there are two street trees within the public right-of-way directly in front of the building. These trees satisfy the landscaping and screening ordinance. There is no off-street parking associated with this building; therefore the parking

lot screening portion of the landscaping and screening ordinance shall not be considered.

Mr. Tomanek said based on the above findings, staff recommends approval of the of the purchase with major improvements of the building at 115 North 4th Street Avenue by J & J Smith Property Management, LLC as a Renaissance Zone project, an 80% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion.

Mr. Keiser asked that if the applicants do decide to proceed with façade improvements after meeting with an architect, would the improvements be included in the original Renaissance Zone project to increase it to 100%. Mr. Tomanek responded by saying when he first started corresponding with the applicants the old guidelines were in effect where this project was structured as a rehabilitation project and the applicants hopes were to come back at a later date and apply for a CORE Façade and Signage Grant to help with the improvements to the exterior of the space. Mr. Tomanek went on to say that currently the exterior of the building is in acceptable condition and is covered with EIFS. He explained that when he initially met with the applicants in late November he explained the process that was in place at that time how the interior rehabilitation and exterior rehabilitation could be separate projects. Mr. Keiser asked if the applicants decide to proceed with exterior improvements, would it be an addition to this Renaissance Zone project application. Mr. Tomanek answered by saying he does not know if the funds would be a part of the rehabilitation project or funds will be from a requested Façade and Signage Grant.

Mr. Whittey asked how the proposed investment amount of \$120,000 was calculated since there are no plans or construction bid. Mr. Tomanek responded by saying the applicants did a walk through of the building with a licensed contractor and the City Building Official, Ray Ziegler and the \$120,000 was a rough estimate from the contractor that would be performing the work. Mr. Tomanek commented that the applicants have a tentative purchase agreement that is contingent upon the outcome of this application.

Mr. Whittey inquired if the applicants have been told what qualifies as capital improvements and what does not qualify. Mr. Tomanek answered by saying that part of the initial consultation with the applicants is going over the list of what is considered a capital improvement and what is not.

Mr. Walth asked what the condition of the roof is. Jody Smith stated that the contractor said the roof is in good condition, but will require some work in the future.

Mr. Walth wanted to know the condition of the heating, cooling and electrical systems. Ms. Smith responded by saying the HVAC and electrical systems have been upgraded with the exception of the 2nd floor where a HVAC system and some minor electrical work will have to be completed, but the contractor said the building is in overall good condition.

Mr. Walth inquired if the windows meet code. Mr. Tomanek said the windows have not been measured by looking at them would be close to the 50% window opening requirement; however, any subsequent renderings through an architect would require the window openings to be at 50%.

MOTION: Based on the findings included in the staff report, a motion was made by Mr. Keiser and seconded by Ms. Vondrachek to recommend approval of the purchase with major improvements for the building at 115 North 4th Street Avenue by J & J Smith Property Management, LLC as a Renaissance Zone project, an 80% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek, and Walth voting in favor.

CORE INCENTIVE PROGRAM PROJECT APPLICATION

A. 115 North 4th Street – J & J Smith Property Management, LLC – CORE Technical Assistance Bank

Mr. Tomanek stated that J & J Smith Property Management, LLC is requesting assistance from the CORE Technical Assistance Bank to secure the services of both an architect and a structural engineer for rehabilitation of the building's interior and exterior facade. Mr. Tomanek said the assistance would help the owner develop plans and solicit bids for the rehabilitation work to be completed.

Mr. Tomanek explained that the Technical Assistance Bank grant funds may be used to secure professional services to assist with the preliminary review and design of improvements to a building façade as well as feasibility studies, renovation vs. restoration options, and preliminary cost estimates. Mr. Tomanek continued by saying that the grant amount is limited to 30 hours of architectural work with a rate of \$70.00 per hour, and a total dollar amount not to exceed \$2,100 and 70 hours of engineering work with a rate of \$70.00 per hour and a dollar amount not to exceed \$4,900. The applicants will be responsible for a 25% matching contribution. Mr. Tomanek added that at this time the finite dollar amount has not been established due to the fact that design work will not commence until the final approval from the Board of City Commissioners has been received.

Mr. Tomanek then listed the following findings for the proposed CORE Incentive Program Project:

1. The building is located within the Downtown Tax Increment Financing District.
2. The applicant would like to fully renovate the building for use as a mixed-use building including commercial & office uses and residential spaces.
3. Technical Assistance Bank grant funds may be used to secure professional services to assist with the preliminary review and design of improvements to a building façade as well as feasibility studies, renovation vs. restoration options, and preliminary cost estimates. The grant amount is limited to 30 hours of architectural work with a rate of \$70.00 per hour, and a total dollar amount not to exceed \$2,100 and 70 hours of engineering work with a rate of \$70.00 per hour and a dollar amount not to exceed

\$4,900. Applicants will be responsible for a 25% matching contribution. At this time the finite dollar amount has not been established due to the fact that design work will not commence until the final approval from the Board of City Commissioners has been received.

Mr. Tomanek said based on the above findings, staff recommends approval of the request for a Technical Assistance Bank grant which would allow the applicant to procure the services of a licensed architect and a professional structural engineer with the condition that the applicant must purchase the building prior to receiving the reimbursement grant. The maximum grant amount would be \$1,575 for architectural services and \$3,675 for engineering services.

Mr. Keiser asked if there has been discussion with the applicants about the evolving position of the Renaissance Zone Authority regarding the changes to policies. Mr. Tomanek stated that the initial discussion with the applicants in November was that they could apply as J & J Smith Property Management, LLC for the purchase and rehabilitation of the property with the expectation that Bridal -N- More would apply for a lease project that would qualify for state income tax exemptions. Mr. Tomanek went on to say he has discussed the potential policy changes with the applicants and the possibility that the policy change would not allow an entity to lease to oneself. Mr. Tomanek added that the policy change may have a direct impact in whether or not this project takes place.

MOTION: Based on the findings included in the staff report, a motion was made by Mr. Keiser and seconded by Ms. Vondrachek to recommend approval of the request for a Technical Assistance Bank grant which would allow the applicant to procure the services of a licensed architect and a professional structural engineer with the condition that the applicant must purchase the building prior to receiving the reimbursement grant. The maximum grant amount would be \$1,575 for architectural services and \$3,675 for engineering services. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek, and Walth voting in favor.

B. 100 East Broadway Avenue – Hedahls, Inc. – CORE Signage

Mr. Tomanek gave an overview of the project for new signage at 100 East Broadway Avenue. The applicant wishes to replace two existing signs on the west and south-facing exterior façades of the building with updated panels and lettering. One of the new panels is 3' 1" x 47' and the second panel is 3' 1" x 69'.

Mr. Tomanek then listed the following findings for the proposed CORE Incentive Program Project:

1. The building is located within the Downtown Tax Increment Financing District.
2. The purpose of the Façade and Signage Incentive Grant Program is to promote and stimulate exterior maintenance of commercial buildings in order to enhance the overall appearance, quality and vitality of downtown.

3. The property is not subject to the Special Provisions for the Central Business District in the sign code because it is outside of the boundaries of that area. The proposed sign meets the requirements of Chapter 4-04 of the City Code of Ordinance (Signs and Outdoor Display Structures).
4. The applicant received two bids for the labor and materials. The low bid from Bacon Signs is in the amount of \$7,800 for the proposed signs. The second bid from Scenic Sign Corp. is for \$8,169.50.
5. Under the Façade and Signage Grant guidelines the maximum dollar amount is \$3,000 for signage projects. Each project requires a 50% matching contribution by the applicant. The grant amount requested for this project is \$3,000.

Mr. Tomanek said based on the above findings, staff recommends approval of the request for a CORE Façade and Signage grant which would reimburse the applicant in the amount of \$3,000.00 toward the design, purchase, and installation of new signage at 100 East Broadway Avenue.

MOTION: Based on the findings included in the staff report, a motion was made by Mr. Walth and seconded by Mr. Magstadt to recommend approval of the request for a CORE Façade and Signage grant which would reimburse the applicant in the amount of \$3,000.00 toward the design, purchase, and installation of new signage at 100 East Broadway Avenue. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek, and Walth voting in favor.

TECHNICAL ADVISOR TO THE RENAISSANCE ZONE AUTHORITY

Mr. Tomanek said that he spoke with Jeff Ubl and inquired whether or not Mr. Ubl would be interested in performing services as a Technical Advisor for the Renaissance Zone Authority. Mr. Tomanek noted that Mr. Ubl said he would be more than delighted to serve as a Technical Advisor and be removed from the Technical Assistance Bank list of architects to avoid any concerns of a potential conflict of interest.

MOTION: A motion was made by Mr. Keiser and seconded by Mr. Grossman to appoint Jeff Ubl as a Renaissance Zone Authority Technical Advisor with the condition he resign from being a Technical Assistance Bank architect. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek, and Walth voting in favor.

RENAISSANCE ZONE STATE GUIDLINE CHANGES – LEASEHOLD IMPROVEMENTS

Mr. Tomanek said that during the 2009 legislative session changes were made to the Renaissance Zone law that will need to be addressed in the City of Bismarck's Renaissance Zone Development Plan in order for the City to take advantage of the changes. There are several changes to consider; at this time an inquiry has been submitted regarding the change permitting a Leasehold Improvement Project. The State defines a Leasehold Improvement Project as "any

improvements a leaseholder makes to their space to either expand or improve the efficacy of their business. The level of investment should increase the current true and full value of the space by an amount defined by the city in their development plan. Since the leaseholder is the person making the improvements the city should expect an investment of at least 50% on the space being improved. Improvements that are normal maintenance cannot be counted, i.e. carpet, paint etc.”

Mr. Tomanek stated that in order to make changes to the Development Plan, guidelines must be established regarding the Leasehold Improvements Project and a public hearing must be held at the Renaissance Zone Authority level. In addition to the guidelines and public hearing, the Board of City Commissioners, Burleigh County Commission and the Bismarck Public School District must all support the proposed changes prior to the changes being enacted.

It was the general consensus of the Renaissance Zone Authority that staff prepare options for Leasehold Improvement Projects to be reviewed and discussed at February 10, 2010 meeting.

CONSIDER DISCUSSION WITH THE STATE RENAISSANCE ZONE PROGRAM MANAGER

Mr. Tomanek said that after discussions at the January 4, 2010 special meeting, he, Kim Lee and Gordon La France met with Nathan Bergman (State Tax Commissioner’s office) to discuss how all types of business entities are structured. The State was concerned about some of the items the Bismarck Renaissance Zone Authority was discussing as far as making the policies stricter than the State’s guidelines. Mr. Tomanek said that Mr. La France offered to attend the February 10, 2010 meeting to help explain the State guidelines and answer any questions the Renaissance Zone Authority may have regarding the possible policy changes. Mr. La France asks that a list of questions be submitted to him prior to his arrival at the meeting.

It was the general consensus of the Renaissance Zone Authority to welcome Gordon La France to attend the February 10, 2010 meeting.

STATUS OF APPROVED RENAISSANCE ZONE PROJECTS

Mr. Tomanek distributed the landscape plan for IRET Properties, LP at 715 East Broadway Avenue that includes two proposals. The first is for a decorative fence around the entire property and the second involves portable or moveable planters. Mr. Tomanek said that the City Forester has reviewed both proposals and does not have any issues with the decorative fence; however, has an issue with the portable planters because the planters should be specified and contain perennials so the plant material does not have to be replaced every year. Mr. Tomanek noted that the City Engineering Department had a concern with placing private property on the public right-of-way, as the City does not allow private property to be placed within the public right-of-way without an encroachment agreement. Mr. Tomanek shared the concerns with Mr. Pankow and was informed that a parking lot assessment was going to be made and if the parking lot needs to be redone, then a whole new landscape plan would be submitted.

MOTION: A motion was made by Mr. Keiser and seconded by Ms. Vondrachek to approve the landscape plan proposal for the decorative fence and not to allow the portable planters with the condition that IRET Properties, LP be allowed to resubmit a

revised landscape plan if the parking lot will be redone. The motion passed unanimously with members Blackstead, Grossman, Huber, Keiser, Magstadt, Vondrachek, and Walth voting in favor.

STATUS OF APPROVED CORE INCENTIVE PROJECTS

Mr. Tomanek said that no CORE Incentive Program Projects have been closed out in the last month.

OTHER BUSINESS

Mr. Tomanek said that projects Petals and More – 122 East Rosser Avenue (18-B), Capital Holdings, LLC – 402 East Main Avenue (42-B) and Kinselco, Inc. – 402 East Main Avenue (43-B) have been abandoned and will not be completed as Renaissance Zone projects. Mr. Tomanek stated that the Bismarck Renaissance Zone Authority requires that any approved Renaissance Zone Project that has not been completed within 12 months of the anticipated completion date is subject to review by the Authority. The above referenced projects have not been completed within the allotted timeframe; therefore, each applicant was contacted regarding the progress of their respective project. Mr. Tomanek concluded by saying that each applicant by not responding has indicated that their project will no longer be moving forward. This information will also be forwarded to the Board of City Commissioners and the North Dakota Department of Commerce – Division of Community Services.

ADJOURNMENT

There being no further business, Chair Blackstead adjourned the meeting of the Bismarck Renaissance Zone Authority at 4:50 p.m.

Respectfully Submitted,

Kimberley Gaffrey
Recording Secretary

APPROVED:

David Blackstead
Chair

OFFICIAL URBAN RENEWAL PLAN
CITY OF BISMARCK
BISMARCK, NORTH DAKOTA
CENTRAL CITY REDEVELOPMENT PROJECT
AS MODIFIED

SPECIFIC IMPROVEMENTS PLAN
Block 68, Original Plat (O.P.) Parking Ramp

Date

OFFICIAL URBAN RENEWAL PLAN

A. Description of Project

1. Boundaries of Block 68 Original Plat (O.P.) Urban Renewal Project Area

The boundaries of the Block 68 O.P. parking ramp are as shown on Map No. 1 attached hereto and made a part hereof. Previous improvements within the boundaries of the Urban Renewal Project Area have accomplished rehabilitation, conservation and redevelopment of portions of the Urban Renewal Plan area which are necessary and in the public interest for the completion of an adequate urban renewal plan for the central City. This entire area is deemed appropriate for an urban renewal project, having originally consisted of a combination of slum and blighted areas, some of which have heretofore been rectified. The Block 68 O.P. parking ramp is located entirely within the Urban Renewal Project Area.

