



# RENAISSANCE ZONE AUTHORITY

## MEETING AGENDA June 13, 2024

<b>Tom Baker Meeting Room</b> Lower level	<b>4:00pm</b>	<b>City-County Office Building</b> 221 North 5 <sup>th</sup> Street
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The City of Bismarck is encouraging citizens to provide their comments for public hearing items on the Renaissance Zone Authority agenda via email to [planning@bismarcknd.gov](mailto:planning@bismarcknd.gov). The comments will be sent to the Renaissance Zone Authority prior to the meeting and included in the minutes of the meeting. To ensure that comments are compiled and forwarded to the Renaissance Zone Authority with enough time to review all comments, please submit your comments no later than 8:00 am the day of the meeting. Comments should also include which agenda item number your comment references and your

name. Late or anonymous comments will not be forwarded to the Renaissance Zone Authority or included in the minutes of the meeting. If you would like to appear via video or audio link for a 3-5-minute comment on a public hearing item, please provide your e-mail address and contact information to [planning@bismarcknd.gov](mailto:planning@bismarcknd.gov) at least one business day before the meeting.

As always, live meeting coverage is available on Government Access Channels 2 and 602HD, or streaming live and archived online at [FreeTV.org](http://FreeTV.org).

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## MINUTES

1. Consider approval of the minutes of the May 9, 2024 meeting of the Renaissance Zone Authority.

## REGULAR AGENDA

*Requests for Renaissance Zone and/or Downtown Design Review approval*

2. **Broadway Center, Unit 301** | 100 West Broadway Avenue .....7
  - Renaissance Zone Primary Residential Purchase | RZ2024-002

*Staff recommendation: Approve*                       *approve*     *continue*     *table*     *deny*



- 3. Development Plan Public Hearing** ..... 13  
*Staff recommendation: Approve*                       *approve*       *continue*       *table*       *deny*

**OTHER BUSINESS**

- 4.** Report from Downtowners

**ADJOURNMENT**

- 5.** Adjourn. The next regular meeting is scheduled for **July 11, 2024**

Enclosure:      *Renaissance Zone Project Status Spreadsheet*

**BISMARCK RENAISSANCE ZONE AUTHORITY  
MEETING MINUTES  
May 9, 2024**

The Bismarck Renaissance Zone Authority met on May 9, 2024, in the Tom Baker Meeting Room in the City-County Office Building at 221 North 5<sup>th</sup> Street and remotely via the online platform Zoom. Chair Christianson presided.

Authority members present were Jim Christianson, Kirsten Dvorak, Joe Fink, Dustin Gawrylow, Nancy Guy, Wayne Munson and Greg Zenker.

Design Advisor Eric Hoffer was present.

Design Advisor David Witham was absent.

Staff members present were Sandra Bogaczyk (Office Assistant II), Ben Ehreth (Director of Community Development), Isak Johnson (Planner), and Daniel Nairn (Planning Manager).

Guests present were Maria Fleck (Downtowners) and Leo Thai (JOMO HOUSE).

**CALL TO ORDER**

Chair Christianson called the meeting to order at 4:00 p.m. and welcomed guests present.

**MINUTES**

The minutes of the March 14, 2024 meeting were distributed prior to the meeting since the Renaissance Zone Authority did not meet in April.

**MOTION:** A motion was made by Ms. Guy and seconded by Mr. Zenker to approve the minutes of the March 14, 2024 meeting. The motion passed unanimously by voice vote with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

**RENAISSANCE ZONE AUTHORITY – 515 EAST MAIN AVENUE  
TRUONGTHAIGROUP, LLC – REHABILITATION**

Mr. Johnson gave an overview of the staff report and stated that the applicant, Truongthaigroup, LLC, is requesting a Renaissance Zone designation for a Rehabilitation Renaissance Zone project for an existing commercial building for a new business, JOMO HOUSE, that would be a combination coffee/tea house and restaurant at 515 East Main Avenue. He stated that the owner intends to make interior improvements to the building as stated in the agenda packet. Mr. Johnson stated that the owner intends to replace the roof and finish the interior with the appropriate mechanical, electrical and plumbing including replacing the electrical meter, ductwork and building a vent hood system with an exhaust motor on the roof for the kitchen area. Mr. Johnson stated that the applicant estimates a budget of \$1,000,000 for capital improvements in a 4,326 square foot building, which is approximately 341% of the assessed building value, which exceeds the 50% of the assessed building value requirement and also

exceeds the requirement to invest \$40 per square foot of commercial floor area, which is \$173,040.

Mr. Johnson presented a graphic representation of the applicant's proposed interior space and a graphic representation of the proposed property tax exemption system.

Mr. Johnson stated that, based on the findings contained in the staff report, staff recommends approval of the Rehabilitation Renaissance Zone project at 515 East Main Avenue as presented in all submitted documents and materials, as a 70% property tax exemption on the building for five years and an exemption from state tax on income derived from the location for five years with the following conditions:

1. A Certificate of Good Standing from the North Dakota Office of State Tax Commissioner is received by City staff prior to approval by the Bismarck Board of City Commissioners.
2. Appropriate work occurs on the western wall to ensure structural integrity and removal of any visual blight. No Downtown Design Review would be required for basic repairs and painting.

Mr. Gawrylow stated that he appreciates the graphics and analysis offered by staff and requested that staff include similar graphic explanations in future staff reports.

There was a consensus that the interior images look nice.

There was discussion about when the Development Plan could be approved which would modify the exemption calculation, and how Authority members could make a determination at this time based on the Letter of Intent from the Bismarck City Commissioner but before the development plan could be approved. Chair Christianson stated that Authority Members want to honor the County's requests.

Ms. Guy asked Mr. Munson and Mr. Zenker if they have any problems with the proposed property tax exemption. Mr. Munson stated that what staff proposed satisfies his concerns. Mr. Zenker stated that he appreciated Ms. Guy's question at this time and recognized the amount of time staff has spent aligning proposed changes to the Development Plan to what the County has requested and stated that he therefore did not have any problems with the proposed property tax exemption. There was a consensus that the Authority should not delay business until after the Development Plan is approved. Chair Christianson stated that he thought Authority members were making a good faith effort.

Mr. Gawrylow stated that the described system matched what he envisioned for the tax exemption procedure and appreciated having a Renaissance Zone project at this time rather than later in the year.

Mr. Munson stated that this is a great example of how City has worked hard to make this right for the County's concerns.

There was discussion about the assessment value of the finished building and taxable value and if the tax exemption should be based on the value of the improvements or the total

assessed value of the building after improvement. There was consensus that it would be easier to value improvements rather than an assumed building value after improvements are made.

At Chair Christianson's request, Mr. Thai stated that his intention is to keep the historical nature of the exterior and only paint some of the exterior and make improvements to the roof.

Mr. Hoffer stated that it would be nice to see exterior improvements and asked the applicant about color selection. Mr. Thai stated that a variant on gray is intended, to coordinate with the interior.

There was discussion about intentions to paint the exterior of the building. Staff stated that Authority members could request that the applicant submit a Downtown Design Review application for exterior improvements. Mr. Zenker asked authority members if they agree to ask Design Advisors to determine the minor improvements proposed. There was a consensus to allow the Design Advisors to approve improvements such as paint color.

Ms. Dvorak asked if the western wall has any structural issues. Mr. Johnson stated a determination about structural viability is outside the scope of the Community Development Department's responsibilities and that staff was unaware of any structural determination.

**MOTION:** A motion was made by Mr. Fink and seconded by Mr. Munson to approve the Rehabilitation Renaissance Zone project within the building at 515 East Main Avenue as presented in all submitted documents and materials, as an exemption from local property tax on the increased value of the building above its current assessed value as a result of the project when it is completed, with the following conditions:

1. A Certificate of Good Standing from the North Dakota Office of State Tax Commissioner is received by City staff prior to approval by the Bismarck Board of City Commissioners.
2. Appropriate work occurs on the western wall to ensure structural integrity and removal of any visual blight. No Downtown Design Review would be required for basic repairs and painting.

The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

## **OTHER BUSINESS REVIEW OF RENAISSANCE ORDINANCE, BYLAWS, AND DEVELOPMENT PLAN**

Mr. Nairn referenced the May 3, 2024 memorandum included in the agenda packet which lists a proposed timeline of events. He stated which changes have been made in the City Ordinance at Authority members' requests and mentioned that the proposed Development Plan is included in the digital packet agenda on line.

Mr. Gawrylow asked why the political subdivisions are not mentioned in the proposed ordinance. Mr. Nairn stated that is because it is contained in the Development Plan so it is unnecessary to also include in the ordinance.

**MOTION:** A motion was made by Ms. Guy and seconded by Mr. Gawrylow to approve the amended ordinance as presented in all submitted documents and materials. The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

Mr. Nairn stated what changes have been made to the Renaissance Zone bylaws at Authority members' requests and included in the agenda packet.

**MOTION:** A motion was made by Mr. Zenker and seconded by Mr. Munson to approve the amended bylaws as presented in all submitted documents and materials. The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

Mr. Nairn stated what changes have been made to the Development Plan at Authority members' requests and included the agenda packet. He highlighted changes which allow flexibility for Authority members to determine worth and allowable tax values regarding demolitions and historic buildings. Mr. Nairn stated how the Renaissance Zone Authority voting process would be modified.

There was discussion about whether to vary property tax exemptions separately for each political subdivision or whether to apply the same rate for all. There was a consensus to direct staff to only exempt the incremental value for all political subdivisions in the draft Development Plan.

Ms. Guy pointed out a few updates to make in the Plan before the public hearing.

**MOTION:** A motion was made by Mr. Fink and seconded by Ms. Dvorak to request a public hearing for comments to the amended Renaissance Zone Development Plan as presented in all submitted documents and materials. The motion passed with members Dvorak, Fink, Gawrylow, Guy, Munson, Zenker and Chair Christianson voting in favor.

## **REPORT FROM DOWNTOWNERS**

There were no items to discuss at this time.

## **ADJOURNMENT**

There being no further business, the meeting of the Bismarck Renaissance Zone Authority adjourned at 4:45 p.m. to meet again on June 13, 2024.

