

Growth Fund Members:

Chairman,

Mark Weide

Vice Chairman,

Don Boehm

Dan Anderson

Jeremy Bauer

Jeff Erickson

Rick Horn

David Lehman

Curtis Patzell

Lee Weisbeck

Liaisons:

City Commissioner, City of
Mandan

Mike Braun

City Attorney, City of Mandan

Malcolm Brown

City Administrator, City of
Mandan

Jim Neubauer

Chief Building Official, City of
Mandan

Douglas Lalim

Finance Director, City of
Mandan

Greg Welch

Business Development
Director, City of Mandan

Ellen Huber

Bismarck-Mandan
Development Association

Brian Ritter

Nathan Schneider

Lewis & Clark Regional
Development Council

Brent Ekstrom

***Mandan Growth Fund
Wednesday, January 13, 2016
Noon
Veterans' Conference Room
Mandan City Hall
205 Second Avenue NW***

1. Introductions

Chairman Mark Weide called the meeting to order. Members indicated with a were in attendance. Also in attendance were Program Coordinator Krista Harju, City of Mandan, and Dustin Schmidt, Schmidt Sales LLP.

2. Consider for approval the following minutes:

a) Dec. 10, 2015

Rick Horn moved to approve the minutes from the Dec. 10 meeting. Lee Weisbeck seconded. The motion passed unanimously.

New Business

3. Committee reorganization: select a 2016 chair and vice-chair

Mark Weide and Don Boehm indicated interest in continuing to serve in leadership positions.

Jeremy Bauer moved to maintain the chair and vice chair as stands. David Lehman seconded. The motion passed unanimously.

4. Consider possible revisions to the Storefront Improvement program policies & practices

a) Requirement for a business incentive agreement

b) Increase period for forgivable loan from 3 to 5 years

The committee discussed compliance with the Business Incentive Accountability Law (N.D.C.C. Chapter 54-60.1) with regard to the Storefront Improvement Program. This law requires that all political subdivision grantors enter into a business incentive agreement (BIA) with any businesses that receive an incentive of \$25,000

or more within a year. This matter arose because the level of matching funds for the Storefront Improvement projects was increased in October 2013 from a maximum of \$10,000 per property to a ceiling of \$30,000 with a provision for consideration of as much as \$60,000 for larger downtown corner properties with multiple stories.

Attorney Brown had previously recommended that Huber use the state's BIA agreement form. Brent Ekstrom questioned if this was best. Brown will further research compliance with state law, but suggested using the state form for now.

Matching funds for completed storefront projects are provided in the form of a forgivable loan. The interest-free loans have been pro-rated and forgiven over the course of 3 years contingent upon the project completion and the building and improvements remaining intact during this period. Attorney Brown recommended extending this loan or clawback period to 5 years.

Jeff Erickson moved to require use of the state business incentive agreement (SFN 59686) for Storefront Improvement recipients unless and until another form is accepted and to increase the forgivable loan period for Storefront Improvement projects to 5 years. Bauer seconded. The motion passed unanimously.

5. Consider Storefront & Landscape Improvement Application by Schmidt Sales LLP for 3420 Memorial Highway

Huber introduced Dustin Schmidt of Schmidt Sales LLP. The owner of America's Mattress in Bismarck, Schmidt plans to open Schmidt Auto Sales for previously owned cars at 3420 Memorial Highway. He plans to make both interior and exterior renovations. He is seeking \$30,000 in matching funds, which would be part of an approximate \$132,000 exterior renovation. There is currently \$170,000 available for the Memorial Highway Storefront Improvement Program.

Total renovations of the building are estimated to be \$275,000. The project includes installation of an automatic door. Renovations are expected to begin on Feb. 1. The business is expected to open in May.

The project appeared before the Mandan Architectural Review Commission in December and again on Jan. 12. Some slight modifications were made to the plan for exterior renovations, which includes landscaping and relocation of the neon green portions on the exterior of the building. MARC approved the project with the modifications.

Schmidt said he will be gutting the entire building, but keeping the roof and steel structures.

The car sales business will offer next-to-new vehicles with 20,000 miles or less. Schmidt expects to sell 25-45 cars every month. He said surrounding auto sales businesses will help with sales. Schmidt grew up working in the car business. His father, who worked in the car business for 23 years, will be helping with the business.

Erickson moved to recommend approval of a \$30,000 match subject to the completion of the business incentive agreement. Horn seconded. The motion passed unanimously. The committee's recommendation will be presented to the City Commission at its Jan. 19 meeting.

Other Business

6. Adjourn

Having no other business, the meeting was adjourned.