

Map of Downtown Redevelopment Site



Redevelopment Opportunities at Collins Ave. & Main St.

PROPERTY INFORMATION

For parties interested in Acquisition & Redevelopment
of Downtown Site in Mandan, North Dakota

City-owned parcels on 100 Block of East Main Street



**CITY OF
MANDAN**

"WHERE THE WEST BEGINS"

Issued Feb. 17, 2011
City of Mandan
205 Second Avenue NW
Mandan, North Dakota 58554
Phone: 701-667-3215
www.cityofmandan.com

Seeking Buyers Interested in Redevelopment of Prime Downtown Parcels

The City of Mandan is seeking a buyer or buyers interested in redevelopment and construction of commercial/retail facilities on a prime area of city-owned property in downtown Mandan. Such facilities may include upper level residential components. The property is located on Main Street, at the corner of Collins Avenue. It consists of four parcels totaling 125 feet by 130 feet (16,250 sf).

The properties are part of our city's central business district, near city hall, the county courthouse, professional services and niche retail. The available site offers a unique opportunity in downtown revitalization. The successful purchase proposal will build upon significant prior public and private investment in infrastructure improvements, environmental remediation, rehabilitation of existing properties, enhancement of public gathering and parking areas, and the creation of pedestrian-friendly streetscapes.

The City of Mandan is committed to having the properties placed on the Bismarck Mandan Realtors Association Multiple Listing Service for a minimum of 60 days before offers will be considered, through at least April 18, 2011; and for as long as 6 months, through Aug. 19, 2011. Submit offers to:

Oaktree Realtors
3015 Memorial Highway
Mandan, ND 58554

Listing Agents
Karen Fleck
Office: 701-663-3535
Cell: 701-400-7066

Pat Maddock
Office: 701-223-7422
Cell: 701-391-8867

REQUIREMENTS

Asking price · \$10 psf or \$162,500

Deposit · In addition to the purchase price, a deposit of \$25,000 will be required to be made at closing and refundable upon completion of construction (certificate of occupancy for at least main level).

Minimum investment in construction on parcels (combined) · \$750,000

Timeline for development · The City Commission reserves the right at its sole discretion to extend the timeline if warranted.

Start of construction..... July 1, 2012
(Property reverts back to City of Mandan if deadline is not met and deposit retained.)

Building substantially complete by July 1, 2013
(Deposit returned to buyer)

All offers are subject to review and consideration by the Mandan City Commission. The City reserves the right to: 1) conduct interviews with some or all parties who submit offers, 2) reject any and all offers or portions thereof, 2) waive any informality or irregularity, 3) hold all offers or

responses for a period of thirty (30) days after receipt to allow for scheduling of City Commission meetings, 4) negotiate modifications of project descriptions to a lesser or greater magnitude than described in the response, 5) accept the response(s) deemed most favorable to the best interest of the City of Mandan, and 6) advertise for new offers/responses as may be deemed necessary.

Be advised as per North Dakota open records law that responses may be released to the public if requested except for portions subject to NDCC 44-04-18.4 pertaining to confidentiality of trade secret, proprietary, commercial, and financial information.

This property information document summarizes many additional project considerations and requirements:

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A complete copy of all property information, including supporting documentation and maps, is available on the City of Mandan website at www.cityofmandan.com.

DOWNTOWN VISION

A Redevelopment Plan for Downtown Mandan adopted by the City Commission in 2003 offers the following vision for downtown Mandan:

To establish downtown Mandan as a place where residents and visitors can work, live, shop and play in a pedestrian-friendly and safe environment.

The redevelopment plan calls for mixed uses including new offices and professional services, dense housing, niche retail and casual/family dining. Goals are as follows:

- ✓ Improve overall street character and image through investment, beautification and heritage.
- ✓ Fill gaps in the community's retail, restaurant and service sectors.
- ✓ Create and maintain critical mass to support these businesses through vertical mixed-uses including office and residential spaces above the ground level.
- ✓ Ensure safe circulation and adequate parking and improve the image and attractiveness of surface parking areas.

The City of Mandan is seeking purchase and redevelopment proposals for the Collins and Main site that are consistent with these redevelopment goals.

More information is available at the city website: www.cityofmandan.com. To download the URS Market Study and Redevelopment Plan, see the City Departments section and the Business Development sub-section.

PROJECT CONSIDERATIONS



Downtown Overview

Downtown Mandan is revitalizing. Nearly 20 years after discovery of an underground fuel spill in an approximate six-block area, the city reached a settlement in 2004 with Burlington Northern Santa Fe Railway for \$30.25 million, which included \$1.2 million in property and buildings and

\$29 million held in trust for remediation and redevelopment. Construction and installation of a comprehensive remediation system was completed in 2007. The system is now fully operational and effectively removing the contaminants. With state law enacted to relieve property owners and private lenders of liability concerns, the City is now focusing squarely on redevelopment.