2. Objectives of the Urban Renewal Plan

The general objectives of the Urban Renewal Plan are:

- a. To arrest the decay pattern of sprawl and fragmentation of the core area by reinforcing the core as a "central place" of regional and local service and commerce.
- b. To stimulate and provide a climate for local and regional growth and permit the expansion of existing retail and professional facilities and promote the introduction of new retailing, transient and permanent housing facilities and professional services.
- c. To maintain and improve the core area by encouraging investment through the use of various programs.
- d. To re-establish the core area as a focal place appropriate and suitable for the interaction of ideas, events and human activities by:
 - 1) Eliminating existing blighting conditions such as substandard and/or obsolete structures; impediments to the assemblage of adequate reuse sites; overhead utility lines; land use conflicts; undersized lots; lack of open space and amenities.
 - 2) Improving existing circulation routes for both vehicles and pedestrians.

- 3) Provide adequate parking for existing and new uses in centralized parking areas within a reasonable pedestrian distance from the uses to be served.
- 4) Encouraging new development in conformance with the objectives of the plan to emphasize place and purpose of each structure and a conscious effort to establish unity and coherence in the new architecture.
- 5) Providing for future growth and a high level of core development by:
 - a) Establishing and implementing public actions directed at supporting and assisting the renewal plan.
 - b) Encouraging increased parking facilities when demand justifies.
 - c) Establishing a program of rehabilitation of the structures to remain so that they will be compatible with anticipated new development.

3. Proposed Specific Improvement Actions for the Block 68 O.P. Parking Ramp

A. Construction of an automobile parking ramp on the East half of Block 68, Original Plat.

The ramp will be located on the entire east half of this block with the exception of the Kokkeler Jewelry parcel. The land under the proposed ramp is owned by the City of Bismarck or MedCenter One. MedCenter's land will be donated to the project. Demolition of three existing structures and a surface parking lot is included in the project.

The ramp will measure approximately 225 feet by 140 feet plus access points. Primary entry access will be provided on 6th Street with exit onto Thayer Avenue. This parking facility will be of post tension concrete construction with sloping floors and 75 degree angle parking with a one-way traffic flow pattern. The ramp will include either five or six levels having spaces for between 410 and 490 cars. It will feature an architectural enhanced exterior for aesthetic purposes. The foundation system will consist of either drilled concrete caissons or driven pile. A stair/elevator tower will be provided on the northeast corner of the building with an additional staitower located on the southwest corner of the structure.

The project is expected to cost between \$7,072,958 and \$8,371,343 depending on the bids received and the alternates chosen. The project will

be financed with a combination of parking revenue from spaces within this ramp, parking revenue from other ramps currently operated by the Bismarck Parking Authority and tax increment funds. A complete financial package for the project will need to be completed after bids are received but current estimates are for tax increment funding needed for the project to be between \$5,400,000 and \$7,000,000. The remainder of the project would be financed with parking revenues.

This project is important to the prevention of urban blight and furtherance of economic development in the downtown area in accordance with the Official Urban Renewal Plan in several ways. The project will demolish several marginal buildings in the downtown. The buildings are in various stages of deterioration and are largely functionally obsolete. It will serve to enhance the quality of development in this area of the downtown through the use of an architecturally enhanced building design. The other major advantage to redevelopment of the downtown will, of course, be the addition of a sizeable parking resource that will allow the use of present parking lots for future structures.

This project supports Urban Renewal Plan Objectives A,B,D1,D3,D4 and D5.

OFFICIAL URBAN RENEWAL PLAN
CITY OF BISMARCK
BISMARCK, NORTH DAKOTA
CENTRAL CITY REDEVELOPMENT PROJECT
AS MODIFIED

JANUARY 1979

REVISED DECEMBER 11, 1979

REVISED JULY 31, 1984

REVISED JUNE 21, 1988

REVISED NOVEMBER 8, 1994

REVISED OCTOBER 24, 2006

REVISED

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EXHIBITS

Exhibit "A" - Boundary Description

MAPS

Map No. 1, Boundary Map

OFFICIAL URBAN RENEWAL PLAN

A. Description of Project

1. Boundaries of Revised Urban Renewal Project Area

The boundaries of the project area as set forth in the Official Urban Renewal Plan revised _____, are as shown on Map No. 1, Boundary Map, attached hereto and made a part hereof and as described in Exhibit A, "Boundary Description", attached hereto and made a part hereof. Previous revisions of the boundaries have included additional land adjoining the original area, the rehabilitation, conservation and redevelopment of which is necessary in the public interest for the completion of an adequate urban renewal plan for the central City, including the sites of additional proposed public and private developments. The entire revised area is deemed appropriate for an urban renewal project, having originally consisted of a combination of slum and blighted areas, some of which have heretofore been redeveloped. Certain redevelopments and rehabilitation on land added to the project area have heretofore been aided by the City. It is deemed appropriate and necessary that the redeveloped land be included in the project area as a resource for the completion of the Urban Renewal Plan as a whole.

2. Objectives of the Urban Renewal Plan

The general objectives of the Urban Renewal Plan are:

- a. To arrest the decay pattern of sprawl and fragmentation of the core area by reinforcing the core as a "central place" of regional and local service and commerce.
- b. To stimulate and provide a climate for local and regional growth and permit the expansion of existing retail and professional facilities and promote the introduction of new retailing, transient and permanent housing facilities and professional services.
- c. To maintain and improve the core area by encouraging investment through the use of various programs.
- d. To re-establish the core area as a focal place appropriate and suitable for the interaction of ideas, events and human activities by:
 - 1) Eliminating existing blighting conditions such as substandard and/or obsolete structures; impediments to the assemblage of adequate reuse sites; overhead utility lines; land use conflicts; undersized lots; lack of open space and amenities.

- 2) Improving existing circulation routes for both vehicles and pedestrians.
- 3) Provide adequate parking for existing and new uses in centralized parking areas within a reasonable pedestrian distance from the uses to be served.
- 4) Encouraging new development in conformance with the objectives of the plan to emphasize place and purpose of each structure and a conscious effort to establish unity and coherence in the new architecture.
- 5) Providing for future growth and a high level of core development by:
 - a) Establishing and implementing public actions directed at supporting and assisting the renewal plan.
 - b) Encouraging increased parking facilities when demand justifies.
 - c) Establishing a program of rehabilitation of the structures to remain so that they will be compatible with anticipated new development.

3. Proposed Renewal Actions

A summary of renewal action in the project area, includes the following:

- a. Acquisition and clearance of substandard and blighting properties as well as those required for achievement of Plan objectives.
- b. Disposal, retention or dedication of various lands for redevelopment by private or corporate developers in accordance with the provisions of the Plan.
- c. Installation of all public improvements and facilities described in the Plan.
- d. Rehabilitation of buildings and lands to local standards established by the Plan.

The Revised Urban Renewal Project Area is planned for predominately office, commercial, residential and service uses.

The development plan for the project area includes spot acquisition and subsequent development for commercial, transient and

permanent housing, parking and public use, including a pedestrian semi-mall system with appropriate traffic circulation measures and a climatized overhead walkway system. Major core structures which are considered capable of being rehabilitated to standards set forth elsewhere in the Plan shall be retained, and a rehabilitation program initiated.

The majority of the existing public improvements within the area are presently considered adequate. The only additional major installations, other than the repair and/or replacement of existing improvements which are anticipated is are the improvement of the Civic Center by installation of seating and the construction of an addition. New improvements also will also embrace as much of a skyway system as financially possible, ~~Also to be constructed will be parking structures, and quiet rail improvements.~~ The goal of all these public improvements is to create an environment that attracts redevelopment and eliminates blighting influences and other deteriorating conditions that limit the quality of life and opportunities for development or redevelopment of downtown properties.

The City of Bismarck will acquire property, remove structures, construct site improvements and dispose of, by either sale or dedication, all property acquired by it for the uses outlined in the Plan and subject to the controls and restrictions contained in the Plan and requirements of applicable laws. Specific items involving City acquisition and construction within the Revised Urban Renewal Area are the following:

- 1) Public parking to be provided on Block 44, Original Plat.
- 2) Restoration and acquisition of the Burlington Northern Depot.
- 3) Overhead walkway between the parkade (N1/2 Block 46, Original Plat) parking facilities and adjacent structures where feasible.
- 4) Addition of two stories to parkade (N1/2 Block 46, Original Plat) (completed)
- 5) Rehabilitation and renewal of structures as recommended by the City Building Inspector and approved by the City Commission.
- 6) ~~Federally assisted low income elderly housing on part of E1/2 Block 72, Original Plat.~~

- 7) ~~Addition of seating and exhibit space to~~ Development of the Bismarck Civic Center in concert with the facility master plan.
- 8) ~~Chancellor Square pedestrian mall renovation~~ Renovation and maintenance of public improvements within the DC zoning district.
- 9) Construction of a public parking ramp on the East half E ½ of Block 68, Original Plat.
- 10) Construction of Quiet Rail facilities at surface crossings within the Urban Renewal Plan area.

- e. Creation of various programs to encourage private investment in the core of the community through the use of the following programs:
 - 1) Purchase and maintenance of Downtown Streetscape Elements
 - 2) Sidewalk Subsurface Infill
 - 3) Technical Assistance Bank
 - 4) Façade and Signage Incentive Grant
 - 5) Housing Incentive Grant
 - 6) Revolving Loan Fund
 - 7) Project-related Skyway Development
 - 8) Quiet Rail Zone
 - 9) Downtown plans and studies

B. Land Use Plan

1. Land Use & Zoning Plan

The city zoning map is included by reference to this Plan. The land uses within the area of the Plan are in compliance with the requirements of the Bismarck zoning ordinance.

2. Land Use Provisions and Requirements

Notwithstanding the less restrictive provisions of any zoning or building ordinance now in force or hereafter enacted, there are hereby imposed on each disposition parcel in the project area the following general and specific controls on redevelopment and land use which shall be implemented by appropriate covenants and other provisions in redevelopment contracts and deeds for each parcel.

a. Statement of uses to be permitted:

Public: Mall and plaza area
 Open space

Commercial: Retail
 Public utility
 Office/Bank
 Transient housing (motel, hotel, etc.)

Public open spaces

Residential: All types

Parking: Private or public parking

Rights-of-way: Publicly owned

Utility Easements

b. Additional regulations and controls on the sale or dedication of real property to be disposed of:

1) Public and Open Space

Uses include all type of public and pedestrian areas: malls, walkways, enclosed skyways, sitting areas and landscape areas. Amenities such as information booths, kiosks, display areas, street furniture, planters and similar attractive fixtures.

2) Commercial

The proposed commercial uses are to encourage and permit the strengthening of the retail and service core of the central business district.

Permitted uses generally include those retail, commercial office, service and public open-space uses which augment the existing central area retail development.

It is understood that all accessory uses allowed by local land use controls are allowed. Development controls shall be enforced as per zoning ordinance requirements.

3. Interim Land Uses

Any property acquired as part of this Urban Renewal Plan may be devoted to a temporary use by the City of Bismarck prior to the permanent disposition to a redeveloper when such is for parking, relocation purposes, or public recreation uses, and is in accordance with the intent of this Urban Renewal Plan as reflected by the controls and regulations herein.

In no case shall such temporary use delay completion of this project.

4. Other Controls and Regulations

The following landscaping, lighting, and sign regulations shall apply to all land to be redeveloped.

a. Landscaping and Lighting

- 1) All parking areas shall be subject to the applicable provisions of the Zoning Ordinance, which include paving and landscaping requirements.

b. Permitted Uses

- 1) The permitted primary uses for the plan area are included in the zoning districts which are appropriate to the plan area.
- 2) The design and type of light standards for the illumination of all off-street vehicular areas shall be subject to approval by the City of Bismarck.
- 3) Any area not paved shall be maintained in grass and landscaping.
- 4) Parking and loading areas and structures shall conform to the standards and controls of the City of Bismarck ordinance.

c. Signs

All signs shall conform to the requirements of the City of Bismarck, including the Building Regulations found in Title 4 of the City Code of Ordinances and the Zoning Regulations found in Title 14 of the City Code of Ordinances.

d. Duration of Urban Renewal Controls

All land use provisions, requirements and regulations and modification of same will become effective on the date of the approval of this Plan and shall be effective for a period of twenty-five (25) years therefrom.

The termination of this Plan under this provision shall not affect the provisions of Section B-2, hereof relative to the covenants respecting restrictions upon the basis of race, religion, color or national origin, which covenants shall run in perpetuity.

e. Applicability for properties not to be acquired

Where an owner of property not to be acquired desires to acquire project land for the expansion of his existing facilities, he will be

required to execute a redevelopment contract wherein he will agree to comply to the extent possible with the land use, controls and standards of the Plan for his present property.

C. Project Proposals

1. Land Acquisition

- a. The following maps are attached hereto and made a part hereof:

Map No. 1, Boundary Map

- b. Properties within the boundary of the Urban Renewal Plan may be acquired by the City of Bismarck if in the course of executing this Urban Renewal Program it is determined that the land areas are required for creation of a marketable disposition parcel and further that project eligibility for Urban Renewal treatment is not compromised.

2. Rehabilitation and Conservation

The Plan establishes rehabilitation standards for real property within the project area which is not to be acquired. Said rehabilitation standards are those existing city codes and ordinances of the City of Bismarck.

3. Redeveloper's Obligations

- a. The Redeveloper shall devote each such parcel to the uses specified for it in this Plan.
- b. The Redeveloper shall begin and complete the development of such land for uses required in the Plan within a reasonable time specified in the disposition instruments.
- c. The Redeveloper shall agree to retain the interest he acquires in individual properties transferred to him until he has completed the construction and development of said properties in accord with the provisions of this Plan and disposition instruments, and he shall agree not to sell, lease or otherwise transfer the interest he acquired or any part thereof without the prior written consent of the city.
- d. No covenant, agreement, lease, conveyance or other instrument shall be effected or executed by the city or by a Redeveloper (or any successor in interest) whereby the use of the land in the Project area is restricted, either by the Urban Renewal Agency or Redeveloper (or any successor in interest) upon the basis of race, creed, color, or national origin in the sale, lease, or occupancy thereof.