Respectfully submitted,

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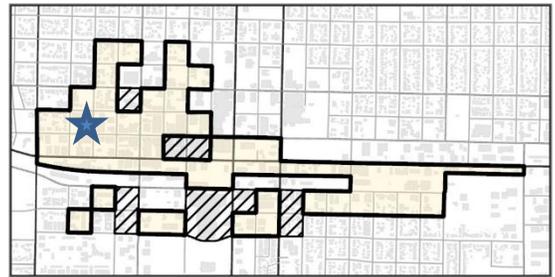
Sandra Bogaczyk - Recording Secretary

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Jim Christianson - Chair

**Project Summary**

<i>Title:</i>	Broadway Centre Unit 301
<i>Project Type:</i>	Primary Residential Purchase
<i>Status:</i>	Renaissance Zone Authority
<i>Property Owner(s):</i>	Lee & Reness Nelson
<i>Project Contact:</i>	Danielle Nelson
<i>Project Location:</i>	100 West Broadway Ave, Unit 301
<i>RZ Block #:</i>	2B
<i>Applicant Request:</i>	Primary residential purchase of a condominium
<i>Staff Recommendation:</i>	Approve



**Project Information**

<i>Building Floor Area (square feet):</i>	N/A	<i>Completion Date:</i>	N/A	<i>Certificate of Good Standing:</i>	Received
<i>Total Assessed Value (existing):</i>	\$490,200	<i>Proposed Investment:</i>	N/A	<i>Estimated Value with Investment:</i>	N/A
<i>Annual Property Taxes (existing):</i>	\$5,733	<i>Estimated Property Tax Benefit:</i>	\$27,502	<i>Estimated Income Tax Benefit:</i>	\$10,000/year

**Project Narrative**

Lee and Reness Nelson are requesting approval of a Primary Residential Purchase Renaissance Zone (RZ) project at 100 West Broadway Avenue, Unit 301. The applicants are not requesting Downtown Design Review for this project.



Figure 1: Broadway Centre from intersection of W Broadway Avenue and N Mandan Street.

**Project Context**

*Land uses adjacent to the project area are depicted on the adjacent map:*

The condominium is located in a mixed-use building with a combination of residences, retail, services and offices. The property is surrounded by a wide variety of uses including residences and offices, as well as a gym and bakery.



The Broadway Centre building was a previous New Construction RZ project which was completed in February 2015. The building as a whole, except for the residential units designated as condominiums, received a local property tax exemption and came back onto the local tax rolls in 2020. The Broadway Centre project included the creation of seventeen (17) residential condominiums. These condominiums would also be eligible for Primary Residential Purchase projects.

Eleven (11) of the condominiums have utilized this project type, most of which have finished their exemption periods. Several others have been purchased but did not apply for the program before purchase or occupation of the units. This particular unit has not received an RZ designation, nor has it been occupied yet, and is therefore still eligible.

Given that this is a Primary Residential Purchase, there is no minimum level of investment required. If this project were to be approved, there would

remain two (2) residential condominiums that would potentially be eligible for RZ designations. Additionally, the applicants are eligible for the single-family residence tax credit through the state which is tax credit for state income tax for an individual taxpayer of up to \$10,000 per year. Initial information has been provided to the applicants for their awareness.

**Public Engagement**

The public has been duly notified of this request. A notice was published in the Bismarck Tribune on May 31 and June 7, and 32 letters were mailed to the owners of nearby properties on May 31.

**Review Standards and Findings of Fact**

*The request is evaluated according to standards contained within the Comprehensive Plan, Bismarck Code of Ordinances, and relevant state law. Findings of fact, related to land use, are presented in response to each standard.*

*The property has not previously been designated a Renaissance Zone of this type and meets the relevant minimum project eligibility criteria for the City of Bismarck Renaissance Zone Program*

**Yes.** The Broadway Centre is a previously approved and completed Renaissance Zone project, but this particular condominium has not previously been designated as a Renaissance Zone project. Condominiums are classified as single-family residential properties in State guidelines and no minimum level of investment is required for a purchase of a single-family residential properties in a Renaissance Zone.

*The proposed project is consistent with the goals and objectives of the City of Bismarck Renaissance Zone Development Plan*

**Yes.** The following goals and objections of the Development Plan would be supported by this project:

- A1: Maintain the Zone as a mixed-used area accommodating a wide range of retail, governmental, service and residential functions.
- G: Promote the Renaissance Zone as a location for increased housing opportunities.

The Broadway Centre building is a mixed used building creating residential and commercial opportunities for this area of the Renaissance Zone. With more people living, working, and recreating within the zone, the area as a whole continues to be a vibrant pillar of the community as envisioned by the Development Plan.

*Use and design standards of the DC – Downtown Core or DF – Downtown Fringe zoning districts, as applicable, would be met with the proposed project (Section 14-04-21.1(4), 14-04-21.2 (4), 14-04-21.3, 14.04.21.4)*

**Yes.** The existing Broadway Centre building meets all relevant DF – Downtown Fringe

standards and no visible exterior alterations would occur with this residential purchase project.

*The project would meet all applicable building code requirements.*

**Yes.** Adherence to building and fire codes would be verified prior to issuance of a building permit, subject to review of more detailed building plans. There are no features of the proposed design submitted with this request that present an obvious and insurmountable conflict with building code requirements.

*Proper administrative procedures related to the request are being followed (Section 14-04-21.1(4)b, 14-04-21.2 (4)b)*

**Yes.** An application requesting a Renaissance Zone designation approval has been submitted to the Community Development Department. Staff have reviewed the application and submit to the Renaissance Zone Authority for final consideration.

*The public health, safety and general welfare will not be adversely impacted by the proposed design (Goal S10-a)*

**Yes.** As a cumulative result of all findings contained in this staff report, City of Bismarck staff find that the proposed Renaissance Zone project would not adversely impact the public health, safety, and general welfare.

**Staff Recommendation**

Based on the above findings, staff approval of the Primary Residential Purchase Renaissance Zone project for 100 West Broadway Avenue, Unit 301 as presented in all submitted documents and materials as a 100% local property tax exemption for five years on the assessed value of the building.

**Attachments**

1. RZ Project Map
  2. Property Location within Building
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*Staff report prepared by:* Isak Johnson, Planner

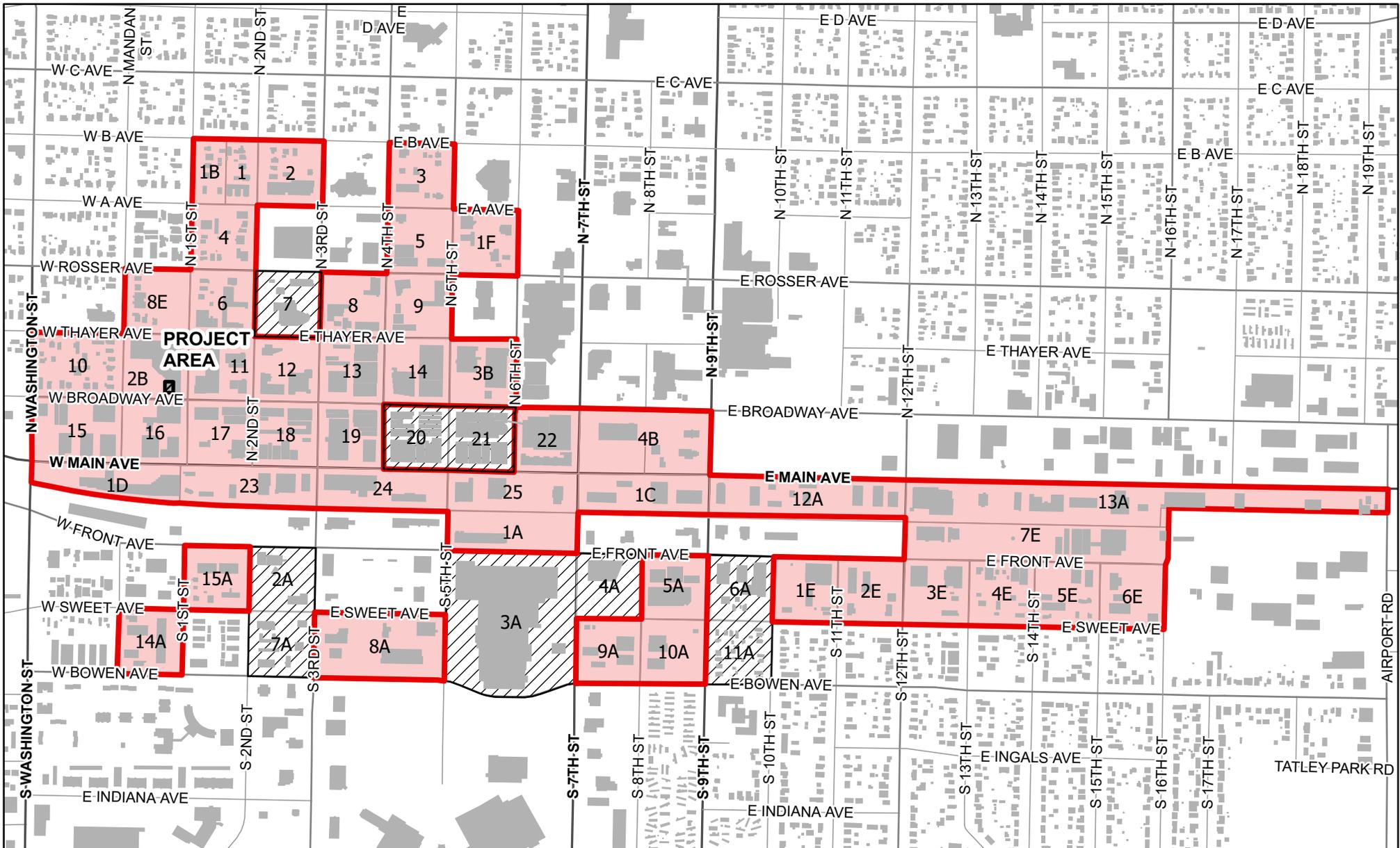
701-355-1850 | [ijohnson@bismarcknd.gov](mailto:ijohnson@bismarcknd.gov)



