

**RENAISSANCE ZONE AUTHORITY
MEETING MINUTES
September 15, 2015**

The Bismarck Renaissance Zone Authority met on September 15, 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 Josh Askvig, Jim Christianson, Chuck Huber and Curt Walth.

Authority members absent were George Keiser, Todd Van Orman and Jeff Ubl.

Technical advisors Steph Smith and Bruce Whittey were present.

Staff members present were Jason Tomanek (Senior Planner), Charlie Whitman (City Attorney), Mark Berg (Traffic Engineer), Ross Dettmann (Real Property Appraiser) and Hilary Balzum (Administrative Assistant).

Guests present were Kate Herzog, Madison Cermak, Chris Sievert and David Mason.

CALL TO ORDER

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

MINUTES

The minutes of the August 18, 2015 meeting were distributed with the agenda packet.

Mr. Whittey made the correction that he was not present for the August meeting. Mr. Christianson said page 2 needs to be corrected to say the EIFS on the Patterson Building is 120 feet above the ground, not 20.

MOTION: A motion was made by Mr. Christianson and seconded by Mr. Askvig to approve the minutes of the August 18, 2015 meeting with corrections. The motion passed unanimously with members Askvig, Christianson, Huber and Walth voting in favor.

RENAISSANCE ZONE PROJECT

100 WEST MAIN AVENUE – 100 WEST MAIN, LP

Mr. Tomanek said the applicant, 100 West Main, LP, is proposing to construct a new 4-story, 30-unit affordable rental housing project for seniors on a currently-vacant parcel. The proposed apartment building would provide 30 units on the upper three floors of the building

comprised of 18 one-bedroom units and 12 two-bedroom units. Three of the units are intended for persons with disabilities or frailties. Each unit would have a living/dining space, bedroom(s), a kitchen, a full-bathroom and a laundry/utility room. The building would also include a community room, chapel, game room, lounge area, kitchen lobby, storage and on-site leasing offices for the owner/management. On-site parking for residents would also be provided on the ground level with a portion of the parking area covered by the 2nd floor of the building. A portion of the off-street parking area would be exposed and accessible from the adjacent alley located to the north.

Mr. Tomanek said, based on the findings in the staff report, staff recommends conditional approval of the designation of the Purchase with New Construction project at 100 West Main Avenue by 100 West Main, LP as a Renaissance Zone project with a 100% 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, with the following conditions:

1. The final design of the facility is submitted for review and approved by the Downtown Design Review Committee to ensure compliance with the Downtown Design Review Regulations and the requirements of the DC – Downtown Core zoning district.
2. The project generally conforms to the project description, site plan and conceptual images submitted with the application.
3. All the necessary building and other required permits are obtained prior to commencement of the project.
4. All the required landscaping and street trees be included with the project.

Chairman Walth asked if it is necessary for Mr. Christianson to abstain from voting on this item as he is the realtor for the applicant and if that will cause the Authority to lose its meeting quorum. Mr. Whitman explained that a vote can be taken to decide if he should vote or abstain and have his vote count with the majority of the other votes. The general consensus was to have Mr. Christianson abstain from voting and have his vote count with the majority of the other votes.

Ms. Smith appeared on behalf of the applicant and participated in the discussion in that capacity rather than as a Technical Advisor.

Mr. Askvig said it seems the west side of the property has been addressed as far as having an active ground floor use on that side, but asked if the east side will have something similar or if the covered parking is an acceptable use.

Mr. Tomanek said the suggested active ground floor uses tie into the current Downtown Subarea Plan and are mainly focused along main corridors, not side streets as in this location.

He said a leasing office is part of the ground floor use and the remainder is covered parking and an alley which he feels are acceptable for this location.

Mr. Askvig asked if a motion to approve this project could include an additional condition of the sale of the property being completed prior to project approval by the State. Mr. Whittey said he would also like to include a condition that the design of the ground floor windows be more of a commercial design rather than residential so as to reflect that active use appearance on the east and west sides of the building.

Ms. Smith said it can also be proposed to the owner that some pocket park areas be added to those sides to encourage resident activity and she feels they would see that as an acceptable addition.

Mr. Tomanek asked when they can expect to see the final design of the building. Ms. Smith said early 2016, as the applicant will close on the property in December and she does not foresee there being too many changes compared to the preliminary concepts.

Mr. Huber asked if the covered porch is a three seasons area. Ms. Smith said it will actually be a year round space and the verbage on the design renderings can be changed to reflect that.

Chairman Walth opened the public hearing.

There being no comments, Chairman Walth closed the public hearing.

MOTION: A motion was made by Mr. Askvig and seconded by Mr. Huber to approve the designation of the Purchase with New Construction project at 100 West Main Avenue by 100 West Main, LP as a Renaissance Zone project with a 100% 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, with the following conditions: 1. The final design of the facility is submitted for review and approved by the Downtown Design Review Committee to ensure compliance with the Downtown Design Review Regulations and the requirements of the DC – Downtown Core zoning district; 2. The project generally conforms to the project description, site plan and conceptual images submitted with the application; 3. All the necessary building and other required permits are obtained prior to commencement of the project; 4. All the required landscaping and street trees be included with the project; 5. The sale of the property be completed prior to the project being approved by the State; and 6. The window designs are similar to that of a commercial use. The motion passed unanimously with members Askvig, Huber and Walth voting in favor. Mr. Christianson abstained from voting and his vote was counted with the majority.