The foregoing restriction shall be implemented by appropriate covenants or other provision in disposal instruments as covenants running with the land.

- e. No Redeveloper, his successors, or assigns, shall discriminate in the use, sale or lease of any property within the project area or any part thereof, against any person because of race, color, religion or national origin and such provision shall be included in disposition instruments as a covenant running with the land.
- f. All plans for structures, site improvements, signs (other than directional signs) and landscaping must be approved in writing for conformance with the provisions of this Plan by the City of Bismarck before construction is commenced.

4. Underground Utility Lines

All utility lines, both public and private, shall be placed underground, or otherwise incorporated into proposed or existing structures.

5. Temporary Project Improvements

Not applicable as no temporary project improvements are a part of the redevelopment activity.

D. Financing

The cost of renewal heretofore accomplished within the area has been paid from the proceeds of grants received from the federal government and of bonds issued by the City for the construction of the parking facility within the original project area. It is contemplated that the cost of the completion of the renewal of the Revised Area will be paid or reimbursed from tax increments as authorized and provided in Section 40-58-20, NDCC (enacted by S.L. 1973, Chapter 342).

The cost of renewal subject to reimbursement from tax increments shall include all expenditures incident to carrying out the Urban Renewal Plan for the Revised Area and any modification thereof, including but not limited to all expenses of the clearance, redevelopment, rehabilitation and conservation of the area, installation of improvements provided in accordance with the Urban Renewal Plan, and all interest and redemption premiums on bonds or other obligations issued by the City to provide funds for payment of such expenses. From the total cost to be reimbursed there shall be deducted all amounts, if any, received from the federal government or others and from special assessments, revenues and other receipts (other than property taxes) which are actually collected and applied to the payment of such cost or to the payment of said bonds or other obligations.

It is contemplated that it will be necessary for the City to issue general obligation bonds to provide some or all of the cash funds required, and that the tax

increments will be appropriated by the Board of City Commissioners for the payment of such bonds and interest and redemption premiums thereon. The Board of City Commissioners will exercise all of the urban renewal project powers granted under the Urban Renewal Law, and will request the County Auditor and Treasurer to compute, certify and remit tax increments resulting from the renewal of the Revised Area in accordance with the revised Urban Renewal Plan and any modifications thereof. The Auditor will be requested to compute and certify the original taxable value of each lot and parcel of real estate in the Revised Area, as last assessed and equalized in 1978, as a basis for the computation of incremental values and tax increments in subsequent years.

E. Other Provisions Necessary to Meet State & Local Requirements

If any further displacement occurs as a result of project area improvements it will be dealt with according to the North Dakota Century Code and the relocation requirements thereof.

F. Procedure for Changes in Approved Plan

Minor administrative alterations to the foregoing Official Plan provisions may be made at the discretion of the City of Bismarck. Major modifications to said Official Plan must be approved by the governing body in a manner consistent with the previous approval.

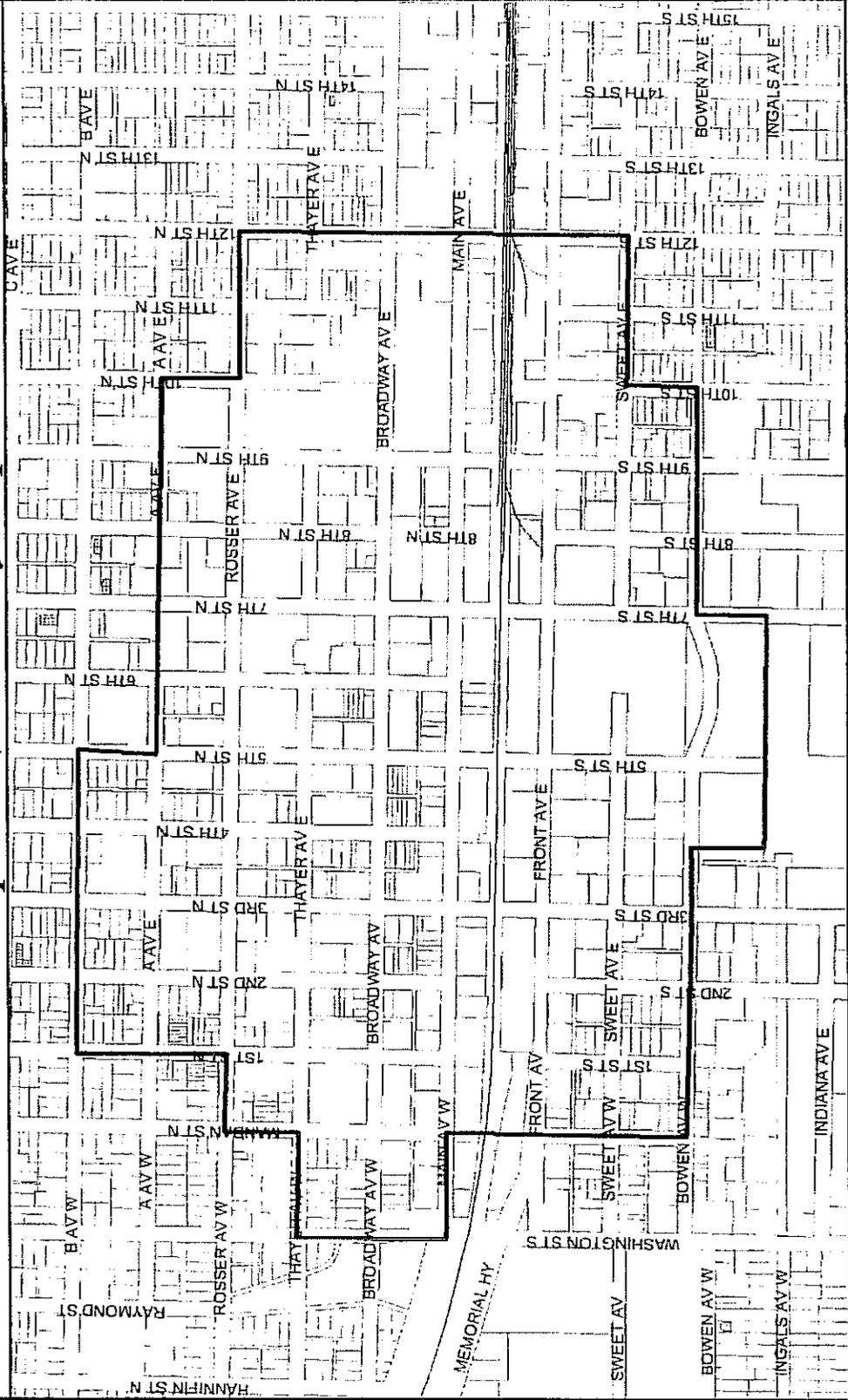
EXHIBIT "A"

BOUNDARY DESCRIPTION

All that area within the City of Bismarck falling within the following described premises:

Beginning at the centerline west right-of-way line of Washington Street and Main Avenue; thence north along the centerline west right-of-way line of Washington Street to the centerline north right-of-way line of Thayer Avenue; thence east along the centerline north right-of-way line of Thayer Avenue to the centerline west right-of-way line of Mandan Street; thence north along the centerline west right-of-way line of Mandan Street to the centerline north right-of-way line of Rosser Avenue; thence east along the centerline north right-of-way line of Rosser Avenue to the centerline west right-of-way line of 1st Street; thence north along the centerline west right-of-way line of 1st Street to the centerline north right-of-way line of Avenue B; thence east along the centerline north right-of-way line of Avenue B to the centerline east right-of-way line of 5th Street; then south along the centerline east right-of-way line of 5th Street to the centerline north right-of-way line of Avenue A; thence east along the centerline north right-of-way line of Avenue A to the centerline east right-of-way line of 10th Street; thence south along the centerline east right-of-way line of 10th Street to the centerline north right-of-way line of Rosser Avenue; thence east along the centerline north right-of-way line of Rosser Avenue to the centerline east right-of-way line of 12th Street; thence south along the centerline east right-of-way line of 12th Street extending across Burlington Northern right of way to the centerline south right-of-way line of Sweet Avenue; thence west along the centerline south right-of-way line of Sweet Avenue to the centerline east right-of-way line of 10th Street; thence south along the centerline east right-of-way line of 10th Street to the centerline south right-of-way line of Bowen Avenue; thence west along the centerline south right-of-way line of Bowen Avenue to the centerline east right-of-way line of 7th Street; thence south along the centerline east right-of-way line of 7th Street to the a point on the centerline east right-of-way line on 7th Street in line with the southern edge of Lot 1, Block 4, Wachter's Addition; thence west along the southern edge of Lots 1 and 2, Block 4, Wachter's Addition; thence north along the western edge of Lot 2, Block 4, Wachter's Addition to the centerline south right-of-way line of Bowen Avenue; thence west along the centerline south right-of-way line of Bowen Avenue to the to the centerline west right-of-way line of Mandan Street; thence north along the centerline west right-of-way line of Mandan Street extending across Burlington Northern right of way to the centerline south right-of-way line of Main Avenue; thence west along the centerline south right-of-way line of Main Avenue to the centerline west right-of-way line of Washington Street, the point of beginning.

Official Urban Renewal Plan (Revised)
Map No. 1, Boundary Map



CITY OF BISMARCK
 PLANNING & DEVELOPMENT DEPARTMENT
 09-26-06

**BISMARCK RENAISSANCE ZONE AUTHORITY
STAFF REPORT**

BACKGROUND:		
Title: J2 Studio Architecture + Design – Lease		
Status: Renaissance Zone Authority	Date: February 10, 2010	
Street Address: 521 East Main Avenue	Legal Description: Parcel 1 of Tract 605, Block 12, Original Plat	
Project Type: Lease	Renaissance Zone Block Number: Block Number 25	
Applicant: J2 Studio Architecture + Design/James Devine	Owner: Civic Square Development, LLP	
Project Description: The applicant is proposing to lease space on the 1st floor of the building at 521 East Main Avenue for the expansion of a professional architecture office. The owner of the building, Civic Square Development, LLP has rehabilitated the building as a separate Renaissance Zone project.		
PROJECT INFORMATION:		
Parcel Size: 16,876 square feet	Building Floor Area: 31,872 (total for all 4 floors)	Certificate of Good Standing: Received
Lease Area: 1,176 square feet	Estimated Property Tax Benefit: N/A	Estimated Income Tax Benefit: \$8,000 over 5 years
PROJECT REVIEW GUIDELINES:		
High Priority Land Use: Yes – office/service	Targeted Area: Yes – vacant space in building	Public Space/Design: No
Capital Investment: N/A	New/Expanding Business: Yes – expanding business	Historic Property: Yes – contributing
FINDINGS:		
<ol style="list-style-type: none"> 1. The proposed use is consistent with the City's Renaissance Zone Development Plan. 2. The building has been rehabilitated as a separate Renaissance Zone project. 3. The lease would be for an expanding business relocating within the Zone. The business is currently located in downtown Bismarck, but will be moving to this new location in order to expand the size of their operation. The current space occupied by J2 Studio Architecture + Design is 600 square feet; the office would be adding 576 square feet and expanding in occupied space by 49%. The additional space will provide adequate room for a recently-hired staff person. 4. The space proposed for occupancy has not previously been occupied by a business receiving Renaissance Zone tax exemptions. 5. Occupancy of the space is anticipated for March 31, 2010. 		
RECOMMENDATION:		
<p>Based on the above findings, staff recommends approval of the designation of the lease of space in the building at 521 East Main Avenue by J2 Studio Architecture + Design as a Renaissance Zone project, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of occupancy.</p>		

Title: J2 Studio Architecture + Design/James Devine		Project Type: Lease		
Current Valuation: N/A		Proposed Capital Investment: N/A		
MINIMUM CRITERIA:			Possible Points	Staff Rating
Proposals Involving a Commercial Lease (Tenancy, Not Ownership):				
1	Use consistent with the Renaissance Zone Development Plan Specific goals: A1, A3, B2, C1, and D1	20	20	
2	New business, expanding business or continuation of lease	10	10	
3	Within building rehabilitated as an approved Zone project or investment of at least \$10 per square foot in improvements	10	10	
4	Subtotal	40	40	
PROJECT REVIEW GUIDELINES - REQUIRED:				
1	High Priority Land Use <ul style="list-style-type: none"> • Primary sector business • Active commercial, specialty retail and/or destination commercial • Mixed use development • Residential units, including single or multi-family units 	15	15	
2	Capital Investment <ul style="list-style-type: none"> • Consideration for level of capital investment (either by owner or lessee) 	15	15	
3	Targeted Area <ul style="list-style-type: none"> • Parcels that have been vacant or underutilized for an extended period • Parcels specifically targeted for clearance 	15	15	
4	Relocation (vs. New or Expanding Business) <ul style="list-style-type: none"> • Relocation from within the downtown area (may not be eligible) • Relocation from a community outside Bismarck area (may not be eligible) • Maintaining existing business in the downtown area or expanding business 	15	15	
	Subtotal	60	60	
	TOTAL	100	100	
PROJECT REVIEW GUIDELINES - OPTIONAL:				
1	Public Space/Design <ul style="list-style-type: none"> • Incorporation of civic or public spaces • Demonstrated commitment to strengthen pedestrian connections • Attention to streetscape amenities and landscaping • Attention to design and visual appearance 	10	0	
2	Historic Preservation and Renovation <ul style="list-style-type: none"> • Within the downtown historic district • Contributing or non-contributing • Historic preservation component 	10	0	
	Additional Optional Points	20	0	
	TOTAL	120	100	

J2 Studio Architecture + Design

Renaissance Zone Application

Attachment
January 25, 2010

Project Description

- The project is located at 521 E. Main Avenue, Suite 125 in Bismarck, ND. The proposed project is to acquire lease space to increase our office size to accommodate new staff and to provide for an office space within one suite.

The proposed location of the office suite is in a current Renaissance Zone project, owned by Civic Square Development LLP.

The proposed office space is 1,176 rental SF, our existing office is 600 rental SF, which is approximately 49% more area, which will allow for future growth. We have added an employee and are in need of the additional space this will provide for current staff, as well as for growth.

Our existing office space is separated into two suites by a public stairwell serving the second floor office space. Access to our current office suites is through a public corridor. With the addition of a new employee, the current layout does not meet our immediate or future needs.