# RENAISSANCE ZONE - PROJECT LOCATION MAP

RZ2024-002

## BROADWAY CENTER UNIT 301

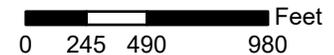


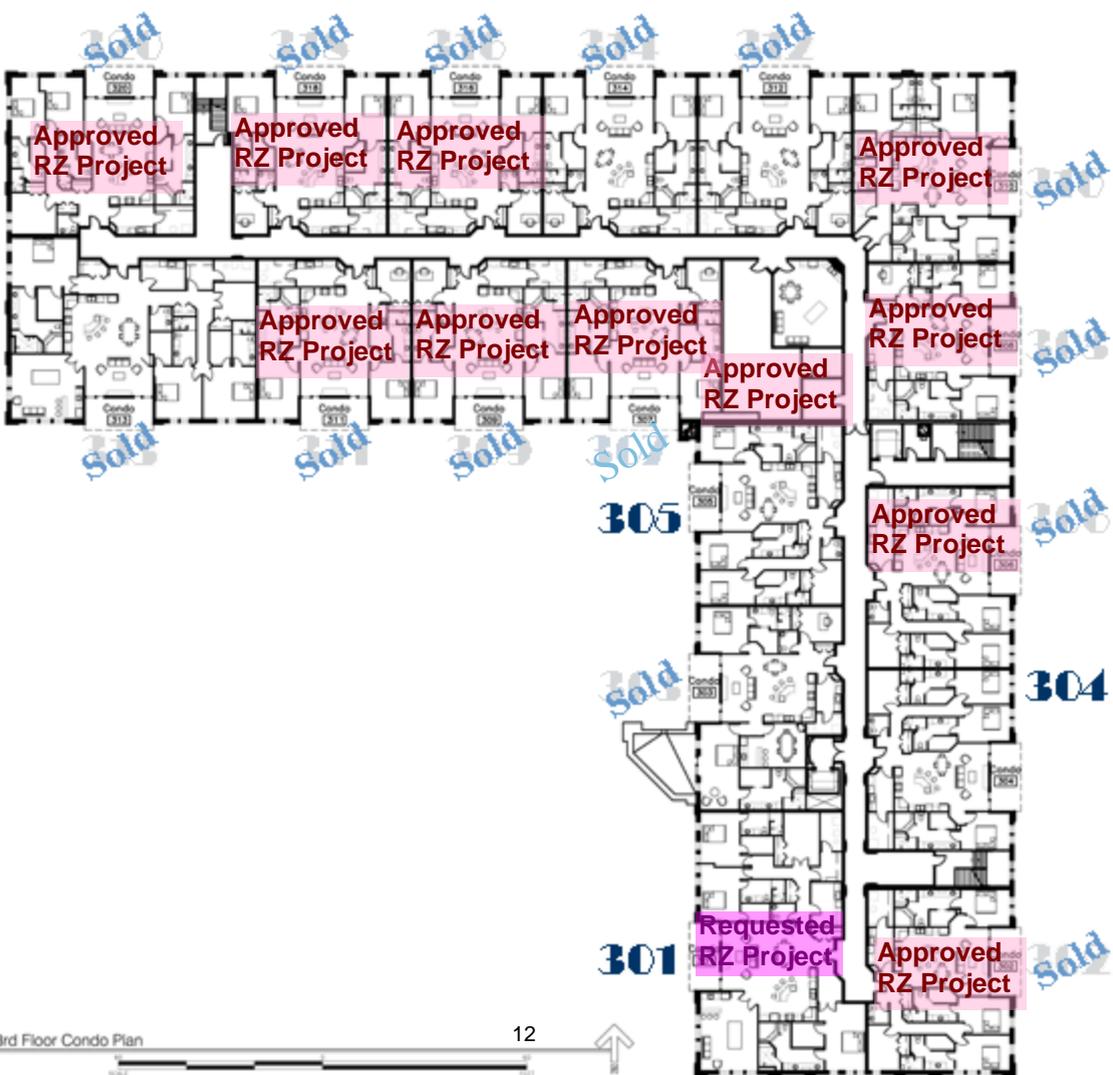
City of Bismarck  
 Community Development  
 Planning Division  
 June 5, 2024

### COMPLETED BLOCK

- NO
- YES

*This map is for representational use only and does not represent a survey. No liability is assumed as to the accuracy of the data delineated herein.*







**MEMORANDUM**

**Amendments to the Renaissance Zone Development Plan**

TO: Jim Christianson, Chair of Renaissance Zone Authority  
FROM: Daniel Nairn, AICP, Planning Manager  
DATE: June 7, 2024

The Community Development Department staff present the revised Renaissance Zone Development Plan amendments, based on direction received from the Renaissance Zone Authority over the previous three months.

A recommendation of approval of the Development Plan requires a public hearing to be held. A public hearing on this plan was advertised in the Bismarck Tribune on May 29 and June 7. If the Renaissance Zone Authority recommends approval, it will be presented to the Bismarck Board of City Commission concurrently with ordinance changes. Final adoption is expected by October of 2024 after support is obtained from all necessary political subdivisions and the State Department of Commerce.

The Renaissance Zone Authority may also wish to request a five-year extension of the Renaissance Zone program, to be initiated on January 2, 2025 when the current one-year extension expires





# CITY OF BISMARCK RENAISSANCE ZONE DEVELOPMENT PLAN

Submitted by the Bismarck  
Renaissance Zone Authority

**JUNE 13, 2024**

## City of Bismarck Renaissance Zone Development Plan

### Revision History

<b>Revision Type</b>	<b>Date of City Commission Approval</b>
Original Document	November 22, 2000
Revisions	March 30, 2001
Revisions	November 13, 2003
Revisions	September 28, 2004
Revisions	April 10, 2007
Major Revisions	June 12, 2012
Boundary Modification	June 1, 2013
5-Year Extension Request	April 20, 2016
5-Year Extension Request	July 11, 2017
Revisions	August 14, 2018
Boundary Modification	May 28, 2019
Revisions	November 26, 2019
Revisions	December 22, 2020
Boundary Modification and Revisions	May 24, 2022
<u>Major Revisions</u>	<u>TBD</u>

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Appendix A: Memorandum of Agreement between City and State for Continuation of Program

Appendix B: Map of Renaissance Zone Boundaries

Appendix C: Description of Properties

Appendix D: Renaissance Zone Needs Assessments (2016)

Appendix E: Renaissance Zone Program Return on Investment Evaluation (2020)

Appendix F: Bylaws for the Renaissance Zone Authority

Appendix G: Evidence of Community Support

## A. Introduction

This Development Plan for the Bismarck Renaissance Zone is adopted pursuant to Chapter 40-63 of the North Dakota Century Code for the purpose of governing the City's Renaissance Zone program. This Plan establishes the current Renaissance Zone boundary, provides a description of the physical assets within the Renaissance Zone, sets goals and objectives for the program, outlines project types and criteria for approval, describes activities for management, promotion, and development of the program, and provides evidence of community support for Bismarck's Renaissance Zone program.

This Development Plan was originally adopted by the Bismarck Board of City Commissioners on November 22, 2000 and approved by the North Dakota Department of Commerce – Division of Community Services (DCS) in May of 2001. The plan has been amended on a number of occasions to revise program guidelines, adjust the boundary of the Renaissance Zone, and authorize an extension of the program in accordance with state law. A Memorandum of Agreement between the City and State for the continuation of the Bismarck Renaissance Program through ~~July 31, 2022~~ January 3, 2025 is included as Attachment A.

The Renaissance Zone program provides tax exemptions and credits to both residents and businesses for revitalization and redevelopment activities within the Renaissance Zone boundaries. The Renaissance Zone is both a local and statewide program that provides both property tax and income tax incentives to property and business owners who invest in qualified projects.

This plan has been submitted by the Renaissance Zone Authority and approved by the Bismarck Board of City Commissioners:

### **Renaissance Zone Authority**

Jim Christianson, Chair

Joe Fink, Vice Chair

Greg Zenker, City Commissioner

Dustin Gawrylow, Member

Kirsten Dvorak, Member

Nancy Guy, Member

Wayne Munsen, Member

David Witham, Design Advisor

Eric Hoffer, Design Advisor

### **Board of City Commissioners**

Mike Schmitz, Mayor

Anne Cleary

Steve Marquardt

Michael Connelly

Greg Zenker

## B. Definitions

The following terms are defined here for use within this Renaissance Zone Development Plan:

**Authority:** Renaissance Zone Authority.

**Baseline Value:** the Current Taxable Value of the property at the time of project application, as set by City Assessing and approved by the State Board of Equalization, unless adjusted according to criteria of this Plan.

**Capital Improvements:** All capital expenses of the project, including the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The Authority may also consider other improvements that are a permanent and integral to the building, as well as site improvements needed to correct drainage problems that have resulted in damage to the building. Improvements to infrastructure or utility services outside of a building and improvements that are unique to a specific use and/or unlikely to be of use to future occupants of a building shall not be considered Capital Improvements.

**City:** City of Bismarck, North Dakota, public and corporate.

**City Commission:** Bismarck Board of City Commissioners.

**Current Taxable Value:** True and full taxable value of a project's parcel(s), including both land and improvements, most recently set by the City of Bismarck and recognized by the North Dakota Board of Equalization.

**DCS:** The State of North Dakota's Department of Commerce Division of Community Services.

**Final Improvement Value:** the taxable value of the property, as set by City Assessing and approved by the State Board of Equalization, in the first year after Project Completion.

**Historic Building:** Any building contributing to an historic district on the National Register of Historic Places, individually listed on the National Register of Historic Places, or greater than 50 years in age and deemed historic by the Authority.

**Increment Value:** The difference between Baseline Value and Final Improvement Value of a project.

**Plan:** City of Bismarck's Renaissance Zone Development Plan, unless otherwise referenced.

**Political Subdivision(s)**: Collectively plural, singularly each of its own, City of Bismarck, Burleigh County, Bismarck Public Schools, and Bismarck Park District.