Downtown Mandan is the center for city and county governments. Spin-off services in the district include a number of legal firms and financial institutions. Downtown Mandan is also home to a supermarket; two pharmacies; many chiropractic, dental and eye clinics; a popular fitness center, numerous professional offices, and several niche retail businesses.

Main and First Streets as well as the north-south arterials of Sixth Avenue NW and Collins Avenue were recently reconstructed. The city has renovated its historic fire station, a historic freight house building now home to the public library, and the former train depot now used for a visitor center and retail.

New site and building design standards have been implemented for downtown core and fringe districts. Renaissance Zone tax incentives, storefront improvement and low interest loan programs are successfully enticing commercial property owners to show pride in their businesses and back it with investment.

- Since the Renaissance Zone and Storefront Improvement programs were established in 2005 and 2006, 36 commercial properties have been newly constructed, expanded or rehabilitated.

Site Profile

100 Block of East Main

These properties are on a city block that includes the Mandan Fire Station, an insurance agency, hair salon, home construction and apartment management firm, vacant building, and city-owned parking lot. Average daily traffic volume is 14,745 vehicles on Main Street, 5,085 vehicles on Collins Avenue and 4,980 to 5,380 vehicles traveling on First Street to the west and east of Collins Avenue.

1. 100 Collins Avenue and 104, 106, 108 East Main Street
 - Block 6, Lots 11-15, Mandan Proper
 - 16,250 ft² (125'x 130')

Former buildings on site demolished in 2007 and 2008; all debris, footings and foundations removed from the lot itself up to the property line, but not from beneath the sidewalk's surface; fill compacted to construction standards. Soil tests on compaction of fill by Midwest Testing Laboratories are available.

Other Site Facts

Site control

The City of Mandan owns the redevelopment parcels. In order to facilitate a larger-scale development, the developer may identify and propose strategic partnerships with adjacent property owners.

Property Tax Estimates (2010 levy of 409 mills equal to 2.045% of value

Full and true value followed by annual property tax payment

- 100 Collins Avenue · land, \$31,900; \$652 annually
- 104 E Main Street · land, \$16,300; \$333 annually
- 106 E Main Street · land, \$15,700; \$321 annually
- 108 E Main Street · land, \$15,300; \$313 annually

Special Assessments

Payoff balances figured to 1/31/2011

- 100 Collins Avenue · payoff of \$13,065.88; annual payment of \$2,288.15
- 104 E Main Street · payoff of \$2,872.22; annual payment of \$646.29
- 106 E Main Street · payoff of \$2,872.22; annual payment of \$646.29
- 108 E Main Street · payoff of \$2,872.22; annual payment of \$646.29

Zoning

The sites are in an area zoned CB, which is commercial permitting a variety of commercial, retail and multi-family residential uses.

Also subject to DC Downtown Core District zoning overlay (Mandan Municipal Code, 21-04-17) requirements, including but not limited to:

- Setbacks · front yard no greater than 15 feet
- Lot coverage · maximum 100%
- Height · maximum 130 feet unless with special use permit; minimum 2 stories or 20 feet. New corner building may be higher than buildings on adjacent parcels, but should generally be within the average height of the buildings occupying the three adjacent corners of the intersection. Note: Adjacent corner buildings are three stories.
- Building materials · street facing sides primarily faced with brick, stone, architectural or pre-cast concrete, EFIS, stucco, or equivalent or better. Colors and materials compatible with or complementary to those used for buildings on adjoining parcels.

Site plan and building design subject to application for consideration by Mandan Architectural Review Commission.

Parking

Off-street parking is not required for properties within the Downtown Parking District (Mandan Municipal Code 21-03-10.6), but provision in plans for some parking may be favored, depending upon uses, in consideration of any City business incentive programs.

Customer parking restricted to 90 minutes is available on Main Street and the avenues. Parking is enforced Mondays through Fridays during daytime hours. A courtesy ticket is issued to those who park overtime in a time-restricted area if the vehicle has not been associated with a violation in the previous 180 days.

Public parking areas are located in close proximity to the parcels. Following is their status as of early February 2011:

- Lot C (south of Main Street between Collins Avenue and First Avenue NW) · 52 spaces with 7 for public parking restricted to 90 minutes, and 45 available free of charge for all-day parking with exception of no overnight parking allowed two to three nights a week.
- Lot D (west of Collins Avenue) · contains 26 spaces including 17 spaces available to the public with a 90-minute restriction and 9 spaces rented spaced for all-day parking.
- Lot E (south side of Fire Station) · 11 spaces; all currently rented at \$20 per month.
- Lot F (east side of Fire Station) · 11 spaces reserved for firefighters; 46 spaces available for rent at \$20 per month; only 21 spaces are currently rented.

A parking map is available.

Historic district

The properties are located in the vicinity of historic buildings. The preferred redevelopment projects will be of a classical architectural character that is sensitive to the defining features of buildings in the district.

Lot coverage

Proposed developments should fill in the open space between existing buildings (i.e. be constructed from lot line to lot line or include a landscaping plan that proposes an acceptable use of space).

Utilities

Site maps with utility easement agreements and maps with locations for sewer and water service lines and mains are available for reference.