Cost Estimate

- This application is for lease space in a current Renaissance Zone project. The existing office space has been renovated and will require no additional work.

Reasons to Participate in Renaissance Zone Program

- The expansion of J2 Studio Architecture + Design into a larger office space maintains the objective to remain downtown.
- The relocation of J2 Studio will provide for off-street parking for clients. 2 spaces are provided at the proposed, new location. At our current location clients need to locate and park in 90 minute spaces or the parking ramps for 1-2 hour meetings.
- The project occupies a vacant lease property in an existing Renaissance Zone building.

How project meets Renaissance Zone Goals and Objectives

- The expansion is an investment in existing property in an existing Renaissance Zone project.
- Off street parking for clients will be provided.

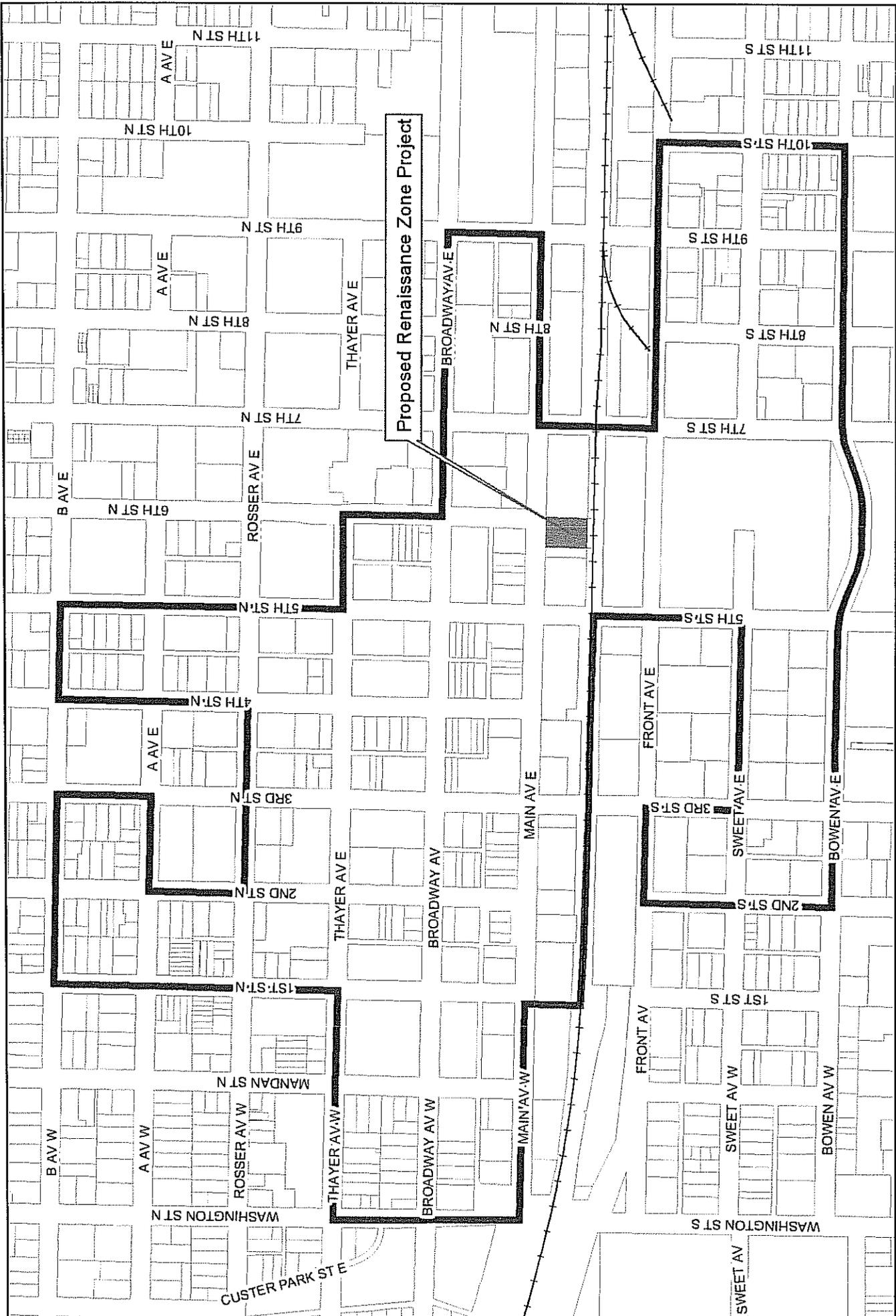
Estimated Tax Benefits

- State income tax benefits are estimated to be \$8,000 over a 5 year period.

Certificate of Good Standing from the State Tax Department

- Attached

Proposed Renaissance Zone Project - 521 East Main Avenue - Lease



City of Bismarck - Community Development Department - Planning Division

This map is for representational use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated hereon.



January 2010

Current Photos of the property

- Attached: Property brochure from Bismarck Realty for proposed office space.

Proposed Building Elevations and Perspectives

- Attached: Property brochure from Bismarck Realty for proposed office space.

Proposed Site Plan

- Not Applicable

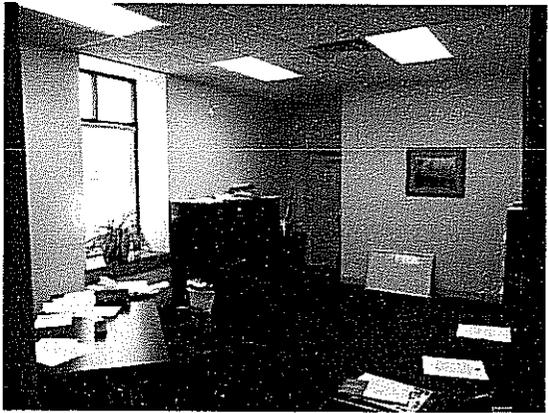
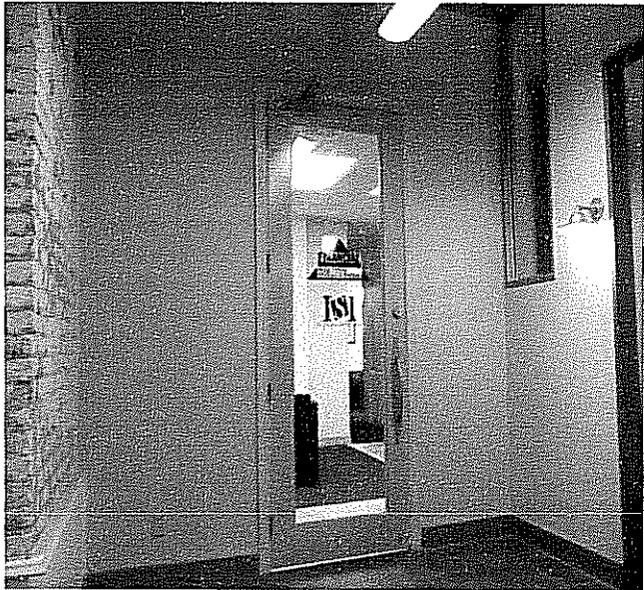
Project Timetable

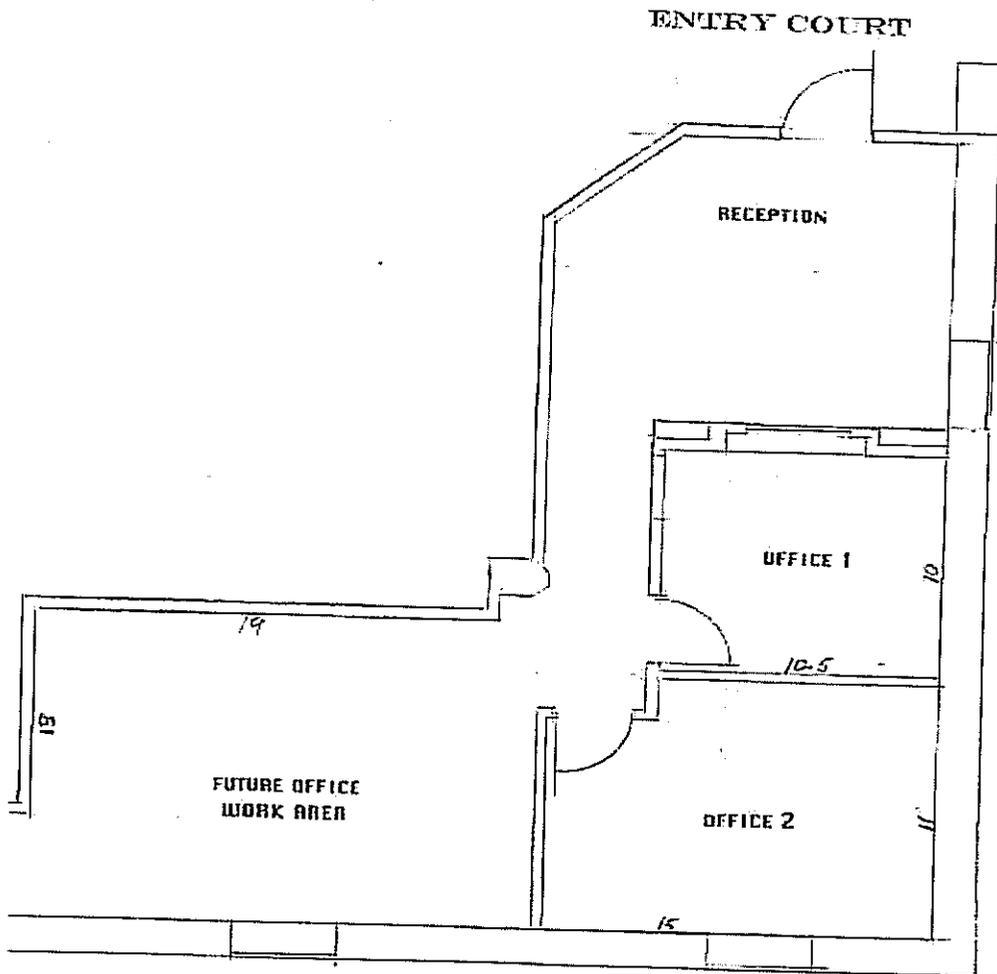
- Upon acceptance of this application, tenant space will be occupied the end of March.

Documentation that lease is within an Approved Zone project

- Attached : Letter from Civic Square Development LLP.

BISMARCK REALTY CO.





SUITE 125
LOOR PLAN 1/4" = 1'

CIVIC
SQUARE
E MAIN AVE. BISMARCK, ND



CIVIC SQUARE DEVELOPMENT LLP 501 E. MAIN AVE.
BISMARCK, ND 58501

Bismarck Planning & Zoning Dept.
Jason Tomanek
Renaissance Zone Committee

Via e-mail jtomanek@nd.gov

Re: 521 E. Main Ave
Suite 125
James Devine -- Tenant Application

Dear Jason,

James Devine is applying for a Renaissance Zone Lease project in our building known as Civic Square, located at 521 E. Main Ave. He has asked me to reply to a question on his application regarding whether or not the suite he intends to occupy has previously been occupied by a Renaissance Zone Tenant.

The suite is Suite 125 located on the main floor of the building. The suite was first occupied in July of 2007 on a temporary basis by Shaw Brink, dba Intersecurities and in August 2009 by Kelly Services Inc. who closed their offices in December, 2009. Nether one of these Tenants had received approval as a Renaissance Zone Lease Project.

Please contact me if you need further information.