**Project Completion**: Issuance of a Letter of Final Approval by DCS to the City, which is forwarded to the applicant. City staff will deem a project complete if the initial scope of work presented to the City Commission, including any conditions attached to the approval, is completed and all necessary permits, such as a certificate of occupancy, are granted for the primary occupancy of the building. It is not necessary for all commercial lease spaces to be built-out and occupied prior to Project Completion.

**Staff**: City of Bismarck's Community Development Department - Planning Division.

**Single-Family Dwelling**: A single-family detached home, townhouse, single unit in a duplex, or a condominium.

**Tentative Approval**: Issuance of a Letter of Tentative Approval by DCS to the City, which is forwarded to the applicant. Projects are tentatively approved once initial review by the City and DCS is completed and the project construction may commence.

## C. Description of Bismarck's Renaissance Zone

### 1. Downtown Bismarck

Bismarck's downtown area is located in the center of the community and within one-half mile of the State Capitol to the north and Kirkwood Mall (a regional shopping center) to the south. The downtown is well connected by roads, with Washington Street, 7<sup>th</sup> Street, and 9<sup>th</sup> Street serving as the main north-south routes linking downtown with Interstate 94 and the Bismarck Municipal Airport. Rosser Avenue, Main Avenue, Broadway Avenue and Front Avenue serve as the main east-west routes linking downtown to the Dakota Zoo and recreation areas along the Missouri River.

The downtown also hosts many important civic institutions, including the federal and county courthouses, the City and County Office Building, The Bismarck Veterans Memorial Library, the Camp Hancock State Historic Site, as well as the City-owned Event Center and Belle Mehus Auditorium. Although not directly within the downtown or Renaissance Zone, the major medical providers for the region are adjacent to the downtown to the east.

While Bismarck has been fortunate in the fact that its downtown has not had the level of deterioration that many downtowns have seen over the years, the ~~City of Bismarck~~City recognizes that its involvement is needed to ensure the continued viability of the downtown. Starting with the development of the Central Business District Plan in 1993 and continuing through the 2013 Downtown Bismarck Subarea Plan, a variety of projects and programs have worked together to stimulate new development in the downtown area and maintain the vitality of the heart of the community. Particularly since the establishment of the Renaissance Zone in 2001, the City has seen a significant investment in the core of the community and this investment is expected to continue with on-going participation in the program.

The ~~City of Bismarck~~City utilizes two distinct zoning districts within the downtown area, the DC – Downtown Core District and DF – Downtown Fringe District. Many, but not all, of the properties within the Renaissance Zone are located within these districts. The purpose of the downtown zoning districts is to preserve and enhance the mixed-use, pedestrian-oriented nature of the City's downtown area. The two zoning districts allow a wide range of mutually supportive uses in order to enhance downtown Bismarck's role as a commercial, cultural, governmental, health/medical, entertainment and residential center. The districts also facilitate the creation of a strong and distinctive sense of place through the inclusion of open space and public plazas.

All development within these downtown zoning districts is subject to a design review process, which is currently under the purview of the ~~Renaissance Zone~~ Authority. The use of the 2015 Downtown Design Guidelines helps to maintain the historical integrity,

enhance the quality of design, and preserve the human-scale development of downtown Bismarck.

## 2. History of the Bismarck Renaissance Zone Program

The Bismarck Renaissance Zone has been in effect for over fifteen years, and several noteworthy changes and events have occurred since the inception of the program.

### a. Origins of the Renaissance Zone Program

In February 2000, the ~~Bismarck Board City Commissioners~~ City Commission created a Renaissance Zone Advisory Committee to consider the establishment of a Renaissance Zone in Bismarck. Over the course of eight months, the Committee held meetings to identify an area that would most benefit from being included in the Zone. Initially, the Committee examined an area extending from 26<sup>th</sup> Street on the east to the western corporate limits, including several blocks north and south of Main Avenue. After further discussion, an inventory of properties and a survey of property owners, the Committee concluded that the Zone should be located in the downtown area. As in most communities, Bismarck's downtown area has been impacted by commercial development on the periphery of the city. While property values in the downtown area had remained relatively steady, the number of vacant buildings was on the rise.

The program formally began with the approval by the North Dakota ~~Department of Commerce – Division of Community Services~~ DCS in May of 2001. The first projects received hearings and were selected by the ~~Renaissance Zone Authority~~ Authority and the City Commission approximately one year later. The effects of the Renaissance Zone program, in terms of rising property values, started to occur by 2004, shortly after the first projects were completed and in place.

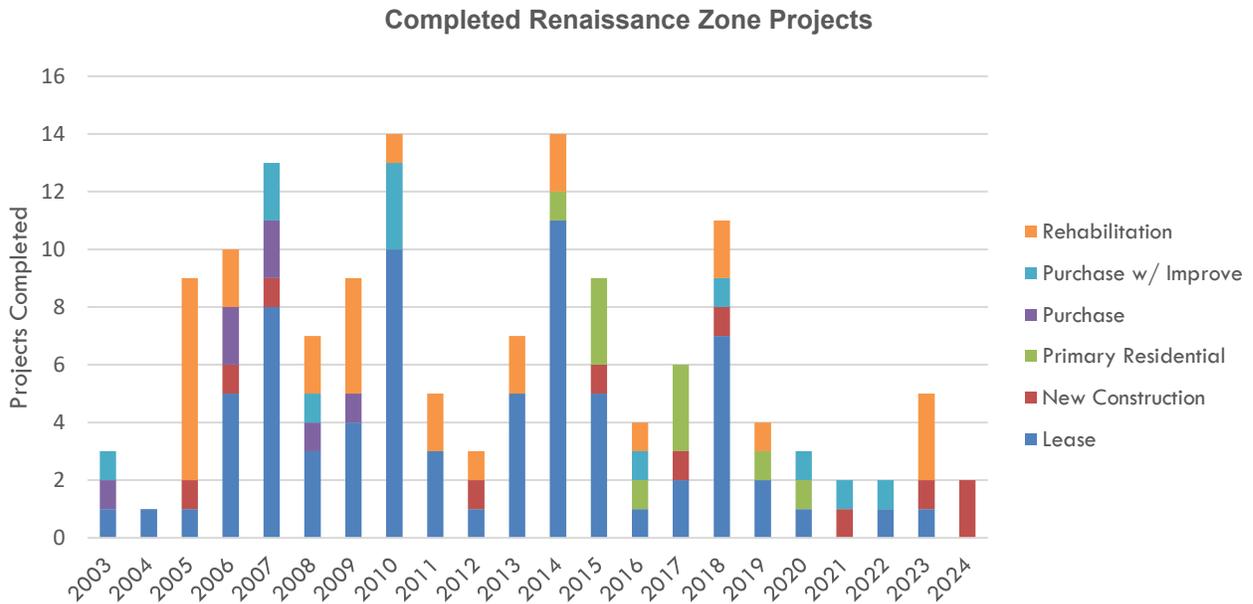


Figure 1: Completed Projects by Type and by Year

b. Modifications to the Renaissance Zone Boundaries

The boundaries of the Renaissance Zone have changed on a number of occasions. The original Renaissance Zone from 2001 encompassed 21½ blocks in the downtown area of the community. The Renaissance Zone was expanded by 11 blocks in November 2003 and by another three blocks in February 2008.

During the 2009 state legislative assembly, communities were allowed to remove blocks that had been determined “complete” or “non-progressing” and relocate the block elsewhere within the contiguous boundary. In June 2013 the boundary of the Renaissance Zone was modified to remove four blocks that were deemed complete and to include four new blocks of property. Each modification was made in accordance with Chapter 40-63 of the North Dakota Century Code.

The 2015 Legislature passed a bill to allow communities to increase the maximum number of blocks contained in the Renaissance Zone. After outreach and consideration, the ~~Authority Renaissance Zone Authority~~ determined the additional blocks allowed by this change to the enabling legislation would not be implemented at that time. The ~~Authority Renaissance Zone Authority~~ added ~~4~~one additional block in 2017 between Main Avenue and the railroad tracks and west of North 1<sup>st</sup> Street. This area is a portion of a city block that is within the DC – Downtown Core zoning district but was omitted from the Zone in the initial ~~Development Plan~~Plan.

After engaging in outreach with property owners, including interest letters, an open house, and a public hearing, eight additional blocks were added in 2019. One block was deemed completed.

In 2021, the ~~Authority Renaissance Zone Authority~~ opted to create a Boundary Modification Plan and offer advanced notice to property owners regarding blocks proposed for expansion or completion. In November 2021, property owners within several existing blocks were notified of potential completion, and the ~~Authority Renaissance Zone Authority~~ held a public hearing in May 2022. During this hearing, three blocks were completed and one block was added. Taking into account provisions for half blocks, the total amount of blocks uses was reduced to 41.5.