Soil conditions

The site is within the plume area of an underground fuel spill in downtown Mandan. The properties were acquired for remediation purposes with extraction wells and pipelines installed in 2006 and 2007. The piping was installed to depths greater than 4 feet below grade and at locations intended to facilitate the construction of structures on the properties. The extraction wells are located beneath manhole covers that are flush-with-grade (generally 12+ diameter).

Of eight monitoring and remedial wells within the property line, seven may be removed, according to the Mandan Remediation Trust. The eighth well, located on the northern edge of the property, may be relocated to the alley, if needed, to accommodate redevelopment. Five additional wells are located on the perimeter of the property. If these wells are damaged during the redevelopment process, the MRT will require repair or replacement at the developer's expense. A map is available. As-built drawings are available upon request.

Site Access

Periodic access to the extraction wells in the sidewalk adjacent to the lots on quarterly basis will be required for the duration of the remediation and monitoring process.

Liability Protection

North Dakota Century Code 23-20.3-03.1 as amended during the 2005 state legislative session provides that a purchaser of property cannot be held liable for the cleanup of an environmental condition as long as the party does not contribute to or worsen the condition. Pursuant to this legislation, property owners, prospective owners, lenders, and tenant/operators may submit a Request for Responsibility Exemption and Regulatory Assurance (SFN 59226) from the North Dakota Health Department.

Institutional Control Ordinance

The properties are within the city's Environmental Institutional Control District as defined by the Mandan Code of Ordinances Chapter 21-10 (created by Ordinance 1002) which establishes requirements for liability assurances. New construction must be slab on grade. A contingency plan is also required that may need to incorporate vapor barriers, a venting system, groundwater suppression/collection, and specialized HVAC as determined by a professional engineer.

Development Incentives

The City of Mandan is poised to help developers and businesses succeed with several tools. Each is subject to application and consideration by the appropriate review committee and the Mandan City Commission.

- **Renaissance Zone Incentives:** Five-year, 100% property tax exemption on the taxable value of the proposed building(s) and a five-year, 100% state exemption on income derived from business activity within the building(s). The lease of a property for a new or expanding business is also a qualifying event for the incentives. Exemptions may transfer with the property to a qualified user on a prorated basis.
- **Retail and Restaurant Incentive Program:** New and expanding businesses that fill a gap in the city's market profile and that meet other program criteria may apply to receive assistance for up to \$5 per square foot of operating space for their first 12 months, not to exceed \$20,000 per property. The budget for the program in 2011 is \$60,000 and thus funding may not be available at the time of a request.
- **Payments in Lieu of Taxes or Tax increment financing:** For potential additional tax relief in year 6 and beyond. A 50% exemption in years 6 to 10 may be considered for projects with at least \$700,000 market value of newly constructed buildings or structures with a minimum of 20 new full-time jobs created by the end of year 5 and maintained in years 6-10. Tax increment financing may be considered on a case-by-case basis for projects exceeding \$1 million in value depending upon factors such as use, investment, job creation, and financial justification. Detailed policy posted at www.cityofmandan.com.
- **Mandan Growth Fund:** The purpose of the Mandan Growth Fund also is to assist in job growth and economic development by attracting businesses to Mandan and helping existing businesses expand and remain in operation. Like the IRP program, the Growth Fund serves as a source of gap financing. Examples of Growth Fund assistance include interest rate buy-downs through the Bank of North Dakota Flex PACE program.

Other Incentives

- **Revolving loan pool:** The Lewis and Clark Regional Development Council administers an intermediary loan program from USDA Rural Development attained specifically for business development in Mandan. Owner equity of at least 10 percent of total project costs is required. The IRP loan can be no more than 50 percent of total financing needs not to exceed \$250,000 per project. For more info, call 701-667-7624.

Resource Contact Information

<u>Title</u>	<u>Name</u>	<u>Phone</u>
City Staff		
City Administrator	Jim Neubauer	701-667-3215
Business Development Director	Ellen Huber	701-667-3485
Engineering and Planning -Project Director	Dave Bechtel	701-667-3225
Building Inspection and Assessing	Richard Barta	701-667-3230
Finance Director	Greg Welch	701-667-3213
Public Works	Jeff Wright	701-667-3240
Fire Chief	Steve Nardello	701-667-3288
Advisors/Consultants		
Economic Development	Bismarck-Mandan Development Association Richard Mower	701-222-5530
Environmental Remediation	Leggette, Brashears & Graham Tim Kenyon Ken Kytta	605-334-6000 906-523-6028
	N.D. Health Dept. Scott Radig	701-328-5166
Mandan Remediation Trust	Francis W. Fritz+Schwindt	701-471-9899

For additional information such as the City of Mandan's Downtown Redevelopment Plan, site plan and building design requirements, and remediation reports, visit www.cityofmandan.com. If you have other questions not answered here, please contact Ellen Huber, City of Mandan Business Development & Communications Director at 701-667-3485 or ehuber@cityofmandan.com.