

**RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
February 17, 2015**

The Bismarck Renaissance Zone Authority met on February 17, 2015 in the David J. Blackstead Meeting Room in the City-County Office Building at 221 North 5th Street. Chairman Walth presided.

Authority members present were Jim Christianson, Chuck Huber, Curt Walth and Jeff Ubl.

Authority members Josh Askvig, George Keiser and Todd Van Orman were absent.

Technical advisors Bruce Whittey and Katie Vasbinder were absent.

Staff members present were Jason Tomanek (Planning), Hilary Balzum (Planning) and Brenda Johnson (Assessing).

Guests present were Beth Nodland, John Morrison, Scott Nodland and Kate Herzog.

CALL TO ORDER

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

MINUTES

The minutes of the January 20, 2015 meeting were distributed with the agenda packet.

MOTION: A motion was made by Mr. Huber and seconded by Mr. Christianson to approve the minutes of the January 20, 2015 meeting as presented. The motion passed unanimously with members Christianson, Huber, Ubl and Walth voting in favor.

RENAISSANCE ZONE PROJECT –

124 NORTH 4TH STREET/315 EAST BROADWAY AVENUE – JUNIPER, LLC

Mr. Tomanek said the applicant, Juniper, LLC, is proposing to remodel and lease office space in a previously-designated Renaissance Zone project building (124 North 4th Street, Project 58-B). The applicants have indicated they would be leasing approximately 7,000 SF of the second floor office space; it will be demolished and remodeled as professional office space for Juniper, LLC, doing business as Juniper Environmental Consulting. Capital improvements include structural, electrical systems, mechanical systems and plumbing upgrades. A full-service elevator will be installed in the building in conjunction with the renovation project.

Mr. Tomanek said this property was designated as a Renaissance Zone project in 2010 when then owner, TFRE, LLC renovated a substantial portion of the main floor of the building that is currently occupied by the Toasted Frog restaurant. The improvement work completed by TFRE, LLC did not include any work to the second floor of the building.

Mr. Tomanek said, based on the above findings, staff recommends approval of the designation of the lease of space at 124 North 4th Street/315 East Broadway Avenue by Juniper, LLC, as a Renaissance Zone project with an exemption from state tax on income derived from the business location for five years beginning with the date of occupancy.

Mr. Christianson said this is a sizeable investment and asked where their budget originally started and how they came to an end expense of \$176/square foot.

Ms. Nodland said their original budget was less than half of what they ended up spending, but that adding the elevator increased the cost significantly.

Mr. Morrison said they want this to be an enjoyable place for them to spend the rest of their career over the next 25 years and that they also want to create value in downtown Bismarck.

Mr. Huber asked if this will all be interior work or if landscape and any façade work will be included yet. Mr. Tomanek said the focus is going to be on the second floor interior rehabilitation.

MOTION: A motion was made by Mr. Huber and seconded by Mr. Christianson to recommend approval of the designation of the lease of space at 124 North 4th Street/315 East Broadway Avenue by Juniper, LLC, as a Renaissance Zone project with an exemption from state tax on income derived from the business location for five years beginning with the date of occupancy. The motion passed unanimously with members Christianson, Huber, Ubl and Walth voting in favor.

USE OF RENAISSANCE ZONE AND CORE INCENTIVE PROGRAMS

Mr. Tomanek explained that the new building owner of 124 North 4th Street, NodMor, LLC, is looking to improve the east façade of the building through the CORE assistance program but the previous owner has already received a five year tax exemption for renovations done to the first floor of the building, but the policy relating to the use of the RZ and CORE programs states that the CORE Façade program cannot be used during the five year RZ exemption period.

Mr. Huber said he can see the potential in the possible project but can also see the potential for it being a legislative concern and said it would also need approval by the City Commission like all other projects.

Mr. Tomanek said it would need City Commission approval and that the Renaissance Zone Authority can also opt to ask for leniency from the policy as it is different from a City ordinance. He added that once Renaissance Zone exemptions expire then CORE benefits can be given and there is one year left on the previously granted Renaissance Zone exemption.

Chairman Walth said that if they are deviating from the policy then maybe the policy needs to be modified to cover more scenarios.

Ms. Nodland said the old façade from the Lucas Department Store covers three of their windows that are being included in the remodel, so they would like to have the technical assistance at the same time as the rehabilitation of the interior space.

Mr. Ubl said he feels the Technical Assistance Bank process should start by the owners getting a dollar amount estimated and hold discussion on the CORE application until Mr. Askvig and Mr. Keiser can be present.

Mr. Walth said he is hesitant to open the door by allowing something like this one time and then having to allow it for everybody.

Ms. Nodland said they have estimates for both façades, but not the east side alone. She said they are unsure of what exactly is behind the panels and how much work will be needed.

The general consensus was to continue discussion until input from Mr. Askvig and Mr. Keiser can be given and encourage the owners to apply for technical assistance from the CORE Technical Assistance Bank program.

DOWNTOWN DESIGN GUIDELINES

Mr. Tomanek said a draft of the proposed Downtown Design Guidelines has been distributed for review by local architects, landscape architects and design professionals. He said this will be more user friendly as it will include pictures, graphs and language that is less ordinance based. He said the goal is to hold a public hearing at the Planning and Zoning Commission in March with City Commission consideration and a public hearing in April. He added that the Renaissance Zone Authority will be the group in charge of interpreting and enforcing the design guidelines and new construction and renovation project requirements in the Downtown Core and Downtown Fringe zoning districts.

Chairman Walth asked when the feedback should be given by. Mr. Tomanek asked to have feedback by March 13th to allow time for amendments prior to distribution to the Planning and Zoning Commission.

Mr. Ubl asked how the Renaissance Zone Authority would work as the authority for enforcement. Mr. Tomanek said they are ultimately the deciding body but any decisions made there could ultimately be appealed to the City Commission.

Mr. Huber asked if this will be on new construction only. Mr. Tomanek said it will be for new construction as well as building renovation and addition projects, as the desire is to leave renovation of historic structures in the zoning ordinance but they would still require design review.

Mr. Ubl asked if the policy could be amended if needed. Mr. Tomanek said it could be through the City Commission in one meeting instead of the 3-month long process it would normally take for an ordinance amendment to go through the Planning and Zoning Commission.

DOWNTOWN UPDATE PROVIDED BY THE DOWNTOWNERS ASSOCIATION

Ms. Herzog said there is currently a bill going through the State Senate regarding the possible expansion of the Renaissance Zone, which would allow 11 more blocks and increase the total dollar amount of allowed investments. She said one person spoke in opposition to the bill but several spoke in favor, so she suggested the Authority start thinking of where the best spots would be to add the new blocks.

OTHER BUSINESS

Mr. Tomanek said the design review guidelines were also given to Crandall Arambula, the study consultant who completed the Downtown Subarea Study last year, as they had offered to give feedback and said they would track the project and give input as needed.

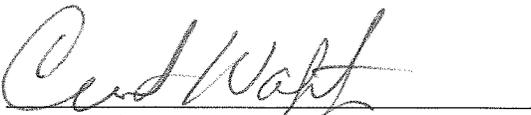
ADJOURNMENT

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

Respectfully Submitted,



Hilary Balzum
Recording Secretary



Curt Walth
Chairman