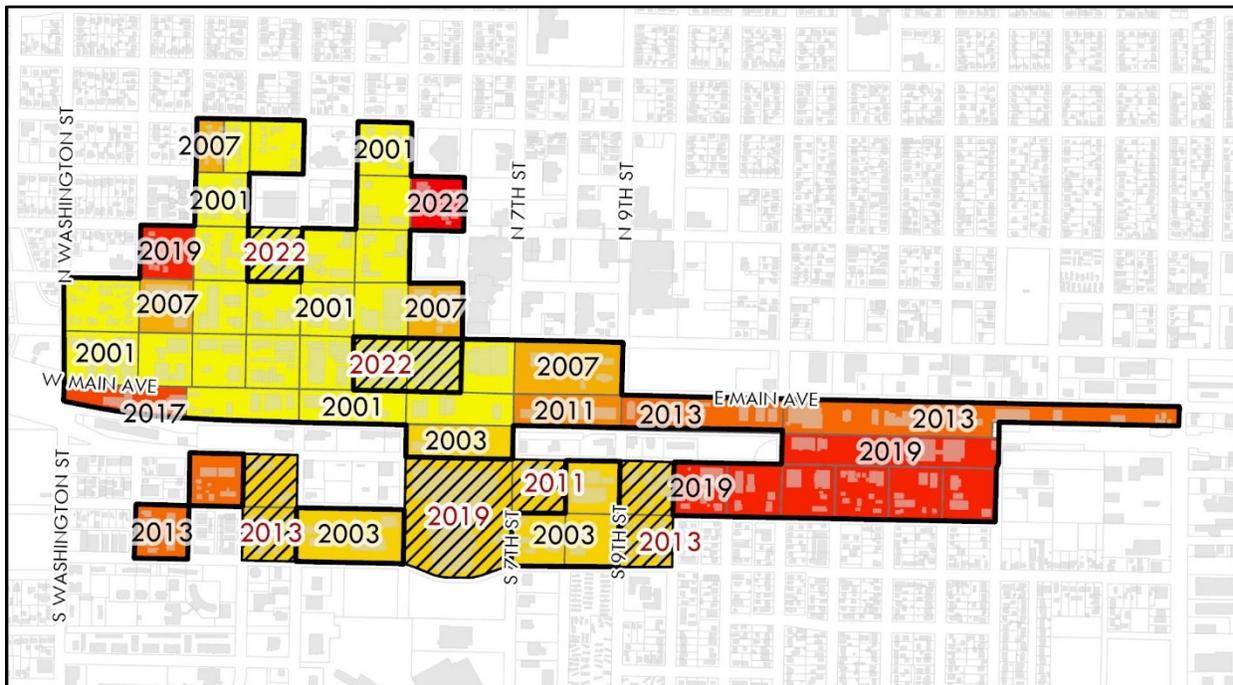


Figure 1: Modifications of Boundary. Year added in **black**; Year completed in **red**

c. Extension of the Renaissance Zone Program

In 2017, the City of Bismarck and the North Dakota Division of Community Services entered into a Memorandum of Agreement to extend the Renaissance Zone program for five additional years. The evidence of community support detailed in Section E was obtained as a requirement for approval of this extension. The program is authorized to continue until August 1, 2022, subject to any future changes initiated by either the City Board of City Commissioners or the State legislature.

Between 2007 and 2017, The City of Bismarck operated a CORE Incentive Grant Program to encourage investment in properties in an area that overlapped with the Renaissance Zone, although guidelines prevented applicants from utilizing both incentives simultaneously. This program was funded by a Tax Increment Financing District, which was eliminated, along with the CORE program, by the Bismarck Board of City Commissioners in July of 2017.

After 21 years of operation, the Bismarck Renaissance Zone was discontinued on August 1, 2022 due to a lack of community support provided by all required political subdivisions. Projects were underway or completed during this period, but no new applications were reviewed by the Authority. State law was amended to allow municipalities with discontinued Renaissance Zones to be reinstated in the same manner as initial adoption. The necessary community support was received from all political subdivisions to reinstate the program in December of 2023, with commitments to make certain changes to this Plan and Bismarck City Code of Ordinances.

The Bismarck Renaissance Zone Program was reinstated on January 4, 2024 and began soliciting new projects again upon completion of an agreement between the City and the DCS, which is attached as Appendix A.

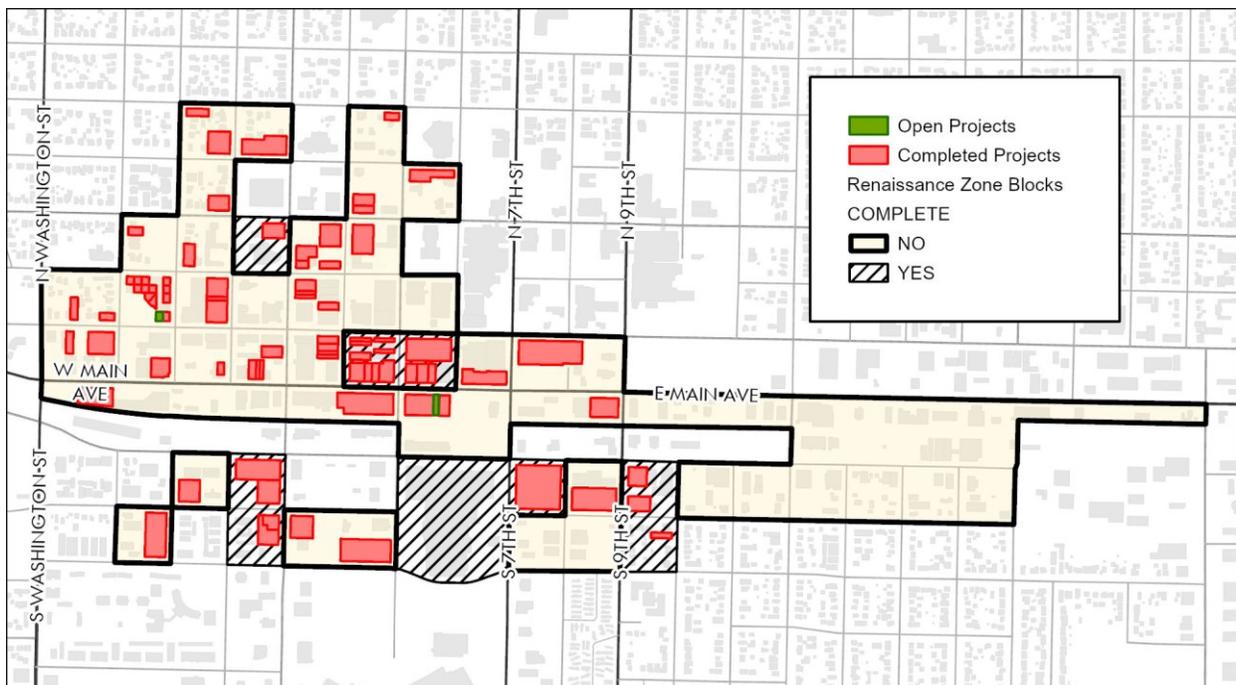


Figure 2: Open or Completed and Approved Renaissance Zone Projects

### 3. Property Descriptions

Descriptions of properties/structures on each block in the Renaissance Zone, along with the present uses and conditions, is attached as Appendix C. The Renaissance Zone includes both commercial and residential properties.

#### 4. Geographic Boundaries and Blocks of the Renaissance Zone

The current Renaissance Zone map has been attached as Appendix B. The current boundaries are legally described as:

- Blocks 13, 15, 16, 21, and 24, Northern Pacific Addition
- Blocks 2, 4, 6, 8, 10, 12, 13, 16, 19, 28, 30, 37, 40, 42, 44, 49, 50, 51, 52, 54, 56, 58, 59, 60, 62, 64, 65, 66, 67, 68, 73, 75, 84, 104, 106, , 110, 112, 116, 122, and 124 Original Plat
- Block 25, Northern Pacific Second Addition
- Blocks 17-20, Sturgis Addition
- Blocks 29, 31, and 33, Williams Survey Addition
- Tracts along the south side of Main Avenue between South 9<sup>th</sup> Street and Airport Road in Williams Survey, Sturgis Addition and Governor Pierce Addition
- Tracts bounded by East Front Avenue, South 12<sup>th</sup> Street, BNSF railroad tracks, and the east line of Auditors Lot 1600 of Section 3, Township 138 North, Range 80 West, all within Sturgis Addition.

Blocks identified by just a number are original blocks from 2001; blocks identified by a number and the letter “A” are blocks added in 2003 or relocated in 2013; blocks identified by a number and the letter “B” are blocks added in 2007; the block identified by a number and the letter “C” was added in 2011 when a block originally added in 2003 was deemed complete, removed from the boundary and relocated within the contiguous Renaissance Zone boundary; the block identified by a number and letter “D” was added in 2017, the blocks identified by a number and the letter “E” were added in 2019, and the block identified by a number and the letter “F” was added in 2022.

For the purposes of calculating the total allotment of blocks permitted, several of the blocks within the Renaissance Zone shall be considered half blocks because of the presence of government-owned buildings. Blocks 9, 13, 19, 22, 23, 3B, and 8E are considered half blocks. Blocks 1 and 1B are named independently to account for when the blocks were added, but they constitute one block together.

#### 5. Description of Assets within the Renaissance Zone

Many of the blocks comprising the Renaissance Zone contain historically significant structures. In February 2000, the *Historical Architectural Inventory and Evaluation of Downtown Bismarck, North Dakota* report was completed. The report contains an

extensive evaluation of any area within downtown Bismarck as a historical district, and the Downtown Bismarck Historic District was formally designated on the National Register of Historic Places in 2001.

Attractive natural features are also present in some of the blocks, particularly the County Courthouse and Camp Hancock landscaped areas. It is the intent of the Plan Development Plan to promote the growth and redevelopment of the downtown area through, among other strategies, the preservation and improvement of such assets.

## D. Goals and Objectives of the Renaissance Zone Program

### 1. Goals and Objectives

The goals and objectives of the Renaissance Zone program are intended to guide project selection, as well as all policies, procedures, and marketing related to the Renaissance Zone program.

The goals and objectives were set by the Renaissance Zone Advisory Committee in preparation of the original Plan Development Plan in 2000. These were based on outreach and surveys, as well as input from the committee, and they have been reaffirmed with minor updates over time, as needed.

- a. Establish the Renaissance Zone as the center of business life, government and cultural opportunity for the Bismarck region.
  - i. Maintain the Zone as a mixed-use area accommodating a wide range of retail, governmental, service and residential functions.
  - ii. Promote continued support for redevelopment activities in the Zone.
  - iii. Promote and advocate activities and programs that meet the needs of varied age, interest, and socioeconomic groups at all times of the day and night and throughout the year.
  - iv. Create centrally located public open spaces in the Zone for cultural events and gathering spaces.
  - v. Create an organized system of open spaces and linkages to provide a framework for the Zone.
  - vi. Locate major cultural facilities such as the library, theater and the like in the Zone.
  - vii. Create an identity for the Zone through consistent and complementary design practices as outlined in the Downtown Design Guidelines (2015) for the DC-Downtown Core and DF-Downtown Fringe zoning districts.
- b. Promote the Renaissance Zone as the preferred location for hotel, class A office buildings, specialty retail, government and institutional uses.
  - i. Examine the possibility of providing incentives, such as financing for new development. Public/private joint ventures and other unique approaches to redevelopment should be encouraged.
  - ii. Identify unique businesses, events, and other attractions that may be feasible in the Zone.

