



Community Development Department

DATE: May 21, 2019

FROM: Ben Ehreth, Community Development Director

ITEM: Renaissance Zone Project – Brick Oven Bakery, LLC Lease

REQUEST

Brick Oven Bakery, LLC is requesting approval of a Lease Renaissance Zone project within the building at 112 North 4th Street for a bakery. The applicant is proposing to occupy space that has is being rehabilitated through an approved Purchase with Improvements Renaissance Zone project (RZ2017-016).

BACKGROUND INFORMATION

The Renaissance Zone Authority held a public hearing on this request on May 9, 2019.

No members of the public spoke at the hearing.

Based on the findings contained in the staff report, the Renaissance Zone Authority recommended approval of the Lease Renaissance Zone project for Brick Oven Bakery, LLC within the building at 112 North 4th Street for a bakery as presented in all submitted documents and materials, as an exemption from state tax on income derived from the location for five years.

The Renaissance Zone Authority also approved an extension of the deadline of the originally approved Purchase with Improvements project until September 30, 2019.

RECOMMENDED CITY COMMISSION ACTION

Consider the request and take final action on the Renaissance Zone project designation.

STAFF CONTACT INFORMATION

Daniel Nairn, AICP | Planner, 355-1854 or dnairn@bismarcknd.gov



STAFF REPORT

May 9, 2019

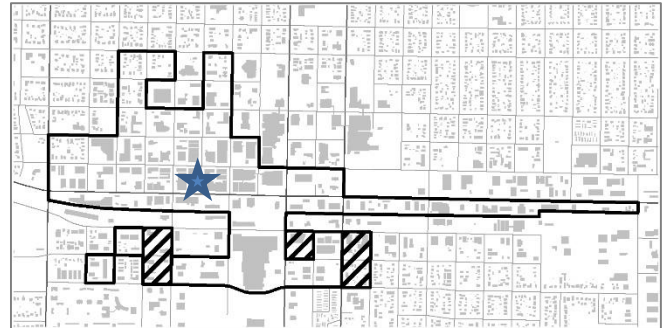
City of Bismarck
Community Development Department
Planning Division

Application for: Renaissance Zone

TRAKiT Project ID: RZ2019-002

Project Summary

Title:	Brick Oven Bakery, LLC
Project Type:	Lease
Status:	Board of City Commissioners
Applicant(s)	Steven Jacobson
Owner(s):	Newgen1, LLC
Project Description:	Open a new bakery business



Street Address: 112 North 4th Street

Legal Description: Lots 25, Block 50, Original Plat

RZ Block # 19

Project Information

Parcel Size (square feet):	3,500	Building Floor Area (square feet):	2,241	Estimated Property Tax Benefit:	N/A
Lease Area (square feet):	2,241	Certificate of Good Standing:	Completed	Estimated Income Tax Benefit:	\$30,000

Staff Analysis



Recently Rehabilitated Façade of 112 N 4th Street

Brick Oven Bakery, LLC is requesting approval of a Lease Renaissance Zone project within the building at 112 North 4th Street for a bakery. The applicant is proposing to occupy space that has is being rehabilitated through an approved Purchase with Improvements Renaissance Zone project (RZ2017-016).

The lease project qualifies without regard for investment, because it is within a previously approved Renaissance Zone project. The occupant is a new business to the Renaissance Zone area, and three full-time jobs would be created.

The previously approved Renaissance Zone project required a total investment of \$110,000, and the applicant provided an estimated project cost of \$127,700. The project was also approved for Downtown Design Review.

(continued)

The exterior portion of this project has been completed, and invoices have been verified for the expenditure of \$82,057. The owner delayed the interior portions of the project until the tenant was identified, and these improvements would be completed with the build-out for Brick Oven Bakery over the next few months. The deadline for project completion is May of 2019, and the applicant is requesting an extension of this project timeline.

The applicant has indicated that project costs for the interior build-out are estimated to be \$52,500. This includes flooring, installation of bathrooms, and plumbing, as well as new interior framing. The project will also involve the creation of a large brick wood-fired oven that would protrude through the rear wall of the structure.

Another condition of the approved Purchase with Improvement project was the production of a structural report to verify the stability of the building. This has been completed by the owner and is included as an attachment.

Required Findings of Fact

1. The proposed project is consistent with the goals and objectives of the City's Renaissance Zone Development Plan;
2. The proposed project meets the relevant minimum project eligibility criteria for the City of Bismarck Renaissance Zone program;
3. The subject property has not previously been designated a Renaissance Zone project of this type;
4. The project would meet all applicable building code and zoning requirements.

Staff Recommendation

Based on the above findings, staff recommends approval of the Lease Renaissance Zone project for Brick Oven Bakery, LLC within the building at 112 North 4th Street as presented in all submitted documents and materials, as an exemption from state tax on income derived from the location for five years.

Attachments

1. Location Map
2. Structural Report

Staff report prepared by: Daniel Nairn, AICP, Planner
701-355-1854 | dnairn@bismarcknd.gov

Renaissance Zone Program - Project Location Map

