

**RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
October 16, 2012**

The Bismarck Renaissance Zone Authority met on October 16, 2012 in the 2nd Floor Conference Room in the City-County Office Building at 221 North 5th Street.

Authority members present were Dave Blackstead, Jim Christianson, Chuck Huber, George Keiser, Kevin Magstadt and Curt Walth (via telephone).

Authority member Brenda Smith was absent.

Technical advisors Jeff Ubl and Bruce Whittey were present.

Staff members present were Jason Tomanek, Brenda Johnson and Ray Ziegler.

CALL TO ORDER

Chairman Blackstead called the meeting to order at 4:00 p.m.

RENAISSANCE ZONE PROJECT INVESTMENT REQUIREMENTS

Rehabilitation

General discussion took place regarding the current investment requirement. The current minimum level of investment on a per-square-foot basis is \$25 and a fifty percent (50%) minimum investment in the overall building based on the total square feet in the building.

New Construction

General discussion took place regarding the current investment level for new construction projects at \$100 per-square-foot. Mr. Ubl noted that the current new construction trend generally demonstrates that \$150 per-square-foot is more common in commercial construction.

Lease

General discussion took place regarding the current investment level for lease projects. The current minimum level of investment is \$20 per-square-foot. It was noted that construction rates have increased in recent years and the minimum level of investment had not changed for over two years. Mr. Tomanek explained that the minimum level of investment is a Bismarck policy and not a North Dakota Department of Commerce - Division of Community Services requirement.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Keiser to recommend increasing the minimum per-square-foot investment level for Renaissance Zone projects classified as rehabilitation from \$25 to \$40 and fifty

percent (50%) of the current building value; to increase the minimum per-square-foot investment level for Renaissance Zone projects classified as new construction projects from \$100 per-square-foot to \$150 per-square-foot; and to increase the minimum per-square-foot investment level for Renaissance Zone projects classified as lease projects from \$20 per-square-foot to \$30 per-square-foot. The motion passed unanimously with members Blackstead, Christianson, Huber, Keiser, Magstadt and Walth voting in favor.

COMMERCIAL PROPERTY INSPECTION/CORE TECHNICAL ASSISTANCE – DISCUSSION

Mr. Tomanek gave an overview of the CORE Technical Assistance Bank and the procedures associated with the program. He continued by stating that he had spoken with Charlie Whitman and Ray Ziegler regarding the feasibility of City of Bismarck building inspectors performing inspections for potential Renaissance Zone projects is unlikely. Mr. Tomanek noted that the role of the City of Bismarck's building inspectors relates to life-safety issues and checking for code compliance during construction.

Mr. Huber said that he is aware of a business that occasionally performs inspections for large corporations and noted that the service involves reviewing specific items requested by the corporations.

Mr. Keiser said that there are a few firms in the region that perform forensic architecture.

Mr. Huber said that the Renaissance Zone Authority would need to assemble a list of criteria to have inspected to help determine what type of a report is desired upon inspection.

Mr. Christian stated that in addition to the criteria listed, it would be prudent to have a private third party that is qualified to sign-off on an inspection report. Mr. Christian suggested the third party individual could be an architect, a commercial inspector, a licensed contractor or an engineer.

Mr. Ubl suggested that he and Mr. Tomanek work together to develop a checklist of items that the Authority could review at the next meeting. The items on the list would be elements that would need to be checked for condition or addressed during a Renaissance Zone rehabilitation project.

Mr. Walth inquired if the intent is to offer some assistance through the CORE Technical Assistance Bank if an inspection and certification is required. Mr. Huber responded that by developing a checklist to communicate to the applicant the type of improvements items that need to be addressed, the burden would fall on the applicant to provide satisfactory information to convince the Renaissance Zone Authority that the items have been looked at and addressed.

Mr. Christianson added that if the applicant chose to request approval to participate in the CORE Technical Assistance Bank, that grant funds could be sought for an architectural or engineer's report relating to rehabilitation. Mr. Christianson continued by saying that if the applicant chose

to seek the service of a general contractor that would also provide a report, that would be an acceptable manner as well. Mr. Christianson closed by stating that a report from a general contractor is common and likely would not require reimbursement from the CORE Program.

EXTERIOR BUILDING IMPROVEMENTS – DISCUSSION

Mr. Tomanek stated that he contacted Andrea Holl-Pfennig with the North Dakota Department of Commerce - Division of Community Services to inquire if she was aware of communities that have language relating to require exterior building improvements as part of Renaissance Zone projects. Mr. Tomanek continued by saying that Ms. Holl-Pfennig noted only one community, Milnor. Mr. Tomanek continued by reading the language from the City of Fargo's Renaissance Zone Development Plan that addresses exterior building improvements.

Mr. Keiser suggested that a new category of Renaissance Zone project be developed to address exterior improvements only.

Mr. Walth asked that this discussion be continued at a future meeting.

ADJOURNMENT

There being no further business, Chair Blackstead adjourned the meeting of the Bismarck Renaissance Zone Authority at 4:55 p.m.

Respectfully Submitted,

Jason Tomanek
Recording Secretary

David Blackstead
Chair