- iii. Encourage the location of governmental, financial institutions and other service functions in the Zone.
- c. Maximize accessibility of the Renaissance Zone from throughout the region and provide safe, convenient, and attractive circulation within the zone.
  - i. Provide adequate and convenient on- and off-street parking for all uses within the Zone, while minimizing the overall amount of land dedicated solely to parking when possible.
  - ii. Provide adequate and convenient traffic circulation in and around the Zone without disadvantaging its role as a destination point.
  - iii. Provide for safe, comfortable surface and second level pedestrian circulation within the Zone.
  - iv. Continue to explore opportunities for second level pedestrian walkways throughout the Zone.
  - ~~iv-v.~~ Provide for multi-modal access to and within the Zone such as bicycle connections and parking as well as public transportation access.
- d. Arrange compatible land uses in compact and orderly ways to enhance the functions of the Renaissance Zone.
  - i. Reinforce emerging entertainment, medical, office/service and retail districts with compatible land uses.
  - ii. Concentrate redevelopment in the Zone.
  - iii. New office and retail space should be concentrated around existing buildings.
  - iv. Any new construction, including parking structures, should include street level retail and service uses.
  - v. Encourage redevelopment of the upper levels of existing buildings as residential apartments and lofts and identify sites for new ~~multi~~Multi-family residential~~Residential~~.
  - vi. Plan for the expansion of major institutional facilities in an orderly manner to minimize the impact on existing land uses.
- e. Encourage a zone that upholds Bismarck's heritage as well as recognizes and takes advantage of its pattern of development.
  - i. Develop strategies for public and private financing of improvements.
  - ii. Identify potential developers and adaptive reuses for historically significant buildings.

- iii. Promote historic and unique buildings to potential tenants and tourists.
  - iv. Encourage redevelopment that is within the provisions of the DC-Downtown Core and DF-Downtown Fringe zoning districts and the Downtown Design Guidelines (2015) ~~that is at the same rhythm, scale, and mass as the existing buildings and circulation network in the Zone.~~
- f. Achieve high quality in the design and visual appearance of the Renaissance Zone.
- i. Create a Zone framework that establishes urban, architectural, site design and signage guidelines that reinforce the unique, positive aspects of Bismarck's history and architecture.
  - ii. Utilize the following plans as the framework from which to base redevelopment decisions:
    - ~~• Central Business District Plan (1993)~~
    - Together 2045 Comprehensive Plan (2022)
    - Renaissance Zone Development Plan
    - ~~• Streetscape Guidelines for Downtown Bismarck (1995)~~
    - Historic Architectural Inventory and Evaluation of Downtown Bismarck, North Dakota (2000)
    - DC-Downtown Core and DF-Downtown Fringe Zoning Regulations (2006 and subsequent revisions)
    - Downtown Bismarck Subarea Plan (2013)
    - Downtown Design Guidelines (2015)
    - Infill and Redevelopment Plan (2017)
    - Downtown Streetscape Standards (2021)
  - iii. Preserve the integrity of the City's architectural and open space landmarks including the Burleigh County Courthouse, historic Northern Pacific train depot, Belle Mehus City Auditorium, World War Memorial Building and the Patterson Hotel.
  - iv. Continue the implementation of a cohesive system of streetscape treatments that reinforce a sense of human scale and balance between pedestrian and automobile space.
  - v. Continue to encourage public art in the downtown streetscape and public spaces that contributes to Bismarck's unique character and sense of place.

- vi. Continue efforts to promote compliance with the landscaping and screening ordinance and the overall greening of downtown through cooperative efforts with the City Forester and private property owners to increase vegetation within the Zone.
- g. Promote the Renaissance Zone as a location for increased housing opportunities.
  - i. Promote the Renaissance Zone as a location for new housing opportunities within the community.
  - ii. Continue public outreach and educational efforts to publicize the use of the Renaissance Zone Program for housing projects, including presentations to organizations such as the Bismarck-Mandan Apartment Association, Bismarck-Mandan Board of Realtors, engineering and architectural firms, the IDEA Center, Small Business Association, title companies and financial lenders.
  - iii. Continue to support the creation of market-rate rental housing and owner-occupied housing choices to create balance in the downtown housing market, as well as housing at different levels of affordability to ensure that downtown is a home for all.
  - iv. Maintain a safe and attractive environment for downtown residents.
  - v. Maintain the existing infrastructure and support improvements as needed to support an increased downtown population.
  - ~~vi. Support the implementation of a Quiet Rail Zone.~~
  - ~~vii.~~vi. Support the continuation of existing retail and the establishment of new retail and service businesses that would bolster a downtown neighborhood, including a marketplace that offers basic food commodities including dairy products, fresh produce and general grocery items.

## 2. Concurrence with Comprehensive Plan

The Renaissance Zone program is intended to provide a benefit to the entire community, and not just the businesses, residents, and property owners working and living within the Renaissance Zone boundary. In this respect, the goals and objectives of this Plan may be seen as supporting the broader plans of the City~~City of Bismarck~~, as well as Burleigh County.

~~The Bismarck Board of City Commissioners have adopted a number of plans for growth and development, especially the Growth Management Plan (2014) and the Infill and Redevelopment Plan (2017). Together, these plans and others are considered the "Comprehensive Plan." This Renaissance Zone Development Plan may be considered~~

an integral component of this Comprehensive Plan. The goals for the Renaissance Zone are also consistent with the Central Business District Plan (1993) and the Downtown Bismarck Subarea Plan (2013) and other downtown-specific initiatives.

The City Commission adopted the Together 2045 Comprehensive Plan on December 27, 2022. The following goals and objective of this plan are relevant to the performance of the Renaissance Zone program:

- Encourage excellence and innovation in local architecture, particularly in areas of high visibility such as downtown, and along major corridors (S2d)
- Increase efficiency of urban land use to maximize public investment in infrastructure and services thereby reducing cost for tax and ratepayers (S4a)
- Embrace the unique role of downtown in the social and economic life of the community (S7)
- Allow older buildings to be adaptively reused for new purposes while still protecting life and safety through application of the existing building code (S9b)
- Apply urban design practices promoted in this plan to establish developments that add value, rather than detract from, their surroundings (G1a)
- Encourage additional housing in the center of the community to support activity and eyes on the street for the majority of the day and night (G1d)
- Provide financial investments and other incentives to revitalize older and potentially disinvested areas of the city, identified as CORE areas on the Growth Phasing Plan (G8d)

### 3. Targeted Properties

Properties and structures have been identified to be targeted as potential Renaissance Zone projects. A Needs Assessment was completed in 2016 to identify potential new Renaissance Zone projects. This document is attached as Appendix D.

### 4. Evaluation of Milestones and Benchmarks

The Renaissance Zone program is evaluated periodically to ensure adherence to program goals and objectives. Data is collected to provide a quantitative basis for the evaluation, recognizing that less tangible qualitative goals, such as community pride and high-quality design, should also be considered in an overall evaluation.

The ~~Authority~~Renaissance Zone Authority conducted a Return on Investment Evaluation in 2020, which is attached as Appendix E. This section of the ~~Plan~~Development Plan summarizes and updates these findings, as well as other relevant metrics.

- The Renaissance Zone program has encouraged private investment in the zone. ~~Between 2004~~From the first completed project (2004) and 2020to the present, a total of ~~131~~143 projects have been completed in the ~~City~~City of Bismarck adding ~~\$65,252,599~~108,062,977 in documented private investment to the downtown area.
- The Renaissance Zone program has spurred job creation. ~~602.25~~610.25 full-time equivalent new jobs have been created by the participating businesses.
- The Renaissance Zone program has positively contributed to the property tax base for the City, County, Schools and Parks. After several years of stagnant or declining value, the assessed value of property in the Renaissance Zone increased by approximately 6.7% per year between 2005 and 2020. On average, the cost of the property tax incentive for rehabilitation Renaissance Zone projects in Bismarck ~~is~~has been recouped within two years and three months after the property re-enters the tax rolls.
- The Renaissance Zone program has helped nurture entrepreneurship. Many projects have been small-scale rehabilitations or leases for new businesses – the median value of the rehabilitation projects has been ~~\$491,295~~\$261,000 in investment. A thriving business start-up culture has emerged with regular meetings held in downtown venues.
- The Renaissance Zone program has facilitated high-quality design. Although Downtown Design Review requirements are applied by ordinance regardless of participation in the Renaissance Zone program, property owners have expressed anecdotally that the incentives available have enabled them to use higher-quality design than would otherwise be feasible.
- The Renaissance Zone program has provided housing opportunities downtown. ~~Seven residential condominiums were added to the downtown housing stock within the mixed-use building identified as Broadway Centre located at 100 West Broadway Avenue. An additional 30 age-restricted units were added in 2017 at 100 West Main Avenue. New housing construction was an early goal of the program, but success was slow at first. Only 47 new housing units were created between 2004 and 2017. In 2017, a total of 492 housing units were counted in a survey of the downtown-Downtown Core and Downtown Fringe areas. Although progress on this goal had been limited, four residential new construction projects were approved in the last two years. An additional 198 residential units are in the process of development through these approved Renaissance Zone projects. Since this time, a total of 203 housing units have been created through four separate Renaissance Zone projects. All buildings are completed and now occupied.~~
- The Renaissance Zone program has reduced blight and deteriorated conditions. Several prominent new construction and rehabilitation Renaissance Zone

projects have involved the removal of serious blighted conditions that were imposing a negative effect on surrounding properties and the Renaissance Zone as a whole.

- The Renaissance Zone has supported efficient use of public infrastructure. All of the aforementioned private investment utilizes roads, water, sewer, and stormwater infrastructure that is already in place, allowing the City to optimize revenue relative to public cost.