Sincerely,



Chuck Huber

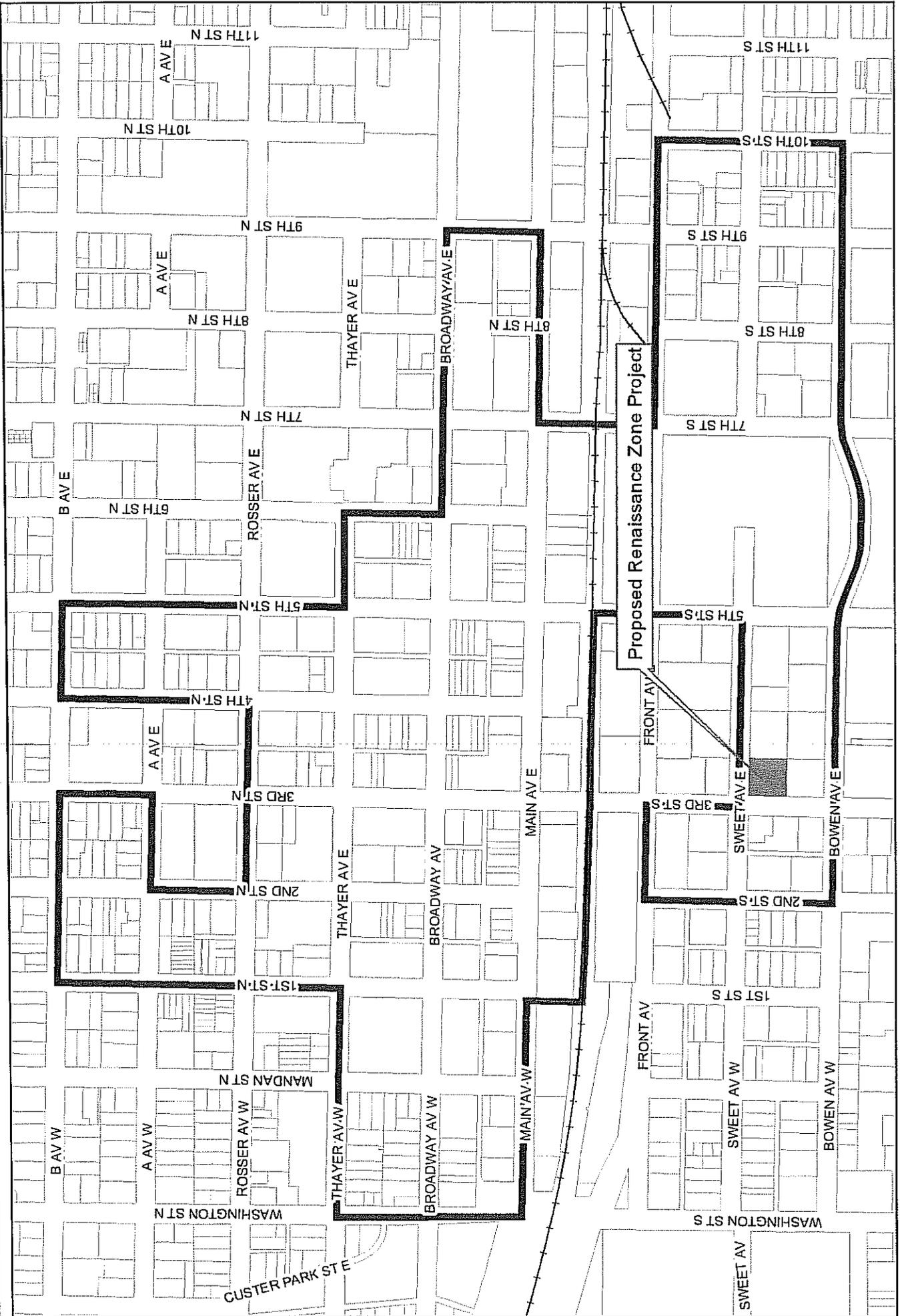
Partner, Civic Square Development LLP

**BISMARCK RENAISSANCE ZONE AUTHORITY
STAFF REPORT**

BACKGROUND:		
Title: Jimmy John's – Lease		
Status: Renaissance Zone Authority	Date: February 10, 2010	
Street Address: 301 South 3 rd Street	Legal Description: Lots 19-24 and the west ½ of the vacated alley adjacent, Block 65, Original Plat	
Project Type: Lease	Renaissance Zone Block Number: Block Number 8A	
Applicant: Jimmy John's/Travis Vannatta	Owner: B & C Properties, LLP	
Project Description: The applicant is proposing to lease space in the building at 301 South 3 rd Street for a new, independently-owned franchise restaurant. The project will include complete rehabilitation of the space proposed for the business including new walls,		
PROJECT INFORMATION:		
Parcel Size: 22,500 square feet	Building Floor Area: 9,412 square feet	Certificate of Good Standing: In process
Lease Area: 1,400 square feet	Estimated Property Tax Benefit: N/A	Estimated Income Tax Benefit: \$8,000 over 5 years
PROJECT REVIEW GUIDELINES:		
High Priority Land Use: Yes – office/service	Targeted Area: Yes – vacant space in building	Public Space/Design: No
Capital Investment: \$75,000	New/Expanding Business: Yes – new business	Historic Property: No
FINDINGS:		
<ol style="list-style-type: none"> 1. The proposed use is consistent with the City's Renaissance Zone Development Plan. 2. The building has not been rehabilitated as a Renaissance Zone project. City of Bismarck guidelines for lease projects require the applicant to invest at least \$10.00 per square foot in capital improvements. The applicant has indicated that the estimated cost of rehabilitation would be \$75,000 for the 1,400 square feet of leased space, this equates to an average per square foot investment exceeding \$53.00. 3. The lease would be for new business locating within the Zone. 4. The applicant has indicated that 20 to 25 new full and part-time employment positions would be created by the new business locating within the Zone. 5. Occupancy of the space is anticipated for April 1, 2010 with the projected opening of the business on June 1, 2010. 		
RECOMMENDATION:		
Based on the above findings, staff recommends approval of the designation of the lease of space in the building at 301 South 3 rd Street by Jimmy John's as a Renaissance Zone project, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of occupancy.		

Title: Jimmy John's/Travis Vannatta		Project Type: Lease	
Current Valuation: N/A		Proposed Capital Investment: N/A	
MINIMUM CRITERIA:		Possible Points	Staff Rating
Proposals Involving a Commercial Lease (Tenancy, Not Ownership):			
1	Use consistent with the Renaissance Zone Development Plan Specific goals: A1, A3, B2, C1, and D1	20	20
2	New business, expanding business <u>or</u> continuation of lease	10	10
3	Within building rehabilitated as an approved Zone project <u>or</u> investment of at least \$10 per square foot in improvements	10	10
4	Subtotal	40	40
PROJECT REVIEW GUIDELINES - REQUIRED:			
1	High Priority Land Use <ul style="list-style-type: none"> • Primary sector business • Active commercial, specialty retail and/or destination commercial • Mixed use development • Residential units, including single or multi-family units 	15	15
2	Capital Investment <ul style="list-style-type: none"> • Consideration for level of capital investment (either by owner or lessee) 	15	15
3	Targeted Area <ul style="list-style-type: none"> • Parcels that have been vacant or underutilized for an extended period • Parcels specifically targeted for clearance 	15	15
4	Relocation (vs. New or Expanding Business) <ul style="list-style-type: none"> • Relocation from within the downtown area (may not be eligible) • Relocation from a community outside Bismarck area (may not be eligible) • Maintaining existing business in the downtown area or expanding business 	15	15
	Subtotal	60	60
	TOTAL	100	100
PROJECT REVIEW GUIDELINES - OPTIONAL:			
1	Public Space/Design <ul style="list-style-type: none"> • Incorporation of civic or public spaces • Demonstrated commitment to strengthen pedestrian connections • Attention to streetscape amenities and landscaping • Attention to design and visual appearance 	10	0
2	Historic Preservation and Renovation <ul style="list-style-type: none"> • Within the downtown historic district • Contributing or non-contributing • Historic preservation component 	10	0
	Additional Optional Points	20	0
	TOTAL	120	100

Proposed Renaissance Zone Project - 301 South 3rd Street - Lease



City of Bismarck - Community Development Department - Planning Division

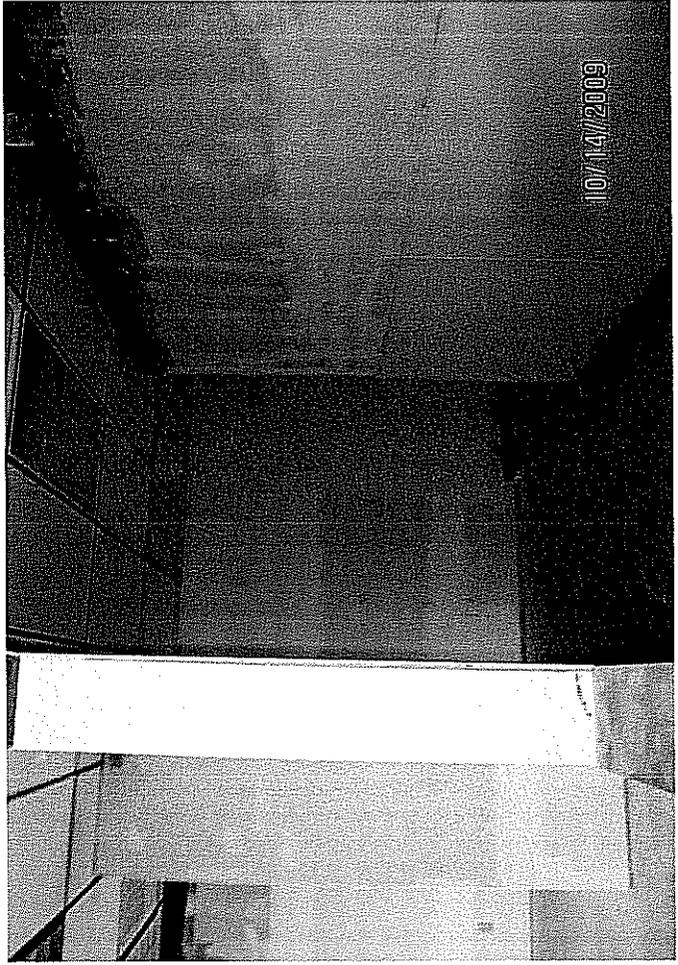
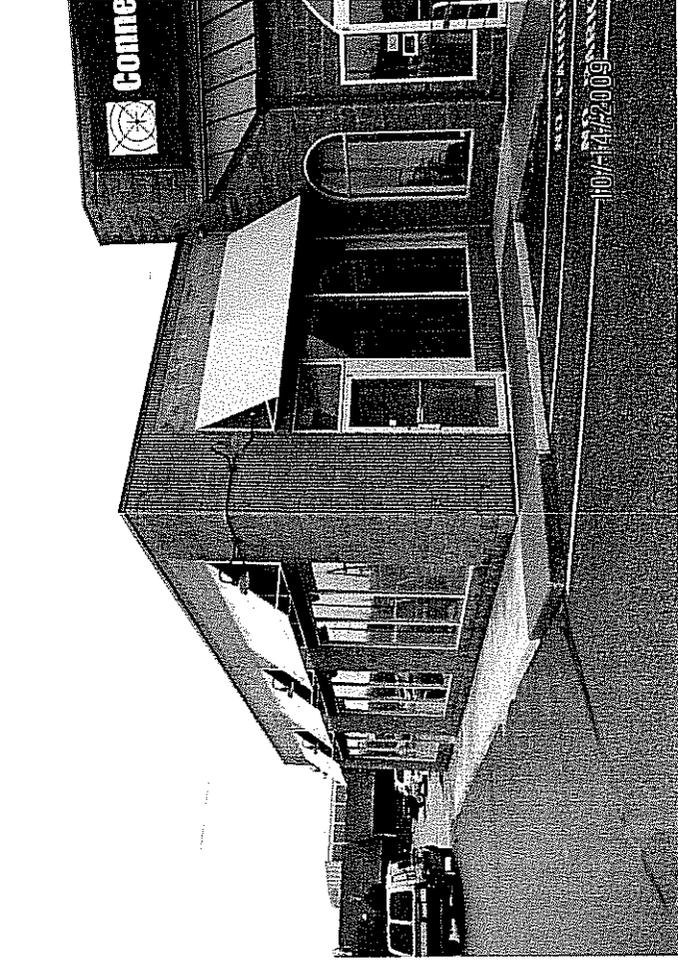
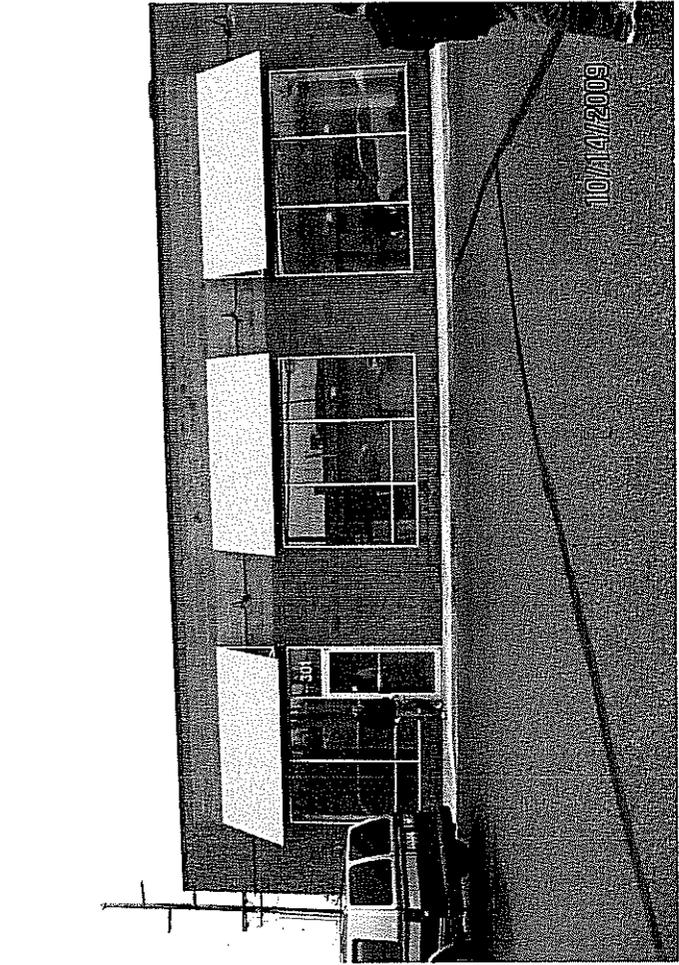


1,000 Feet

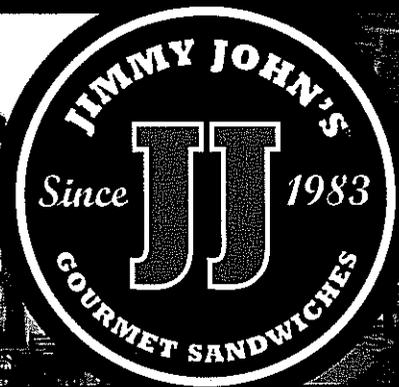
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January 2010

This map is for representational use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated hereof.



★ SITE CRITERIA ★



COMPANY OVERVIEW

- ★ Founded in 1983 by Jimmy John Liautaud in Charleston, IL.
- ★ 865 stores open
- ★ 100+ stores in construction
- ★ 200 stores projected to open in 2009
- ★ 230 stores projected to open in 2010

OUR CONCEPT

- ★ High-energy, upscale, fast/casual gourmet sandwich restaurant that features a limited menu made up of the highest quality meats, cheese and vegetables available!
- ★ Our signature seven-grain wheat bread and French bread rolls are baked fresh in the store every day!
- ★ All meats and produce are sliced daily and all sandwiches are served cold – **no grills or fryers** – and made to order in less than 30 seconds!
- ★ Emphasis is placed on quality, lightning fast service and delivery.
- ★ Each of our restaurants is immaculately maintained.

