

**Mandan Renaissance Zone Committee  
Friday, November 14, 2014**

**8:15 a.m.**

**Former County Library Room, City Hall, 205 Second Avenue NW  
Minutes**

**Renaissance Zone**

**Committee Members:**

Mandan Progress

Organization:

Bruce Strinden, Newman  
Signs (2012-2014) - Chair

Private Sector:

Rob Knoll, Knoll Appraisals  
(2012-2014) - Vice Chair

Financial Sector:

Darren Haugen, Starion  
Financial Services (2014-  
2017)

Real Estate Sector:

Vacant (2013-2015)

City of Mandan:

Commissioner Mike Braun  
(2012-2016)

Community At Large

David Leingang (2014-  
2017)

Community At Large

Robert Vayda (2014-2017)

**Liasions:**

City of Mandan:

City Administrator, Jim  
Neubauer

City of Mandan:

Business Development  
Director, Ellen Huber

1. Consider approval of agenda

*Mike Braun moved to approve the agenda. Bob Vayda seconded. Motion passed unanimously.*

2. Consider approval of the following minutes:
  - a) Dec. 31, 2013

*Darren Haugen moved to approve the minutes from the Dec. 31, 2013, meeting. Braun seconded. Motion passed unanimously.*

3. Consider the following applications:
  - a) Rehab of 1000 E Main St by Casecon Properties, Inc.
  - b) Lease of 1000 E Main St. by MKDQ, Inc. (dba Dairy Queen)

*Ellen Huber introduced Mike Weiland and provided a background on the Mandan Dairy Queen. Weiland is planning a combination of interior and exterior renovations. He received a recommendation for approval for a Storefront Improvement application from the Growth Fund on Nov. 13 to help cover the exterior renovations. The committee recommended approval of the application to the City Commission at its Nov. 18 meeting. The total investment in the building is proposed at \$179, 541. Renaissance Zone rehab projects require a minimum of 50 percent re-investment based on the building's current true and full value. The building is currently valued at \$210,900, making the minimum investment required \$105,450. Huber noted with the \$30,000*

*minimum investment towards storefront improvement and the \$30,000 proposed in matching funds in the form of a forgivable loan, he will still have roughly \$120,000 in additional funds of his*

*own being invested in improvements, so therefore meets the requirements for both programs.*

*Several changes will be made to the building's interior. Weiland said he is focusing on the lobby, saving the back work area for a later date. Improvements include a new ceiling, new lighting, an accent piece, a window will be removed and double doors will be installed. On the outside of the building, the red roof will be removed, new lighting will be installed and metal panels and concrete board will be added to the sides of the building. Concrete will also be replaced in the drive-thru area. The work on the building is scheduled to begin in Spring 2015.*

*Huber said the value of the property after improvements is projected to be \$263,625. The City assessor indicated that while the improvements will be more visually appealing, they will not necessarily increase the substantive value of the property. Based on the 2014 mill levy, the estimated property tax benefit would be about \$4,200 with an estimated 5 year benefit of \$20,808. Weiland provided certificates of good standing, proof of payment on taxes, and a signed business incentive agreement. Huber said the application meets all requirements and encouraged the committee to consider approval of full benefits of the Renaissance Zone program, which includes the 5 year 100% property tax and state income tax exemptions.*

*Rob Knoll moved to approve the rehab application for full benefits. Darren Haugen seconded. Motion passed unanimously.*

*Dairy Queen currently employees 31 people with ten employees at full-time status. Weiland hopes the renovations and improved storefront appeal will increase customer base and sales. He is projecting a state income tax benefit of \$5,500 annually for 5 years, for a total savings of \$27,500. Weiland had considered relocating to other areas, but decided to stay in the current Main Street location and renovate the building.*

*Haugen moved to recommend approval of the lease application with the five-year 100% state income tax exemption. Leingang seconded. Motion passed unanimously. The application will go to the City Commission on Nov. 18.*

4. Discuss status of committee positions
  - a) Real estate position
  - b) Terms of committee members expiring in 2014
    - i) Bruce Strinden
    - ii) Rob Knoll

*Bruce Strinden and Rob Knoll have positions expiring in 2014. The City Commission has a policy in place that looks at other applicants after a committee member has served two terms. Huber said terms were not initially established for the Renaissance Zone Committee, but both members have served since the*

*committee was started in 2005. Current members are welcomed to submit letters of interest, but the City Commission has given direction to seek public interest. Strinden suggested seeking letters of interest from other members of the Mandan Progress Organization.*

*Pat Maddock resigned from the real estate position in Dec. 2013. A call for letters of interest was put out. Pat Vannett with Alliance Real Estate was the only respondent. Since it is time to call for letters of interest for Bruce Strinden's and Rob Knoll's positions, Huber recommended gathering letters of interest from those interested in the other positions and considering all three appointments at one time. The committee agreed not to seek additional letters of interest in the real estate position if Vannett confirms her continued interest. Huber will contact Vannett.*

#### 5. Renaissance Zone project status update

*Huber provided a Renaissance Zone project status update. Destiny Screen Printing & Embroidery closed and left the building in May 2014. Huber notified the N.D. Department of Commerce about the discontinuation of the lease project. Wheels, Wings and Hobbies is the new tenant in the building. The owner decided not to apply for any remaining time on the 5 year state income tax exemption.*

*The Crown Equity, LLC project is complete. Collins Place had a formal ribbon cutting on Oct. 22. At that time, the apartments were 50 percent occupied. Crown Equity decided not to do the vanilla shell build-out. The clawback provisions are in place. Now that they have their occupancy permit on the apartment portion of the building, they have one year to fill the commercial space or they will lose 50% of the Renaissance Zone benefits on the commercial portion, which is the 5 year 100% property and state income tax exemptions. If they don't have it leased in 2 years, they lose 100% of the Renaissance Zone benefits on the commercial portion.*

*The American Plaza is nearly ready for occupancy. Huber said there are still some obstacles on that block. The Sullivan property is still very blighted.*

*Huber contacted Tammy Helmers of Sweet Beginnings and reminded her of the need for a signed lease agreement in order for finalization to occur.*

*The Andra Miller project, a home being converted into commercial office space, is nearly completed. Huber expects to see invoices and finalization soon.*

#### 6. Other business

*The Renaissance program was established in 2005 as a 15 year program, ending in 2020. No blocks in Mandan are completed. Since only five years remain in the program, Huber is planning to promote it to remind business*

*owners it is available. There continues to be interest and inquiries, but some people decide to apply for the Storefront Improvement program only. Huber would not recommend shifting boundaries, as most of the inquiries they see outside of the boundaries are made by homeowners.*

7. Adjourn

*There being no further business, the meeting adjourned.*