

Mandan Renaissance Zone Committee
Tuesday, May 31, 2016
Noon
Veterans' Conference Room, City Hall, 205 Second Avenue NW
MINUTES

Renaissance Zone

Committee Members:

Mandan Progress

Organization:

Bruce Strinden, Newman
Signs (2015-2017) – Chair

Private Sector:

Rob Knoll, Knoll Appraisals
(2015-2017) – Vice Chair

Financial Sector:

Darren Haugen, Starion
Financial Services (2014-
2016)

Real Estate Sector:

Pat Vannett (2016-2018)

City of Mandan:

Commissioner Mike Braun
(2012-2016)

Community At Large

David Leingang (2014-
2016)

Community At Large

Robert Vayda (2014-2016)

Liaisons:

City of Mandan:

City Administrator, Jim
Neubauer

City of Mandan:

Business Development
Director, Ellen Huber

1. Introductions

Vice Chairman Rob Knoll called the meeting to order. Members present are indicated with a . Also in attendance were Program Coordinator Krista Harju and Renaissance Zone applicant Dr. Kent Schwartz.

2. Consider approval of agenda

Pat Vannett moved to approve the agenda. David Leingang seconded. The motion passed unanimously.

3. Consider approval of the following minutes:

a) December 17, 2015

Vannett moved to approve the minutes as presented. Darren Haugen seconded. The motion passed unanimously.

4. Consider applications:

a) Rehab of 301 E Main Street by Dr. Kent Schwartz

b) Lease of 301 E Main Street by Schwartz Chiropractic Clinic

Ellen Huber provided an overview of the applications. Dr. Schwartz does not have full control of the property. He has the building under purchase agreement. Any approvals will be contingent on him gaining control of the property. The applications are being reviewed today to accommodate his timeline. The land is owned by the City and it has recently been put up for bid. Bids will be opened on June 7. The land will be awarded to the highest bidder. The City does not own the building on the property.

Dr. Schwartz is planning major interior and exterior renovations to the building. The total estimated cost of improvements is \$246,279. The building's current value is \$224,900. Upon completion of the project, the building value is estimated to be \$303,000. The estimated property tax benefit is \$3,154 annually for a five-

year projected total of \$15,772. The state income tax benefit is estimated to be \$1,764 annually or \$8,820 over the course of five years.

Exterior renovations include replacing the roof with a metal roof and adding stucco and decorative stone to the building's exterior on sides viewable from the street. The parapet or roof on the Main Street facing side of the building is to be extended to the building's west side and two windows are being added to the north side. The west building will be partially demolished and rebuilt to regain structural integrity. The south building will be removed. Landscaping includes the addition of shrubs along the guard rail and flowers in a box to surround the pole sign. The fencing is to be continued along the south side of the property, similar to Family Dollar.

Interior improvements are to include a build-out of walls for clinic spaces, woodwork, renovation of two existing bathrooms and creation of an additional bathroom; new ductwork for an existing furnace to create three zones, electrical and lighting components, floor covering, and cabinetry.

The building will be leased to the chiropractic clinic. He currently has three employees and plans to hire two or three additional employees to serve as supporting staff. In addition, he plans to subcontract with a physical therapist, a massage therapist and two more chiropractors.

The project meets the eligibility requirements to qualify for both the Storefront Improvement Program and the Renaissance Zone Program because of the amount of private investment proposed. Dr. Schwartz has already applied for and received a Growth Fund Committee recommendation for approval for the Storefront Improvement Program. In addition, his application has appeared before the Mandan Architectural Review Commission and has been approved.

The lease project is considered an expansion of an existing business. Dr. Schwartz's current chiropractic clinic has 3,300 square feet of space. The new location will provide an additional 2,200 square feet of space.

Haugen moved to recommend approval of the rehabilitation application as presented with the five year 100% property and state income tax exemptions, noting the approval is contingent upon Dr. Schwartz gaining control of the property. Vayda seconded. The motion passed unanimously.

Vannett moved to recommend approval of the lease application as presented with the five-year 100% state income tax exemption, contingent upon Dr. Schwartz gaining control of the property. Leingang seconded. The motion passed unanimously.

5. Other business

If the projects move forward, the total investment in the Renaissance Zone since 2005 is just shy of \$17 million. The Renaissance Zone is a 15-year program. The City of Mandan has had the program in place for ten years. Huber suggested the committee be prepared to express support for continuation of the program in the upcoming years, as it may be a topic of debate. The City of Bismarck recently requested a five-year extension, but did not get support from the Burleigh County Commission.

The committee discussed the potential for expanding the Renaissance Zone to include areas on Memorial Highway or north on Collins Avenue. Huber will gather information and provide the committee with its options at a future meeting.

Three blocks were added the last time the Renaissance Zone was expanded. Owners of properties adjacent to existing boundaries were surveyed to gauge interest. If the committee were to propose expanding the Renaissance Zone, a public information and input meeting and a public hearing would need to be held.

Three committee positions expire at the end of 2016. Huber will publicize the openings and request letters of interest be submitted in the fall.

6. Adjourn

Having no further business, the meeting was adjourned.