## E. Administration and Management of the Renaissance Zone Program

The Renaissance Zone program will be administered according to standards and guidelines established in this ~~Plan~~Development Plan, along with state law and guidance from the State Division of Community Development and the Office of State Tax Commissioner.

### 1. Project Review and Selection Process

Each proposed Renaissance Zone project will be reviewed by the ~~Authority~~Renaissance Zone Authority according to the criteria established in this Plan. The review process will be used as a way to screen those projects qualifying for designation as a Renaissance Zone project.

#### a. Project Consultation and Application

Interested property owners or tenants are encouraged to contact staff for consultation before submitting an application. Applications, including supporting documents and an application fee to be set by the ~~City Commission~~Bismarck Board of City Commissioners, are submitted to the Community Development Department.

If it is determined by ~~s~~Staff that the application is complete and the proposed project generally meets the requirements for a Renaissance Zone project of the proposed type, a public hearing will be scheduled before the ~~Authority~~Renaissance Zone Authority at their next regularly scheduled meeting. A ~~s~~Staff report detailing the project will be prepared for the Authority along with a ~~s~~Staff recommendation for action. The ~~s~~Staff's report identifies the goals and objectives met by the project to determine the public benefit. A notice of the hearing will typically be placed in the official city newspaper once each week for two consecutive weeks prior to the hearing. A notice of hearing will typically also be sent to all property owners within 350 feet of the proposed project at least 10 days prior to the public hearing. Failure to adhere to these notice requirements does not invalidate any action conducted at the hearing.

#### b. Public Hearing with the ~~Authority~~Renaissance Zone Authority

Public hearings for projects will be conducted according to standard procedures and protocol, adopted by the ~~Authority~~Renaissance Zone Authority. Staff provides background information regarding the request as well as a ~~staff~~ recommendation, and the Chair of the ~~Authority~~Renaissance Zone Authority opens the public hearing. The applicant or ~~his/her~~applicant's representative may make an oral presentation to the Authority. Other interested parties may also make oral presentations either supporting or opposing the application. In order

to expedite the hearing process, it is suggested that any written materials and/or comments be submitted to the Community Development Department – Planning Division prior to the hearing. Following the hearing, the ~~Authority Renaissance Zone Authority~~ will either continue deliberations to a future meeting or make a recommendation on the proposed project to the ~~City Commission Bismarck Board of City Commissioners~~.

The ~~Authority Renaissance Zone Authority~~ may, at their discretion, add conditions to any recommended approval. Unless stated otherwise, any conditions of an approval must be met prior to completion of a project. The Authority may also adjust the percentage of a property tax exemption for any Renaissance Zone project if and only if the project meets all minimum state requirements for project approval.

c. Final Action by the Board of City Commissioners

A recommendation from the ~~Authority Renaissance Zone Authority~~ will be placed on the next available agenda of the ~~City Commission Bismarck Board of City Commissioners~~. ~~City Staff~~ will present the ~~Authority Renaissance Zone Authority~~ recommendation to the ~~City Commission Board of City Commissioners~~, who will have final City approval authority for all Renaissance Zone projects. Upon approval of a Renaissance Zone project by the ~~City Commission~~, the project must also be approved or tentatively approved by the ~~North DCSDakota Department of Commerce – Division of Community Services~~.

d. Project Implementation and Completion

~~Community Development Department – Planning Division staff~~ ~~Staff~~ will continue to work with the applicant to ensure the project is completed as proposed and that all required documentation is submitted. Any material change to an approved Renaissance Zone project, including changes to building materials, building elevations or site design, must be approved by the ~~Authority Renaissance Zone Authority~~ prior to implementation. ~~City sStaff~~ may grant minor alterations to a project scope upon request, as long as all program guidelines will still clearly be met and the alteration would not substantively change the outward appearance of the project.

Unless stated otherwise as a condition of project approval, all Renaissance Zone projects must be completed within 18 months of the date indicated within the the project's Tentative Approval ~~is tentatively approved by the North Dakota DCSDepartment of Commerce – Division of Community Services~~. The recipient of the Renaissance Zone project may request an extension of this deadline, and the ~~Authority Renaissance Zone Authority~~ is authorized to grant any extension to a date certain for good reason. It is the recipients' responsibility to request an extension.

After ~~issuance of the final letter of completion~~ Project eCompletion, sStaff will administer an exit survey to the ~~project~~ applicant, with the purpose of evaluating the Renaissance Zone process and the degree to which the final investment decisions were influenced by the Renaissance Zone program. The results will be recorded and made available to the ~~Authority~~ Renaissance Zone Authority or the general public.

## 2. Minimum Criteria for Project Selection

In order to qualify for consideration as a Renaissance Zone project, a project proposal must meet the following criteria. It should be noted that the project selection criteria for the ~~City~~ City of Bismarck are above and beyond what is required by the State. Projects will not be accepted merely on the grounds that state Renaissance Zone eligibility standards are met. The intent of the criteria is to encourage and reward significant levels of investment in properties and incentivize projects that create positive benefits for the entire ~~Renaissance Zone area and broader~~ community.

### a. Minimum Criteria for All Projects

- i. The project and resulting use are consistent with the goals and objectives of this ~~Plan~~ Development Plan.
- ii. The project is within the current boundary of the Bismarck Renaissance Zone.
- iii. The property or lease space has not received Renaissance Zone funding in the past. However, a lease of space within a building rehabilitated or constructed through a previous Renaissance Zone project and the rehabilitation of a property within which a previous lease Renaissance Zone project has been completed may be eligible.
- iv. All construction and renovation activities associated with a Renaissance Zone project must comply with all building code and zoning code requirements, including Downtown Design Review if the property is within the DC - Downtown Core or DF – Downtown Fringe zoning districts.
- v. The ~~Authority~~ Renaissance Zone Authority may also apply Downtown Design Review, based on the Downtown Design Guidelines, in their review of Renaissance Zone projects that are outside of the DC - Downtown Core or DF – Downtown Fringe zoning districts.
- vi. The applicant for a Renaissance Zone project has satisfied all state and local tax obligations and tax liens of record for taxes owed to North Dakota or a political subdivision thereof, as required by NDCC § 54-35-26, at the time of application.

- vii. All required state forms, such as the Certificate of Good Standing and the Business Incentive Agreement, are completed and submitted before final approval.

b. Rehabilitation Projects

Rehabilitation projects are any rehabilitation of an existing building, whether commercial or residential. Projects that involve the demolition and reconstruction of a portion of a building may also be considered rehabilitation projects, as long as the overall footprint of the building is not increased. All rehabilitation projects must meet the following standards:

- i. Tentative approval by the ~~DCS State Department of Commerce—Community Development Division~~ is secured before start of construction. No work completed prior to ~~the~~ tentative approval of the project may be ~~counted~~ included in the total investment required to qualify toward the required levels of investment.
- ii. Exterior rehabilitation is sufficient to eliminate any and all deteriorated conditions visible on the exterior of the building.
- iii. Projects include a level of Capital Improvement investment totaling not less than **fifty percent (50%)** of ~~the~~ its eCurrent Taxable Value true and full valuation of the building for ~~for a parcel which is primarily commercial in nature properties~~ and a level of ~~re~~ Capital Improvement investment not less than **twenty percent (20%)** of ~~its the same value~~ Current Taxable Value for a Single-Family Residence.

**Single-Family Residence Rehabilitation**

<b>Capital Improvement Investment (percent of assessed value Current Taxable Value)</b>	<b>Property Tax Exemption</b>
---	-------------------------------

Less than 20%	0%
20% to less than 25%	20%
25% to less than 30%	40%
30% to less than 35%	60%
35% to less than 40%	80%
40% or greater	100%

- iv. Additionally, commercial projects include a minimum Capital Improvement investment of **\$40 per square foot** for commercial projects or **\$30 per square foot** for multi-family residential Residential projects in capital improvements based on the square footage of the entire building, including partial floors such as mezzanines but excluding basements unoccupied or used only for storage and any unoccupied penthouse space. The minimum Capital Improvement investment for mixed-use projects is determined by a weighted average of the proportion of residential and commercial area to the total building area. For example, a project that is 80% commercial and 20% residential would require \$38 per square foot in investment. The same investment may be counted toward both the percentage and the square footage standards, and whichever standard is higher shall apply. The Authority Renaissance Zone Authority may waive this provision for good reason.
- v. Additionally, Single-Family Residence projects include a minimum investment of **\$25 per square foot** in capital improvements investment based on the square footage of the entire building, excluding unfinished basements. The same investment may be counted toward both the percentage and the square footage standards, and whichever standard is higher shall apply. The Authority Renaissance Zone Authority may waive this provision for good reason.
- ~~vi. Capital improvements are defined as all capital expenses of the project, including the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The Renaissance Zone Authority may also consider other improvements that are a permanent and integral to the building, as well as site improvements needed to correct drainage problems that have resulted in damage to the building. Improvements to infrastructure or utility services outside of a building and improvements that are unique to a specific use and/or unlikely to be of use to future occupants of a building shall not be considered capital improvements.~~
- vii.vi. Projects involving the rehabilitation of a single-family-Family home Residence or condominium must be the primary residence of the owner. Homeowners who occupy a portion of a duplex or townhome may be considered single-family for the purposes of this program. Verification of a person's primary residence is accomplished with a self-certification statement on the application form.
- viii.vii. Projects that include a historic preservation and restoration activity must also be reviewed and approved by the State Historical Society, according to additional statewide criteria, in order to be eligible for additional tax credits.