TRADE AREA CRITERIA

- ★ Daytime population >8,000 within a 3 minute drive and >20,000 within a 5 minute drive
- ★ Residential population >25,000 within defined trade area
- ★ Median Income >\$40,000
- ★ Traffic Count (VPD) >25,000

PREFERRED MARKET CRITERIA

- ★ Hospitals, universities, business districts, high schools, and industrial/technology parks
- ★ Regional malls, large home improvement stores (Home Depot and Lowes), and large discount department stores (Target and Meijer)
- ★ Strong national and regional restaurants (Pei Wei, Chipotle, Qdoba, Starbucks, and Panera to name a few)

SITE CRITERIA

- ★ Pad or out-parcel
- ★ Free-standing or end-cap with drive-thru
- ★ Easy access for both ingress and egress with signalized access preferred
- ★ Ample parking
- ★ 600 to 1,800 SF with a minimum of 20' of frontage
- ★ Maximum signage per local codes permitted, including building and pylon/monument signage
- ★ Outdoor seating strongly preferred

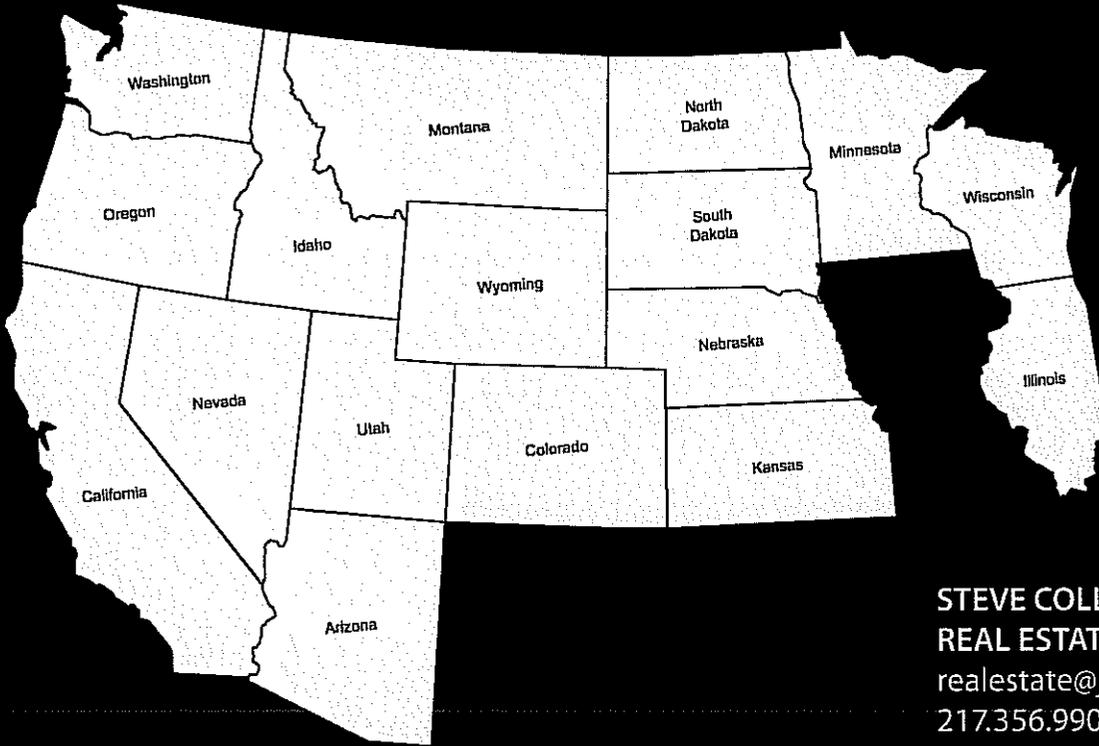
LEASE TERMS

- ★ 5 year base term with three 5 year options
- ★ Max 5% annual cap on CAMs
- ★ Mgmt/Admin fees not to exceed 8% of CAM
- ★ No percentage rent or radius restrictions
- ★ Rent commences the later of 120 days after receipt of all permits or opening

SHELL CONDITION AND TENANT IMPROVEMENTS (minimum and not all inclusive)

- ★ 400 amp, 120/208 or 120/240 volt, 3-phase, 4 wire electrical service stubbed to a main distribution panel in the premises and furnished with meter, circuit breakers, and disconnect as required by code
- ★ 1 ton per 200 SF of HVAC
- ★ 1¼" water line (45 psi) and 4" sewer line stubbed to the rear of the premises
- ★ Gas service, where available
- ★ 2 ADA restrooms per Jimmy John's plans (or \$15,000 credit)
- ★ Minimum 10' ceiling with 13' + preferred. Drywall finished to the roof deck, taped, sanded, and ready for paint.
- ★ Tenant improvement allowance of \$20.00 psf over and above Jimmy John's standard work letter
- ★ All service tap fees, impact fees, meter fees, and development fees to be paid by landlord

JIMMYJOHNS.COM



STEVE COLLINS
REAL ESTATE MANAGER
realestate@jimmyjohns.com
217.356.9900



ITEM 5

INFORMATION PROVIDED
BY CHUCK HUBER.

Renaissance Zone Project - Owner A
10,000 sq. ft. Bldg
\$1,000,000 Market Value upon renovation

Income @ \$14.50 / sq. ft.	\$145,000
Less Operating Expenses -35%	<u>-\$50,750</u> (No taxes on Bldg)
Net Operating Income	\$94,250
Less	
Interest Exp -75% LTV 6.25%	-\$46,875
Depreciation	<u>-\$31,500</u>
Taxable Income	\$15,875

State Income Tax Incentive \$3,500 (\$700 / yr.)
Est RE Tax Saved \$90,000 (\$18,000 / yr.)

Renaissance Zone Tenant - Tenant B

Leases the space - Assume Tenant's business has a net profit of \$150,000 / yr.
after paying the rent of \$145,000 / yr.

Depending on taxpayer's overall bracket, State Income tax may be \$5-6,000 / yr.

Tenant State Income tax Incentive \$25-30,000 . (\$5-6,000 / yr.)

If Owner A and Tenant B are two unrelated entities then the benefits above are
received respectively

For comparison purposes, assume Owner A and Tenant B are in the same
tax bracket.

If Owner A and Tenant B are the same or related entities for tax purposes
then the benefits, costs of incentives to the city and state, are the same
as when owned separately.

When Owner occupied, the rents etc. could be adjusted within IRS tolerances
but in the above example this would shift income between entities, which still
results in the same overall taxable income to the taxpayer (some slight differences
for non-pass-through entities)

There is no discernable increase in cost to the city or state if the project
is owner occupied

There may be a difference in risk for an owner occupant, (captive Tenant) but he also is making a much larger commitment to his business (risk to his business) by investing substantial funds to renovate a building that likely won't be paid back for 15-20 yrs. vs. leasing the same space for a 5 year commitment

There may be a political issue - the appearance of too many benefits going to one party

In the case of the attorney's in the MDU building, I believe that structure results in costing the state additional income tax, by virtue of the leases not being "arms length". Jason stated that the State accepts leases of this nature, where a general square footage is assigned to each entity vs. a defined space / suite, separate and in a configuration rentable to an unrelated Tenant should one of these Tenants leave, default etc. The attorney's lease structure resulted in more entities / people receiving state income tax relief than would have typically been possible in a normal market structure. The basic result is that the "attorney employees" of the firm all got freed from state income tax and the "owner occupant" structure is getting the blame.

An unrelated Landlord would not have leased the space to all these separate entities without defined and rentable spaces that could be re-rented should there be a default, unless each entities' owners personally guaranteed all the leases. This would be unlikely.

The state could put in controls in this area to minimize this effect. You could still have shared areas in a building if you had separate suites, but would not result in what happened at the MDU building.

RENAISSANCE ZONE
PROJECT BREAKDOWN

Project	Completion Date	Applicant	Building Owner	Street Address	Project Type	Proposed Investment	Estimated Property Tax Benefit	Estimated State Income Tax Benefit	Building Owner Exemptions	Exemptions	Owner Also a Separate Tenant	Tenant Mix
01-B	12/01/03	George T. Duemeland Revocable Trust	Duemelands	301 East Thayer Avenue	Purchase w/Major	\$44,390	\$10,095	\$5,950	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
02-B	01/13/07	Dakota Building Partnership	Dakota Building Partnership	501 East Main Avenue	Purchase - Land	\$300,000	\$32,023	\$7,500	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
03-B	12/31/07	Civic Square Development LLC	Civic Square Development LLC	521 East Main Avenue	Purchase w/Major	\$600,000	\$61,000	\$2,500	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
04-B	12/01/03	Duemeland Commercial LLP	Duemelands	301 East Thayer Avenue	Lease	N/A	N/A	\$909	Yes - Property & State	State	N/A	Single Tenant/Owner Occupied
05-B	04/17/03	John & Barbara Grimschler	John & Barbara Grimschler	200 North Mancan Street	Purchase	\$5,000	\$5,550	\$2,000	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
06-B	01/28/05	Woodmanee's	Woodmanee's	114 North 4th Street	Rehab/Photo	\$125,000	\$15,500	\$25,000	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
07-B	01/18/05	Bartsch Properties LLC	Bartsch Properties LLC	207 East Front Avenue	Rehab	\$601,600	\$108,375	\$8,200	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
08-B	09/18/04	Northland Financial	Bartsch Properties LLC	207 East Front Avenue	Lease	N/A	N/A	\$118,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
09-B	01/20/05	Bartsch Properties LLC	Bartsch Properties LLC	218 South 3rd Street	Rehab	\$329,150	\$107,600	\$3,000	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
10-B	10/28/05	Lee Enterprises Inc.	Bartsch Properties LLC	707 East Front Avenue	Rehab	\$2,250,024	\$550,000	\$1,246,000	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
11-B	06/30/05	PJCM Partners, LLP	Lee Enterprises Inc.	601/607 East Front Avenue	Rehab	\$298,840	\$52,795	\$2,700	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
12-B	12/08/05	Mark Garner	Mark Garner	302 East Thayer Avenue	Rehab	\$85,000	\$15,715	\$4,700	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
13-B	08/22/05	AW Enterprises	AW Enterprises	218 North 2nd Street	Rehab	\$208,514	\$34,573	\$12,500	Yes - Property & State	Property & State	No	Single Tenant/Owner Occupied
14-B	12/28/07	Daryl Rossano & Clarence Boyer (AGED Properties, LLC)	AGED Properties, LLC	225 West Broadway Avenue	Purchase	\$89,550	\$21,470	\$1,750	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
15-B	09/15/09	J & L Development, Inc.	J & L Development, Inc.	324 North 3rd Street	Rehab	\$750,000	\$113,500	\$15,000	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
16-B	08/24/05	Pingus Gilis, Inc.	JRP, LLP	121 North 4th Street	Lease	\$128,000	N/A	\$3,500	No	State	N/A	Multiple Tenants/Owner Landlord
17-B	07/20/05	Zorella Jewelry Inc.	Zorella Jewelry Inc.	221 South 5th Street	New Construction	\$200,000	\$25,000	\$4,000	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
18-B	07/21/08	CCC Properties, LLP	CCC Properties, LLP	310 South 5th Street	Purchase	\$108,000	\$68,500	\$10,500	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
20-B	08/01/09	Bank Center First	Bank Center First	320 North 4th Street	Rehab	\$5,100,000	\$258,780	\$250,000	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
21-B	04/01/08	Foot Care Associates PC	CCC Properties, LLP	310 South 5th Street	Lease	N/A	N/A	\$1,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
22-B	03/13/06	Demyne, Inc. (Bakke & Roller)	CCC Properties, LLP	310 South 5th Street	Lease	N/A	N/A	\$10,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
23-B	12/01/09	Duemeland Properties, LLP	Duemeland Properties, LLP	302 South 3rd Street	Purchase	\$160,900	\$44,840	\$4,500	Yes - Property & State	Property & State	No	Owner Landlord
24-B	12/01/06	Duemeland Properties, LLP	Duemeland Properties, LLP	312 South 3rd Street	New Construction	\$215,223	\$32,500	\$4,100	Yes - Property & State	Property & State	No	Owner Landlord
25-B	12/27/07	Makoch Media, LLC	Makoch Media, LLC	208 North 4th Street	Purchase	\$71,612	\$41,800	\$1,000	Yes - Property & State	Property & State	Yes	Single Tenant/Owner Occupied
26-B	12/04/08	River O, LLC	Duemeland Properties, LLP	312 South 3rd Street	Lease	N/A	N/A	\$25,000	Yes - Property & State	State	N/A	Owner Landlord
27-B	10/20/08	Gam Group LLC	Gam Group LLC	412 East Main Avenue	Rehab	\$40,000	\$5,800	\$8,500	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
28-B	07/01/08	Heartland Mortgage Company	Gam Group LLC	412 East Main Avenue	Lease	N/A	N/A	\$10,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
29-B	08/14/08	Blumack MSA dba Verizon Wireless	Duemeland Properties, LLP	302 South 3rd Street	Lease	\$100,000	N/A	\$172,000	Yes - Property & State	State	N/A	Owner Landlord
30-B	12/11/07	Main Avenue Properties, LLC	Main Avenue Properties, LLC	122 East Main Avenue	New Construction	\$1,020,580	\$370,000	\$15,000	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
31-B	07/20/08	Dakota Office Building, LLC	Dakota Office Building, LLC	300 North 4th Street	Purchase	\$250,000	\$40,000	\$25,000	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
32-B	08/01/07	American Legal Services PS	Civic Square Development LLC	521 East Main Avenue	Lease	N/A	N/A	\$10,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
33-B	09/01/07	Internet Design & Consulting	Civic Square Development LLC	521 East Main Avenue	Lease	N/A	N/A	\$10,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
34-B	07/01/07	Larson Leffing Health LLP	Civic Square Development LLC	521 East Main Avenue	Lease	N/A	N/A	\$50,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
35-B	07/01/07	Retirement Consulting LLC	Civic Square Development LLC	521 East Main Avenue	Lease	N/A	N/A	\$12,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
36-B	08/01/07	Jason Krichmair & Associates	Dakota Building Partnership	501 East Main Avenue	Lease	N/A	N/A	\$50,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
37-B	08/01/07	Roger Koski & Associates	Dakota Building Partnership	501 East Main Avenue	Lease	N/A	N/A	\$30,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord

RENAISSANCE ZONE
PROJECT BREAKDOWN

Project	Completion	Applicant	Building Owner	Street Address	Project Type	Proposed Investment	Estimated Property Tax Benefit	Estimated State Income Tax Benefit	Building Owner Exemptions	Project Exemptions	Owner Also a Separate Tenant	
											Multiple Tenants/Owner	Multiple Tenants/Owner Landlord
35-B	08/1/07	Maha Financial Planning	Dakota Building Partnership	501 East Main Avenue	Lease	N/A	N/A	\$35,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
36-B	08/01/07	Westgate Financial Services	Dakota Building Partnership	501 East Main Avenue	Lease	N/A	N/A	\$30,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
40-B	08/01/07	Rainmaker Gusto Ventures, LLC	Rainmaker Gusto Ventures, LLC	118 North 5th Street	Purchase w/ Major	\$137,500	\$21,000	\$6,400	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
41-B	05/21/08	The Rainmaker Group, Inc.	Rainmaker Gusto Ventures, LLC	118 North 5th Street	Lease	N/A	N/A	\$530,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
44-B	10/01/08	Rick & Theresa Keimale	Rick & Theresa Keimale	413 East Broadway	Rehab	\$136,639	\$20,000	\$28,000	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
45-B	01/26/09	Centennial Plaza, LLC	Centennial Plaza, LLC	118 North 4th Street	Purchase	\$228,000	\$25,000	\$26,000	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
46-B	07/14/08	Verity's Inc.	Rick & Theresa Keimale	423 East Broadway	Lease	N/A	N/A	\$28,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
47-B	07/01/09	Dapot Associates	Dapot Associates	401 East Main Avenue	Rehab	\$200,000	\$60,000	\$5,000	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
48-B	08/27/08	FY Restaurant, Inc.	Dapot Associates	401/411 East Main Avenue	Lease	N/A	N/A	\$150,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
49-B	12/15/08	T. Casey Cashman	T. Casey Cashman	523 North 14th Street	Rehab	\$25,000	\$10,000	\$9,000	Yes - Property & State	Property & State	Yes	Single Tenants/Owner Occupied
50-B	Open	Station Financial	Station Financial	333 North 4th Street	Rehab	\$2,500,000	\$270,000	\$580,000	Yes - Property & State	Property & State	Yes	Single Tenants/Owner Occupied
52-B	04/01/09	Mark Bennett & Associates/Practical	Civic Square Development, LLC	521 East Main Avenue	Lease	N/A	N/A	\$15,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
53-B	10/21/09	CIG Investments, LLP	CIG Investments, LLP	408 East Main Avenue	Rehab	\$258,720	\$22,030	\$20,975	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
54-B	Open	Majr-Touch Carpet & Furniture Inc.	Majr-Touch Carpet & Furniture Inc.	809 East Sweet Avenue	Rehab/New Const.	\$2,145,000	\$68,000	\$485,000	Yes - Property & State	Property & State	Yes	Single Tenants/Owner Occupied
55-B	10/01/09	TFRE, LLC	TFRE, LLC	1201/124 North 4th Street	Purchase w/ Major	\$245,284	\$30,000	\$15,000	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
56-B	10/01/09	Barnes Stone Pub, LLC	CIG Investments, LLP	408 East Main Avenue	Lease	N/A	N/A	\$30,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
57-B	10/15/09	Cavalier Homes, Inc.	CIG Investments, LLP	408 East Main Avenue	Lease	N/A	N/A	\$153,685	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
58-B	09/05/09	Jim Pochman Consulting, Inc.	CIG Investments, LLP	408 East Main Avenue	Lease	N/A	N/A	\$50,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
59-B	Open	Boatwalk on Broadway	Boatwalk on Broadway	100 West Broadway	Rehab/Infill	\$708,084	\$130,358	\$78,741	Yes - Property & State	Property & State	No	Multiple Tenants/Owner Landlord
60-B	Open	BRSSM Partnership	BRSSM Partnership	122 East Broadway	Purchase w/ Major	\$727,000	\$64,000	\$943,500	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
61-B	Open	Sheldon A. Smith, P.C.	BRSSM Partnership	122 East Broadway	Lease	N/A	N/A	\$182,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
62-B	Open	Randall J. Bakke, P.C.	BRSSM Partnership	122 East Broadway	Lease	N/A	N/A	\$182,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
63-B	Open	Scott K. Porebski, P.C.	BRSSM Partnership	122 East Broadway	Lease	N/A	N/A	\$182,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
64-B	Open	Michael D. Armstrong, P.C.	BRSSM Partnership	122 East Broadway	Lease	N/A	N/A	\$182,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
65-B	Open	Suzanna K. Schweigert, P.C.	BRSSM Partnership	122 East Broadway	Lease	N/A	N/A	\$182,500	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
66-B	Open	Krueger Kingsley Communications, LTD	Dakota Building Partnership	501 East Main Avenue	Lease	\$180,000	N/A	\$17,000	Yes - Property & State	State	N/A	Multiple Tenants/Owner Landlord
67-B	Open	IRET Properties, LP	IRET Properties, LP	715 East Broadway Avenue	Rehabilitation	\$1,138,060	\$125,287	\$0	Yes - Property	Property	No	Multiple Tenants/Owner Landlord
68-B	Open	J & J Smith Property Management, LLC	J & J Smith Property Management, LLC	415 North 4th Street	Purchase w/ Major	\$120,000	\$25,000	\$4,500	Yes - Property & State	Property & State	Yes	Multiple Tenants/Owner Landlord
						\$21,616,723	\$2,870,359	\$6,315,989				

ITEM 6

*City of Bismarck
Renaissance Zone Authority
Use of Renaissance Zone and CORE Incentive Programs
Statement of Policy*

Use of Both Renaissance Zone & CORE Incentives

Background

Applicants before the Renaissance Zone Authority have asked whether or not a property is eligible for designation as a Renaissance Zone project & CORE Incentive Grant programs, or if a property may only be eligible for one or the other.

Statement of Policy

It shall be the policy of the City of Bismarck to allow use of both the Renaissance Zone and CORE Incentive Grant programs if the applicant investment for each is counted only once. Accordingly:

- The required applicant investment for designation as a Renaissance Zone project cannot also be used to meet the required applicant investment for any CORE Incentive Grant program.
- The required applicant investment for any CORE Incentive Grant program cannot also be used to meet the required applicant investment for designation as a Renaissance Zone project.
- An applicant will need to decide which program (CORE or Renaissance Zone) they will apply for.
- If an applicant applies for and receives designation as a Renaissance Zone project, the recipient is ineligible for CORE programs for the same property during the life of the Renaissance Zone project.
- If an applicant receives a CORE grant, the recipient may not apply for a Renaissance Zone project for a 2 year period after receipt of the CORE grant, except for Technical Assistance Bank grants or Signage grants.

Use of Multiple CORE Incentive Programs

Background

Applicants have applied for multiple CORE Incentive Grant programs for the same property; raising the question as to whether or not the use of multiple programs for one property is allowed.

Statement of Policy

It shall be the policy of the City of Bismarck to allow the use of more than one CORE Incentive Grant program for one property if the investment dollars are counted only once. Accordingly:

- The required applicant investment for any CORE Incentive Grant program cannot also be used to meet the required applicant investment for any other CORE Incentive Grant Program on the same property.

Approved by the Renaissance Zone Authority
--/--

Approved by the Board of City Commissioners
--/--

ITEM 7



Community Development Department
MEMORANDUM

TO: Chair Blackstead and Renaissance Zone Authority

FROM: Jason Tomanek, Planner JT

DATE: February 10, 2010

RE: Renaissance Zone Guidelines – 2009 Legislative Session Changes

During the 2009 legislative session changes were made to the Renaissance Zone law that will need to be addressed in the City of Bismarck's Renaissance Zone Development Plan in order for the City to take advantage of the changes. There are several changes to consider, the following list comprises the changes that may need to be addressed:

1. Public Utility Infrastructure
 2. Three Block Island
 3. Leasehold Improvements
 4. Property Tax Exemptions
 5. Public Utility Infrastructure Tax Credits
 6. Completed Blocks
 7. Extension of the Renaissance Zone
 8. Renaissance Zone Fund Organizations
 9. Recordkeeping for Annual Monitoring and Reporting
1. **Public Utility Infrastructure** – Applies to a regulated industry that includes but is not limited to electrical, gas lines and communication infrastructure. It **does not** apply to utility infrastructure that a property owner pays special assessments to the city for a specified period of time (example water, sewer, pavement etc.)
- a. Any taxpayer that purchases, leases, rehabilitates or makes leasehold improvements to a residential, public utility infrastructure, or commercial property for any business or investment purpose as a zone project is exempt from any tax on income derived from the business or investment locations within the zone for five taxable years, beginning with the date of purchase, lease or completion of rehabilitation.
 - b. If a property owner not participating in a Renaissance Zone project (either in or outside of the Renaissance Zone) is required to make changes in utility services or in a building structure because of changes made to property that is a part of a zone project, the owners of the non-participating property is entitled to state income tax credits equal to the total amount of the investment necessary to complete the required changes. The credit must be approved by the local Renaissance Zone Authority. The credit must be claimed in the taxable year in which the related project was completed. The credit may not exceed that taxpayer's tax liability, and an unused credit may be carried forward up to five taxable years.

Bismarck-Burleigh County Community Development Department
221 North 5th Street • PO Box 5503 • Bismarck, ND 58506-5503 • TDD: 711 • www.bismarck.org

NOTE: The ownership or lease of, or investment in a parcel of property may qualify for an exemption only once, but during the five taxable years of eligibility, the exemption may transfer with the transfer of the property to a qualified user on a prorated basis. If such a transfer occurs, the Zone Authority must notify the North Dakota Department of Commerce - Division of Community Services and provide the applicable taxpayer information identified in Section XIV of the Program Statement.

2. ***Three Block Island*** – For cities under 5,000 population a Renaissance Zone cannot be more than 23 square blocks. For cities of more than 5,000 population, the Renaissance Zone may be expanded above 23 blocks by one block for each additional 5,000 population, up to a maximum of 38 blocks. All blocks must have a continual boundary and must be contiguous if a block with commercial and residential property contains any government owned buildings; the city may add a half block. However, all counted blocks must still have a continual boundary and must still be contiguous. No further breakdown of a block for counting purposes is allowed. Half blocks may only be added after the initial 23 blocks are identified. Half blocks are not permitted when adding blocks based on each 5,000 population increment,
 - a. The exception to the contiguous and continual boundary is, a city may have up to a three block area that is not contiguous with the rest of the Renaissance Zone, this (3) three block area is part of the total blocks a city may use for their Renaissance Zone.
3. ***Leasehold Improvements*** - The State defines a Leasehold Improvement Project as “any improvements a leaseholder makes to their space to either expand or improve the efficacy of their business. The level of investment should increase the current true and full value of the space by an amount defined by the city in their development plan. Since the leaseholder is the person making the improvements the city should expect an investment of at least 50% on the space being improved. Improvements that are normal maintenance cannot be counted, i.e. carpet, paint etc.”
4. ***Property Tax Exemptions*** –
 - a. A municipality may grant a partial or complete exemption from ad valorem taxation on single-family residential property, exclusive of the land on which it is situated, if the property was purchased or rehabilitated by an individual for the individual’s primary place of residence as a Zone project. An exemption granted under this subsection may not extend beyond five taxable years following the date of acquisition or completion of rehabilitation.
 - b. A municipality may grant a partial or complete exemption from ad valorem taxation on buildings, structures, fixtures and improvements purchased or rehabilitated as a Zone project for any business or investment purpose. The State Board of Equalization may grant a partial or complete exemption from ad valorem taxation on

public utility infrastructure rehabilitated as a Zone project. An exemption under this subsection may not extend beyond five taxable years following the date of purchase or completion or rehabilitation.

NOTE: A parcel of property may be exempted from property taxes only once, but during the five taxable years of eligibility for that exemption, the property tax exemption may transfer with the property to a qualifying user. If such a transfer occurs, the Zone Authority must notify the North Dakota Department of Commerce - Division of Community Services and provide the applicable taxpayer information identified in Section XI of the Program Statement.

5. **Public Utility Infrastructure** – Applies to a regulated industry that includes but is not limited to electrical, gas lines and communication infrastructure. It **does not** apply to utility infrastructure that a property owners pays special assessments to the city for a specified period of time (example water, sewer, pavement etc.).
 - a. If a property owner not participating in a Renaissance Zone project (either in or outside of the Renaissance Zone) is required to make changes in the utility services or in a building structure because of changes made to a property that is part of a Zone project, the owner of the non-participating property is entitled to State income tax credits equal to the amount of the investment necessary to complete the required changes. The credit must be approved by the local Renaissance Zone Authority. The credit must be claimed in the taxable year in which the related project was completed. The credit may not exceed the taxpayer’s tax liability and unused credit may be carried forward up to five taxable years.

6. **Completed Blocks** – Once a city has determined that a block has been completed satisfactorily the city may ask that the block(s) be removed from the Renaissance Zone and that additional block(s) be added to the Zone.
 - a. The blocks that are completed must be determined by the City. Each building on the block does not need to have been completed as a Renaissance Zone project. If a building not in need of rehabilitation or it was rehabilitated prior to the Renaissance Zone Program the City can show justification for removing the block with property value assessments or documentation showing the condition and value of the building(s) not in need of rehabilitation.
 - b. The 5 year exemption period **does not** have to be complete. A building may still receive the property and state income tax exemptions even if the Renaissance Zone Boundary has been relocated to no longer include the previously rehabilitated structure(s).
 - c. The blocks removed from the boundary can be relocated elsewhere; either to the contiguous boundary or a 3 block island can be created elsewhere in the community. For clarification on the 3 block island refer to item number two above.

