

**Growth Fund Members:**

Mark Weide, Chairman  
Term: 2018-2020

Jeff Erickson, Vice Chairman  
Term: 2018-2020

Jeremy Bauer  
Term: 2017-2019

Don Boehm,  
Term: 2019-2021

David Lehman  
Term: 2019-2021

Curtis Patzell  
Term: 2017-2019

Maria Walen  
Term: 2018-2020

Sherwin Wanner  
Term: 2018-2020

Lee Weisbeck  
Term: 2019-2021

**Liaisons:**

Mayor, City of Mandan  
 Tim Helbling

City Attorney, City of Mandan  
 Malcolm Brown

City Administrator, City of Mandan  
 Jim Neubauer

Building Official, City of Mandan  
 Shawn Ouradnik

Business Development Director,  
City of Mandan  
 Ellen Huber

Bismarck-Mandan Chamber EDC  
 Brian Ritter  
 Nathan Schneider

Lewis & Clark Development Group  
 Brent Ekstrom

Program Coordinator, City of  
Mandan  
 Kari Moore

**Mandan Growth Fund Committee  
Wednesday, March 13, 2019  
Noon**

**Veterans' Conference Room  
Mandan City Hall  
205 Second Avenue NW**

**MINUTES**

1. Introductions

*Vice Chairman Erickson called the meeting to order. Members present are indicated with a . Also in attendance were Kimberly Markley and Lila Teigen of the City of Mandan Assessing Department; Linda Morris, Morton County Tax Equalization Director; and Randy Ehlis representing the applications for 218 W Main.*

Procedural Matters

2. Consider approval of minutes: Feb. 25, 2019

*Walen moved to approve the Feb. 25, 2019 minutes. Wanner seconded. Motion passed unanimously.*

3. Review of financial statement through Feb. 28, 2019

*Huber reported the economic development uncommitted balance was \$298,990.04 as of the financial statement from Feb. 28, 2019. However, the City Commission did approve \$60,000 in matching funds for the storefront improvement project at 1710 E Main St. on Mar. 5, so the balance is now \$238,990.04.*

New Business

4. Consider Storefront Improvement application for 218 W Main St

*Brittany Kennedy and Cathy Ehlis submitted an application for matching funds towards exterior improvements to the building at 218 W Main St, the former Huntington Books location. Cathy's husband Randy was in attendance. The applicants are remodeling the building and seeking a \$30,000 match for the exterior renovation that has an estimated cost of \$61,144.57.*

*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. garage door with glass on the right side of the entry door. The entry will be replaced by a main entry door flush with the exterior*

*wall which will have an ADA automatic operation. The exterior brick will be reinforced and replaced as needed. Plans include new signage on the exterior of the building. The rear of the building will be completely refaced, painted and a new rear door will be installed.*

*Other building improvements include a complete interior remodel and addition of a commercial kitchen, coffee bar and event/gym space. The applicants plan to open businesses by June.*

*The exterior building plan has received approval from the Mandan Architectural Review Commission.*

*The applicants are also seeking approval for Renaissance Zone programs, 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.*

*Boehm moved to recommend approval for \$30,000 in matching funds for the Storefront Improvement project for 218 W. Main St. Lehman seconded. Motion passed unanimously.*

5. Consider Restaurant Rewards application for 218 W Main by Brittany Kennedy and Cathy Ehlis. *The Copper Dog Café will be located in leased space in a portion of 218 W Main St. The Kennedy and Ehlis partners plan to open a waffle and coffee shop. The concept is a limited service restaurant with a seating capacity of 50. They plan to serve one-of-a-kind waffles topped with a custom blend of as many local ingredients as possible, other light breakfast fare, side dishes, high-quality coffees that are locally sourced and roasted and provide a fun, family atmosphere. A portion of the building will also be leased to the applicants for another business, a youth fitness center focusing on gymnastics.*

*The applicants plan to have one full-time and 6 part-time employees. The plan is for the business to be open seven days a week from 7 a.m. to 8 p.m. with an anticipated opening date of June 1, 2019.*

*The mother-daughter partners along with their husbands have a diverse background in sales, marketing, real estate and the service industry.*

*Bauer motioned to recommend approval of the application for a Restaurant Rewards rebate of the 1% local sales tax in the first five years of operation at 218 W Main Street. Patzell seconded. Motion passed unanimously.*

## Old Business

6. Review New & Expanding Business Property Tax Exemption Policy & Guidelines. *Discussion on the review of Mandan's policy for property tax exemption for new and expanding businesses continued from the previous meeting. The policy and guidelines have not undergone a significant review since 2013 when state legislation limited its use, under NDCC 40.57.1, to certified primary sector businesses. The only primary sector application received and approved since the legislative restriction became effective was for the 2016 expansion of National Information Solutions Cooperative.*

*The N.D. Commerce Department's Economic Development and Finance Division uses a 75 percent threshold for the amount of product or services sold outside North Dakota's borders in reviewing eligibility for the primary sector certification.*

*The proposed updates to the guidelines, instructions for application and supplementary application eliminate all references to ineligible uses such as retail, restaurants, hotels and other services. Other substantive updates include an increase in wage rate thresholds using more recent Census data on household median incomes, from a minimum of \$9/hr. to \$10.60/hr. as one of the minimal qualifications for a base level exemption.*

*Huber shared with the committee information and sample guidelines from other major cities for comparison sake. Other cities range in policies from those that are very aggressive or generous with relatively easy and somewhat subjective scoring system that qualifies applicants for a five-year, 100% exemption to those that are more discriminating in use of the property tax exemption tool, using only a sliding scale of 100%-80%-60%-40%-20% over five years.*

*Patzell moved to approve the changes as presented. Boehm seconded. Discussion took place regarding the criteria for tier 2 and tier 3 levels of exemption regarding increasing the structural value of the value of the new construction or expansion in relation to jobs creation. The grid currently indicates \$100,000 per job. Boehm moved to amend the motion changing tier 2 and 3 requirements from \$100,000 in structural value to one job for every \$150,000 in structural value subject to exemption. Wanner seconded. The amendment passed 6-1 with Lehman opposed, indicating he desired more time to related factors. A roll call vote was taken on the amended motion and it passed unanimously.*

#### Other Business

#### 7. Adjourn

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