

Mandan Renaissance Zone Committee
Thursday, March 14, 2019
Noon
Veterans' Conference Room, City Hall, 205 Second Avenue NW

MINUTES

Renaissance Zone

Committee Members:

Mandan Progress

Organization:

Bruce Strinden (2018-2020)

- Chair

Real Estate Sector:

Darren Schmidt, Oaktree

Realty

(2019-2021)

Financial Sector:

Darren Haugen, Starion

Bank (2017-2019)

City of Mandan:

Mayor Tim Helbling (2016-

2020)

Community At Large

Robert Vayda (2017-2019)

Private Sector:

Stephanie Bohn (2018-2020)

Community At Large

Rhonda Mahlum (2017-

2019)

Staff:

City of Mandan:

City Administrator, Jim

Neubauer

City of Mandan:

Business Development

Director, Ellen Huber

City of Mandan:

Program Coordinator, Kari

Moore

1. Introductions

Strinden called the meeting to order. Those present are marked with a . Also in attendance were Chad Weyh Running's Construction & Maintenance Manager and Randy Ehlis representing 218 W Main, LLC.

2. Consider approval of agenda

Mahlum moved to approve the agenda as presented. Haugen seconded. Motion passed unanimously.

3. Consider selection of a chair and vice chair for 2019

Strinden turned the meeting over to Huber for selection of a chair. Discussion was held. Strinden moved to approve Haugen as chairman of the Renaissance Zone committee for 2019. Mahlum seconded. Motion passed unanimously.

Haugen opened nominations for the vice chair position. Strinden moved to appoint Mahlum as vice chair. Vayda seconded. Motion passed unanimously.

4. Consider approval of the following minutes:

a) Nov. 15, 2018

Strinden moved to approve the Nov. 15, 2018 minutes. Mahlum seconded. Motion passed unanimously.

5. Consider application for rehabilitation of 218 W Main St by 218 W Main, LLC (Mike & Brittany Kennedy)

This building at 218 W Main St. is currently owned by the City of Mandan and under purchase agreement for sale to the applicants with closing to

be on or before April 1. Plans include a complete exterior and interior renovation.

The total estimated cost of the project is \$253,490 (excluding signage). Interior rehabilitation includes the removal of all existing interior false walls, framing of an approximate 750 sq. ft. gym and 1,250 sq. ft. café, building a commercial kitchen, coffee bar, installing all new hardwood floors and increasing the size of two bathrooms. For the exterior, the front of the building will have all windows and the door replaced with high quality, energy efficient glass. Plans include two large bay windows on the left side of the door and an 8-ft. glass garage door on the right side of the entry. The entry will be replaced by a main entry door flush with the exterior wall which will have an automatic operation. The exterior brick will be reinforced and replaced as needed. The rear of the building will be completely refaced, painted and a new door will be installed. The exterior plan has approval from the Mandan Architectural Review commission.

The proposed investment exceeds the minimum investment requirement to receive a 100% five-year tax exemption on the building as improved under the Renaissance Zone Program. This requirement is to put at least 50% of the building's value into it in improvements. The building is currently valued at \$90,700, so the minimum investment is \$45,350.

The applicants are also seeking \$30,000 in matching funds through a Growth Fund Storefront Improvement project, but the level of investment is sufficient to meet the investment and match requirements of both the Renaissance Zone and Growth Fund programs without overlap.

The applicants plan to complete renovations by June 1, 2019. The applicants plan to lease the building for their businesses, Copper Dog Café, a waffle and coffee shop, and a small youth fitness area.

Strinden moved to recommend approval of the application for rehab of 218 W Main St. by 218 W Main, LLC to include the five-year 100% property tax exemption on the building as improved and the 100% five-year state income tax exemption. Schmidt seconded. Motion passed unanimously.

6. Consider application for rehabilitation of 504 W Main St by JR&R II, LLC. *The applicants have purchased the property and are planning a full exterior and interior renovation. The total estimated cost of the project is \$1,085,000. The project includes total roof replacement, new HVAC and electrical, new ceiling tile and LED lighting, concrete floor polishing, new sprinkler/fire/security systems, ADA restrooms, new garage door, extension of the existing canopy siding, new signage, resizing of the loading dock door and new dock equipment.*

The applicant's site plan has received approval from the Mandan Architectural Review Commission contingent upon receipt of a satisfactory landscaping plan

and upgrading the aesthetics and quality of the fence plan for the outdoor storage area between the 504 W Main and the adjacent 511 First St. buildings.

The applicant has also indicated plans to apply for the Mandan Growth Fund's Storefront Improvement Program once the site plan and exterior building plans are finalized. The proposed investment in improvements is sufficient to independently meet the requirements of each program without overlap.

The proposed investment exceeds the minimum investment requirement to receive a 100% five-year tax exemption on the building as improved under the Renaissance Zone Program. This requirement is to invest at least 50% of the building's value into it in improvements. The building is currently valued at \$1,466,300, so the minimum investment is \$733,150. The applicant hopes to have the project completed by July 15, 2019.

Strinden moved to recommend approval of the application for rehab of 504 W Main St. by JR&R II, LLC to include the five-year 100% property tax exemption on the building as improved and the 100% five-year state income tax exemption. Mahlum seconded. Motion passed unanimously.

7. Consider lease of 504 W Main St by Runnings Supply, Inc. Runnings Supply, Inc. will lease the 504 W Main St. building's 32,173 sq. ft. space from JR&R II, LLC for its new downtown Mandan location.

Runnings Supply, Inc. plans to increase its workforce by 16 full-time and part-time employees in 5 years. New positions include adding an assistant manager and a sporting goods manager. They project sales tax revenue from the business will double as compared to that generated from the current location. The new locations give Runnings Supply, Inc. the ability to expand product offerings in the home, farm and outdoor space.

Current plans are to have the renovation project complete by July 15, 2019, and to occupy the building in the week of July 22.

Schmidt moved to recommend approval of the application for lease of 504 W Main St. by Runnings Supply, Inc. to include the 100% five-year state income tax exemption. Strinden seconded. Motion passed unanimously.

8. Other business

9. Adjourn

There being no further business the meeting was adjourned.