CORE INCENTIVE PROGRAMS
PROJECT STATUS

CORE Project	Applicant	Street Address	Project Type	RZA Hearing	Commission Approval	Total Project Cost	Approved Grant Amount	Completion Date	Sidewalk Subsurface Infill	Technical Assistant Bank	Facade & Signage Incentive	Housing Incentive	Total Payments To Date
01-07	Red Wing Shoes	529 East Broadway Avenue	Signage	05/14/07	05/22/07	\$9,199.34	\$3,000.00	11/19/07			\$3,000.00		\$3,000.00
02-07	LeRoy Walker	118 North 5th Street	Subsurface Infill	05/14/07	05/22/07	\$3,300.00	\$2,800.00	06/30/07	\$2,800.00				\$2,800.00
03-07	LeRoy Walker	118 North 5th Street	Technical Assistance	07/17/07	08/14/07	\$2,100.00	\$1,575.00	09/17/07		\$771.38			\$771.38
04-07	Janet Plinks	207 East Avenue B	Housing Incentive	07/17/07	08/14/07	\$23,874.00	\$5,000.00	01/29/08				\$4,439.60	\$4,439.60
			Technical Assistance	07/17/07	08/14/07	\$2,100.00	\$1,575.00	02/28/09		\$1,055.62			\$1,055.62
			Housing Incentive	03/11/09	03/24/09	\$90,487.14	\$13,657.83						\$13,657.83
05-07	Kevin Horneman	408 East Main Avenue	Technical Assistance	07/17/07	08/14/07	\$2,100.00	\$1,575.00	01/23/08		\$1,575.00			\$1,575.00
06-07	Kevin Horneman	410 East Main Avenue	Technical Assistance	07/17/07	08/14/07	\$2,100.00	\$1,575.00	01/23/08		\$1,575.00			\$1,575.00
07-07	Greg Bavendick	301 East Broadway Avenue	Technical Assistance	08/27/07	09/11/07		\$1,575.00						
08-07	Pride Willon Inc.	112 North 5th Street	Facade	08/27/07	08/11/07	\$44,187.00	\$22,098.50	11/29/07			\$22,098.50		\$22,098.50
09-07	Brady, Martz & Associates, PC	207 East Broadway Avenue	Signage	08/27/07	09/11/07	\$6,112.00	\$3,056.00	03/05/08			\$3,056.00		\$3,056.00
10-07	LeRoy Walker	118 North 5th Street	Facade	08/27/07	09/11/07	\$25,000.00	\$12,500.00	08/17/08			\$10,832.14		\$10,832.14
11-07	Kevin Horneman	408 East Main Avenue	Facade	08/27/07	09/11/07	\$71,500.00	\$25,000.00	08/17/08			\$25,000.00		\$25,000.00
12-07	Michael Woods	410 East Main Avenue	Facade	08/27/07	09/11/07	\$71,500.00	\$25,000.00	12/22/08			\$25,000.00		\$25,000.00
13-07	Rainmaker Gusto Ventures, LLC	118 North 5th Street	Housing Incentive	08/27/07	09/11/07	\$63,500.00	\$12,700.00	01/20/09				\$11,430.91	\$11,430.91
14-08	Turitto's Dry Cleaners	1131 East Main Avenue	Facade	04/18/08	05/13/08	\$5,268.00	\$2,828.00	10/01/08			\$2,828.00		\$2,828.00
15-08	Magic Photo Art	120 North 5th Street	Signage	05/12/08	05/27/08	\$5,170.15	\$2,735.08	09/30/08			\$2,735.08		\$2,735.08
16-08	Fowler Photography	120 North 5th Street	Signage	05/12/08	05/27/08	\$1,344.02	\$672.01	07/30/08			\$672.01		\$672.01
17-08	Mr. Delicious/Aaron Bank	307 North 3rd Street	Signage	06/23/08	07/08/08	\$10,415.00	\$3,000.00	01/30/09			\$3,000.00		\$3,000.00
18-08	Rainmaker Gusto Ventures, LLC	118 North 5th Street	Technical Assistance	08/23/08	07/22/08		\$1,575.00						
19-08	Robert Knudson Photography	405 East Sweet Avenue	Technical Assistance	07/09/08	07/22/08	\$2,310.00	\$1,575.00	12/17/08		\$1,575.00			\$1,575.00
20-08	The Window & Door Store	410 East Main Avenue	Signage	08/13/08	08/27/08	\$6,742.34	\$3,000.00	12/22/08			\$3,000.00		\$3,000.00
21-08	Tyre Mart	704 East Bowen Avenue	Signage	08/19/08	08/23/08	\$6,099.16	\$3,000.00	10/09/08			\$3,000.00		\$3,000.00
22-08	Robert Knudson Photography	405 East Sweet Avenue	Facade	11/12/08	11/25/08		\$25,000.00						
23-08	Robert Knudson Photography	405 East Sweet Avenue	Signage	11/12/08	11/25/08		\$3,000.00						
24-08	ACHIND Bankers Association	122 East Main Avenue	Signage	11/12/08	11/25/08		\$3,000.00						
25-09	Magi Touch Carpet & Furniture Inc.	800 East Sweet Avenue	Technical Assistance	02/11/09	02/24/09	\$4,200.00	\$1,575.00	09/22/09		\$1,575.00			\$1,575.00
26-09	Gossel Enterprises/Taco John's	320 South 3rd Street	Facade	02/11/09	03/24/09	\$51,823.53	\$25,000.00	08/20/09			\$3,000.00		\$3,000.00
27-09	Gossel Enterprises/Taco John's	320 South 3rd Street	Signage	02/11/09	03/24/09	\$9,840.00	\$25,000.00	08/20/09			\$25,000.00		\$25,000.00
28-09	Roll Eggers	214 & 216 East Main Avenue	Facade	02/11/09	03/24/09	\$7,150.00	\$3,575.00	08/18/09			\$3,575.00		\$3,575.00

CORE INCENTIVE PROGRAMS
PROJECT STATUS

29-09	ADLOC Inc./Warren's Locks & Keys	214 East Main Avenue	Signage	02/11/08	03/24/09	\$1,215.00	\$607.50	05/04/09	\$532.50	\$532.50
30-09	A&B Pizza South	311 South 7th Street	Technical Assistance	4/8/2008	4/28/2009		\$1,575.00			
31-09	Broadway Floral of Hearts	411 East Broadway Avenue	Signage	5/13/2009	5/28/2009	\$4,845.48	\$2,422.85	07/08/09	\$2,422.85	\$2,422.85
32-09	Magi-Touch Carpet & Furniture, Inc.	800 East Sweet Avenue	Facade	5/13/2008	5/28/2009		\$25,000.00			
33-09	DoCo Group	114 North 3rd Street	Technical Assistance	7/8/2008	WITHDRAWN	WITHDRAWN	WITHDRAWN	WITHDRAWN	WITHDRAWN	WITHDRAWN
34-09	Starlon Financial	333 North 4th Street	Signage	10/14/2008	10/27/2009		\$3,000.00			
35-09	SRSSM Partnership	122 East Broadway	Facade	11/12/2008	11/24/2009		\$20,000.00			
36-09	SRSSM Partnership	122 East Broadway	Signage	11/12/2008	11/24/2009		\$3,000.00			
37-10	J & J Property Management	115 North 4th Street	Technical Assistance	1/13/2010	1/26/2010		\$1,575.00			
							\$3,675.00			
38-10	Hedehis Inc.	100 East Broadway Avenue	Signage	1/13/2010	1/26/2010	\$7,800	\$3,000.00			
	Totals					\$539,380.17	\$300,877.87		\$2,800.00	\$8,127.00
									\$138,552.18	\$29,528.34
										\$179,007.52

RENAISSANCE ZONE AUTHORITY
PROJECT STATUS

Project	Applicant	Street Address	Project Type	RZA Hearing	Commission Approval	Site Approval	Building Market Value	Proposed Investment	Estimated Building Value with Investment	Property Tax Benefit	Income Tax Benefit	Completion Date	Actual Investment	2009 Building Market Value	Jobs Created FTE					
																08/20/07	08/28/07	07/11/07	N/A	N/A
37-B	Roger Knoll & Associates	501 East Main Avenue	Lease	08/20/07	08/28/07	07/11/07	N/A	N/A	N/A	N/A	\$50,000	08/01/07	N/A	N/A	1					
38-B	Melba Financial Planning	501 East Main Avenue	Lease	08/20/07	08/28/07	07/11/07	N/A	N/A	N/A	N/A	\$35,000	08/01/07	N/A	N/A	2					
39-B	Westward Financial Services	501 East Main Avenue	Lease	08/20/07	08/28/07	07/11/07	N/A	N/A	N/A	N/A	\$30,000	08/01/07	N/A	N/A	1					
40-B	Reinmaker Gupta Ventures, LLC	118 North 5th Street	Purchase w/ Major	09/04/07	09/11/07	10/30/07	\$188,800	\$137,500	\$300,000	\$21,000	\$5,400	05/21/08	\$142,050	\$334,000	4					
41-B	The Reinmaker Group, Inc.	118 North 5th Street	Lease	11/14/07	12/18/07	12/27/07	N/A	N/A	N/A	N/A	\$530,000	08/12/08	N/A	N/A	4					
42-B	Capital Holdings, LLC/Roger Zink	402 East Main Avenue	Rehab	12/05/07	12/18/07	12/27/07	\$270,000	\$380,110	\$500,000	\$50,000	\$5,000	WITHDRAWN	WITHDRAWN	WITHDRAWN	WITHDRAWN					
43-B	Kinsalco, Inc.	402 East Main Avenue	Lease	12/05/07	12/18/07	12/27/07	N/A	N/A	N/A	N/A	\$50,000	WITHDRAWN	WITHDRAWN	WITHDRAWN	WITHDRAWN					
44-B	Rick & Theresa Keimela	413 East Broadway	Rehab	11/14/07	12/18/07	01/11/08	\$184,400	\$136,839	\$283,500	\$28,000	\$28,000	10/01/08	\$176,995	\$283,500	1					
45-B	Confidential Pizza, LLC	118 North 4th Street	Purchase	12/05/07	12/18/07	01/22/08	\$803,100	\$238,000	\$1,047,800	\$25,000	\$35,000	01/28/08	\$187,894	\$820,400	0					
46-B	Westley's Inc.	423 East Broadway	Lease	02/21/08	03/11/08	03/18/08	N/A	N/A	N/A	N/A	\$28,000	07/14/08	N/A	N/A	1					
47-B	Dopp Associates	401 East Main Avenue	Rehab	04/18/08	05/13/08	05/28/08	\$372,300	\$200,000	\$800,000	\$50,000	\$5,000	07/01/08	\$243,344	\$484,300	0					
48-B	FV Restaurant, Inc.	401/411 East Main Avenue	Lease	04/18/08	05/13/08	05/28/08	N/A	N/A	N/A	N/A	\$150,000	08/27/08	N/A	N/A	3					
48-B	T. Casey Cashman	523 North 1st Street	Rehab	05/12/08	05/27/08	08/12/08	\$103,100	\$25,000	\$130,000	\$10,000	\$5,000	12/15/08	\$23,375	\$118,500	0					
50-B	Station Financial	333 North 4th Street	Rehab	05/12/08	05/27/08	08/12/08	\$1,154,800	\$2,500,000	\$2,854,800	\$270,000	\$550,000	12/01/09	\$ 3,183,260							
51-B	David Biles, LLC	521 East Main Avenue	Lease	10/08/08	10/22/08	WITHDRAWN	N/A	N/A	N/A	N/A	\$30,000	WITHDRAWN	WITHDRAWN	WITHDRAWN	WITHDRAWN					
52-B	Mark Bonnell & Associates/Prudential	521 East Main Avenue	Lease	10/08/08	10/22/08	11/04/08	N/A	N/A	N/A	N/A	\$15,000	04/01/09	N/A	N/A	2					
53-B	CIIG Investments, LLP	408 East Main Avenue	Rehab	03/11/09	03/24/09	04/21/09	\$80,700	\$258,720	\$420,000	\$22,010	\$68,000	10/21/09	\$199,620		0					
54-B	Magn-Touch Carpet & Furniture Inc.	800 East West Avenue	Rehab/New Const.	05/13/09	05/26/09	06/03/09	\$976,100	\$2,145,500	\$1,900,000	\$88,000	\$485,000									
55-B	TFRE, LLC	1201/24 North 4th Street	Purchase w/ Major	08/10/09	08/23/09	08/25/09	\$231,100	\$245,284	\$350,000	\$30,000	\$15,000									
56-B	Blansy Stone Pub, LLC	408 East Main Avenue	Lease	08/10/09	08/23/09	07/07/09	N/A	N/A	N/A	N/A	\$30,000	10/01/09	N/A	N/A	48					
57-B	Cavalier Homes, Inc.	408 East Main Avenue	Lease	08/10/09	08/23/09	07/07/09	N/A	N/A	N/A	N/A	\$153,885	10/15/09	N/A	N/A	3					
58-B	Jim Peelman Consulting, Inc.	408 East Main Avenue	Lease	08/10/09	08/23/09	07/07/09	N/A	N/A	N/A	N/A	\$50,000	08/05/09	N/A	N/A	1					
59-B	Bonkwalk on Broadway	100 West Broadway	Rehabilitation	08/12/09	08/25/09	09/11/09	\$514,200	\$709,864	\$738,200	\$130,358	\$178,741									
60-B	BRSSM Partnership	122 East Broadway	Purchase w/ Major	10/14/09	10/27/09	11/25/09	\$437,680	\$727,000	\$843,600	\$54,080	\$943,500									
61-B	Sheldon A. Smith, P.C.	122 East Broadway	Lease	11/12/2009	11/24/09	12/03/09	N/A	N/A	N/A	N/A	\$102,500		N/A	N/A						
62-B	Randall J. Bakko, P.C.	122 East Broadway	Lease	11/12/2009	11/24/09	12/03/09	N/A	N/A	N/A	N/A	\$182,500		N/A	N/A						
63-B	Scott K. Rumborg, P.C.	122 East Broadway	Lease	11/12/2009	11/24/09	12/03/09	N/A	N/A	N/A	N/A	\$182,500		N/A	N/A						
64-B	Mitchell D. Armstrong, P.C.	122 East Broadway	Lease	11/12/2009	11/24/09	12/03/09	N/A	N/A	N/A	N/A	\$182,500		N/A	N/A						
65-B	Suzanne K. Schwelbert, P.C.	122 East Broadway	Lease	11/12/2009	11/24/09	12/03/09	N/A	N/A	N/A	N/A	\$182,500		N/A	N/A						
66-B	Krenzler Kingsley Communications, LTD	501 East Main Avenue	Lease	12/02/09	12/22/09	01/10/10	N/A	\$180,000	N/A	N/A	\$17,000		N/A	N/A						
67-B	IRET Properties, LP	715 East Broadway Avenue	Rehabilitation	12/02/09	12/22/09	01/10/10	\$1,261,000	\$1,335,850	\$1,816,000	\$125,287	\$0									
68-B	J & J Smith Property Management, LLC	415 North 4th Street	Purchase w/ Major	1/13/2010	01/28/10		\$284,400	\$120,000	\$437,000	\$25,000	\$2,500									
68-B	Jimmy John's	301 South 3rd Street	Lease	2/10/2010			N/A	N/A	N/A	N/A	N/A									
68-B	J2 Studio Architecture + Design	521 East Main Avenue	Lease	2/10/2010			N/A	N/A	N/A	N/A	N/A									
TOTALS													\$14,180,480	\$22,380,508	\$30,385,600	\$3,037,039	\$5,404,980	\$18,435,219	\$19,813,000	208.75