RENAISSANCE ZONE BOUNDARY MODIFICATION – DISCUSSION

Mr. Tomanek said he contacted Rikki Roehrich with the North Dakota Department of Commerce – Division of Community Service to get a list of comparable communities who are utilizing their island block option. He said Wahpeton, Grand Forks and Fargo all have islands and Wahpeton and Fargo have theirs within one block of the contiguous Renaissance Zone. He said Wahpeton jumped a block away from their contiguous zone into a desirable commercial zone, but they have not received any project applications for it yet. He said they skipped over a newly constructed car dealership to reach that block. He said Fargo's island block is that which contains the old Woodrow Wilson Adult Learning Center and it has just been purchased by Kilburne Group with the hopes of remodeling it. He said the downtown planner for Fargo told him that once a project is complete it can be removed and a new island would then hopefully be created in the old Sunmart grocery store location, which is also only a block away from their contiguous zone. He said the Grand Forks Development Plan states that what is called the South Forks Mall is an island of the allowable three blocks and is located approximately a mile and a half from their downtown. He said it is close to their library, but projects there have all been lease-hold improvements in the mall with more planned by the owner. He said the island was added because that area needed attention and improvements; however, no requests were received for it by any developers. He said Grand Forks does not generate a lot of projects in general and Ms. Roehrich reminded him that no matter what is done, the Development Plan needs to explain the underlying benefit of the island to the community. He said he asked her if a mobile home park has ever been proposed as a project and she said the State has never seen one but it could be considered if the assessed values are appropriate and the projects qualify as capital improvements.

Chairman Walth said the tax bracket for mobile home parks is different and it would be difficult to make qualifying improvements on a mobile home that is possibly in a month by month lease with the park owner.

Mr. Tomanek said the traffic impact study for the State Street/Divide Avenue corridor previously discussed is still on its first draft and Mark Berg, Traffic Engineer, does have significant concerns as they relate to State Street and Divide Avenue and the US Highway 83 corridor.

Mr. Berg said the North 13th Street and Divide Avenue intersection as well as the Divide Avenue and State Street corridor were the areas mostly addressed in the study. He said the study projects an additional 550+ cars a day to utilize the Divide Avenue and State Street intersection and he took into consideration the traffic conditions as they are now as well as if that location were fully built-out. He said his main concern is that the area struggles now and adding more traffic will only increase issues with congestion. He said if that particular intersection receives an influx of traffic at certain times of the day it will be considerably worse, and with southbound traffic having to cross three lanes to turn left, a significant safety issue is a certainty. He said the North 13th Street and Divide Avenue intersection includes a 10% grade and when roadway conditions are deemed poor, it becomes a very dangerous roadway. He said it is classified as a local street so snow removal is difficult and not always a

priority as those streets are cleared on a rotational basis. He said traffic would end up being pushed back into the local neighborhood which is not designed for through-traffic, or it would be diverted down to Boulevard Avenue which is not equipped for that much more traffic. He said normally a restaurant, bar and drive-through bank would be ideal in this location, but with it being such a major intersection and Bismarck having a very unique situation, it would not be beneficial to Bismarck from a traffic safety perspective.

Chairman Walth asked if a traffic light is an option at North 12th Street and State Street. Mr. Berg said the grade of that street would make it difficult.

Mr. Askvig said he would like to focus the discussion on what the criteria needs to be for adding blocks to the Renaissance Zone and adding an island. He said this would normally be a great location for a bank and restaurant, but he does not know if it would even be considered as an island if there was not a potential project in mind. He said many other areas of town need help and he does not want to designate a one block island and feels all three possible blocks should be utilized. He said he does not want them to look like they are “project chasing” and a similar scenario was turned down last year when a potential property/business wanted their block added so they could do a project.

Chairman Walth said they would be giving up their island for this potential project and he would rather make the criteria for an island stronger, as well as explore how to reach out more to interested developers and those in the community that might want to projects elsewhere.

Mr. Askvig asked if a public hearing is needed to approve a boundary modification. Mr. Whitman said public hearings are only needed with project applications or if the Development Plan changes; a boundary modification would require a public hearing because it would result in a change to the Development Plan.

Chairman Walth said mistakes have been made with changes like this in the past, but they have been learned from and all the Authority can do is try and do better for the community. He said he is glad this came up so the Renaissance Zone Authority can learn to be more proactive and have more control in the project granting and boundary modification process.

Mr. Askvig said he would like a discussion to be held at the next meeting regarding criteria for adding blocks and having an island, and then get back into adding blocks to the Zone once that is done. He said the project originally planned for that location may or may not still go there but the description of a potential block to be added to the Zone needs to change.

Mr. Tomanek said it is not uncommon for blocks to be reserved or held for future use and it is not frowned upon by the State to hold them idle until a project has been proposed by an applicant/owner.

The general consensus of the Renaissance Zone Authority was to hold a discussion on the criteria for adding blocks to the Zone and the designation of an island at the next meeting.

DOWNTOWN UPDATE PROVIDED BY THE DOWNTOWNERS ASSOCIATION

Ms. Herzog said the Downtowners Street Fair is this weekend and streets will be closed beginning Thursday evening to allow for the Fair as well as the parade on Saturday morning. She said the Downtowners might come in with a Downtown Design Review request for direction on appropriate designs for the Northern Pacific train depot once it is ready to be renovated in conjunction with the development of a public plaza.

Mr. Whittey said there is a lot of information and preferences for new designs in the Downtown Subarea Study as well as the Downtown Design Review Guidelines.

Ms. Herzog said they want to maintain the historic and original appearance with the possibility of adding another structure to the existing site.

Chairman Walth asked that elevations and a general concept be provided when they are available.

ADJOURNMENT

There being no further business, Chairman Walth adjourned the meeting of the Bismarck Renaissance Zone Authority at 5:00 p.m.

Respectfully Submitted,



Hilary Balzum
Recording Secretary



Curt Walth
Chairman