## c. New Construction Projects

New Construction projects are the construction of any new commercial and/or residential building or any addition to an existing commercial and/or residential building. New Construction projects must meet the following standards:

- i. Tentative approval by the ~~DCS State Department of Commerce—Community Development Division~~ is secured before start of construction. No work completed prior to tentative approval of the project may be counted toward the required levels of investment.
- ii. ~~New construction~~ Construction projects include a minimum investment of **\$150 per square foot** for commercial projects or **\$100 per square foot** for residential projects in ~~Capital Improvement investment~~ based on the square footage of all floor area of the entire building. The minimum investment for mixed-use projects is determined by a weighted average of the proportion of residential and commercial area to the total building area. For example, a project that is 80% commercial and 20% residential would require \$140 per square foot in investment. The ~~Authority~~ Renaissance Zone Authority may waive this provision for good reason.
- iii. In order to be eligible for a state income tax exemption for the property owner of any newly-constructed ~~sSingle-fFamily #Residential~~ property, including condominiums, the owner must be the primary occupant of the residential unit. Verification of a person's primary residence would be accomplished with a self-certification statement on the application form.
- iv. New construction of accessory buildings is generally not eligible, with the exception of new accessory dwelling units to ~~sSingle-fFamily Residential parcelshomes~~.

## d. Purchase with Improvement Projects

Purchase with Improvement projects are the transfer of property to a new owner with significant ~~Capital i~~ Improvement of that property. Purchase with Improvement projects must meet the following standards:

- i. Tentative ~~a~~ Approval by the DCS State Department of Commerce—Community Development Division is secured before the property is transferred to the new owner.
- ii. Projects are eligible for a benefit based on the level of investment as a percentage of the ~~Current Taxable Value~~ true and full valuation of the building according to the following table. The ~~Authority~~ Renaissance Zone Authority has the discretion to deviate from these guidelines on a case-by-case basis if specific building condition and/or other project specific factors warrant.

**Capital Improvement Investment (percent of assessed value)**                      **Property Tax Exemption**

Less than 10%	0%
10% to less than 20%	40%
20% to less than 35%	60%
35% to less than 50%	80%
50% or greater	100%

By state guidelines, the total amount of Capital Improvement investment must exceed 50% of the Current Taxable Value assessed value to qualify for an income tax exemption.

~~iii. Capital improvements are defined as all capital expenses of the project, including the cost incurred for the repair, replacement or renovation of a building's exterior, roof, structure, electrical and/or plumbing systems, heating/ventilation/air conditioning systems, windows, exterior doors, elevator improvements and accessibility. The Renaissance Zone Authority may also consider other improvements that are a permanent and integral to the building, as well as site improvements needed to correct drainage problems that have resulted in damage to the building. Improvements to infrastructure or utility services outside of a building and improvements that are unique to a specific use and unlikely to transfer to future occupants of a building shall not be considered capital improvements.~~

e. Commercial Lease Projects

Commercial Lease projects are the lease and occupation of a commercial space within a building by a non-owner tenant that meets the following standards:

- i. The tenant is a new or expanding business moving into the Renaissance Zone, an existing business expanding within the Renaissance Zone, or the continuation of a lease by an existing Renaissance Zone tenant in a building rehabilitated as an approved Renaissance Zone project.
- ii. ~~Tentative a~~Approval by the ~~DCS State Department of Commerce—Community Development Division~~ is secured before the occupation of the lease space and start of business by the tenant.
- iii. If the leased space is within a building previously rehabilitated or constructed as an approved Renaissance Zone project, no minimum level of Capital Improvement investment is required for lease projects. Otherwise, the following additional standards must be met:

- a. The lease project includes a minimum investment of \$40 per square foot in ~~Capital i~~ improvements or permanent cosmetic improvements based on the square footage of the entire lease space.
- b. The building within which the lease project is proposed does not contain any known structural deficiencies or deteriorated conditions visible on the exterior of the building that may compromise the investment made in the lease space. The ~~Authority Renaissance Zone Authority~~ Authority may require an inspection or owner's affidavit if there is reason to believe such deficiencies may exist.

f. Utility Infrastructure Projects

Utility infrastructure projects are Rehabilitation, New Construction, or Purchase with Improvements projects that include rehabilitation of public infrastructure, including the burying of utility lines, as a component of the project.

- i. The utility rehabilitation must be proposed by a regulated public utility that includes, but is not limited to, electrical, gas and communications, for the purpose of rehabilitating infrastructure in the Renaissance Zone or burying existing utility lines. It does not apply to utility infrastructure that a property owner pays special assessments to the City for a specified period of time such as water, sewer or pavement improvements.
- ii. A minimum of 80% of the total project investment must be used toward ~~Capital i~~ improvements to the building ~~and a maximum of 20% of the project investment can be used toward undergrounding utilities~~. The ~~overall~~total project investment must meet the established minimum investment criteria for the type of project specified.
- iii. ~~The Community Development Department Staff~~ will monitor all public infrastructure projects through on-site building inspections conducted in conjunction with the rehabilitation projects. Additionally, all Renaissance Zone project costs and expenses must be verified prior to the submittal of final project documentation to the ~~DCS North Dakota Department of Commerce Division of Community Services~~.
- iv. Applicants for public infrastructure projects are eligible to receive ~~up to a 100% property tax exemption on the building and improvements for five years beginning with the date of completion, and an exemption from state tax on income derived from the business/investment location for five years beginning with the date of completion~~ the same benefits as other approved Renaissance Zone projects, as outlined in the following section.
- v. ~~City~~ City of Bismarck agrees to work with the State Board of Equalization to determine the property tax exemption for utility projects.

### **3. Project Benefits**

Qualified projects approved by the City Commission and DCS are entitled to receive the benefits as outlined herein, unless adjusted to a lower amount by the City Commission during the project review process.

#### a. Income Tax Exemption

All approved projects may receive an exemption from state income tax derived from the property for a period of five years, beginning on the month a project achieves Project Completion. Property owners claim the income tax exemption annually through use of proper forms submitted with their returns. Income tax exemptions are not administered or tracked by the City, and detailed conditions and procedures are set by the North Dakota Office of State Tax Commissioner.

#### b. Property Tax Exemption

All approved projects receive an exemption from a portion of property taxes assessed to the project's parcel(s) for a period of five years after Project Completion. The City wishes to exercise the option allowed by State law to grant partial Renaissance Zone tax exemptions.

The Bismarck Assessing Department registers the property tax exemption upon Project Completion, with no further action from the applicant necessary. Property tax assessments are applied annually. Projects that are deemed complete by February 1 will begin the five-year exemption period on that tax year. Projects deemed complete after February 1 will begin the five-year exemption period on the following tax year.

The value of the property tax exemption for each project is determined through the following steps.

- i. Baseline Value of the property is determined during initial project review by the Authority and City Commission. By default, the Baseline Value is the Current Taxable Value of the property at the time of project application, as set by City Assessing and approved by the State Board of Equalization. Notwithstanding, Baseline Value may be adjusted by the Authority and City Commission to account for any complete or partial demolition of the property's current improvements proposed in the scope of work or recently completed. The extent of adjustment made should be based on the following considerations:

- a. Demolition of Historic Buildings should be discouraged.

- b. Demolition of buildings presenting a hazard to public safety, clear blighting impact, or other evidence of poor condition should not be discouraged.
- c. The Authority may utilize previous years of Taxable Value to account for recent demolitions reflected in the Current Taxable Value.
- ii. Final Improvement Value of the property will be estimated during initial project review based on the proposed scope of work and project costs submitted by the applicant, and this estimate will be reported to the Authority and City Commission. The actual Final Improvement Value will not be known until the tax assessment following Project Completion.
- iii. Increment Value is the difference between Baseline Value and Final Improvement Value of a project.
- iv. The total value of the property tax exemption granted through the Renaissance Zone will be the taxes derived from the entire Increment Value. Baseline Value will remain fully taxable throughout the five-year exemption period for all Political Subdivisions.

### **3.4. Administrative Roles and Responsibilities**

Certain roles and responsibilities for administration of the Renaissance Zone program are assigned to various parties. Administration and management of the Bismarck Renaissance Zone program will be conducted by an appointed ~~Authority~~Renaissance Zone Authority and ~~s~~Staff primarily from the ~~City~~City of Bismarck Community Development Department—Planning Division, under the authority of the ~~City Commission~~Bismarck Board of City Commissioners.

#### a. Renaissance Zone Authority

The ~~Authority~~Renaissance Zone Authority is an advisory body to the ~~City Commission~~Board of City Commissioners, given the role of establishing and revising program guidelines and reviewing all applications and/or proposals for Renaissance Zone approval. The Authority is comprised of ~~seven~~nine voting members and two non-voting ~~technical~~design advisors, described as follows:

- One voting member of the City Commission, appointed by the City Commission.~~Board of City Commissioners~~
- Six~~Five~~ voting at-large members appointed by the ~~Bismarck~~City Mayor and approved by the ~~City Commission~~Board of City Commissioners
- One voting member of the Burleigh County Commission, appointed by the Burleigh County Commission

- One voting member of Bismarck Public Schools Board, appointed by the Bismarck Public Schools Board
- One voting member of the Bismarck Park Board, appointed by the Bismarck Park Board.
- Two non-voting ~~technical design~~ advisors appointed by the voting members of the ~~Authority~~Renaissance Zone Authority.

The appointments of at-large members are staggered with a term of three years. The appointments of members of boards and commissions run concurrent with that appointed member's Commissioner's term with that Political Subdivision, unless that board or commission selects an alternative appointee. ~~The Renaissance Zone Authority is governed according to adopted bylaws which are attached as Appendix F.~~

In the case that the County, School Board, or Park Board choose not to appoint a member to the Authority, the City Commission shall have the option to appoint an additional at-large member for a three-year term. That board may again choose to appoint a member upon expiration of the term of the at-large member appointed by the City Commission in this manner.

The ~~Authority~~Renaissance Zone Authority will hold regular monthly meetings to hear and discuss applications and proposed projects. In addition to project selection, the ~~Authority~~Renaissance Zone Authority is tasked with reviewing and revising, as necessary, program requirements and guidelines, participating in the promotion and marketing of the program, and directing ~~City's~~Staff to prepare revisions to this ~~Plan~~Development Plan.

The Authority is governed according to adopted bylaws which are attached as Appendix F.

b. City of Bismarck Staff

~~Staff from the Community Development Department — Planning Division~~ will provide the primary administrative support to the ~~Authority~~Renaissance Zone Authority.

~~Planning staff~~Staff is responsible for dissemination of information about the program, the intake and initial screening of applications for Renaissance Zone projects, preparation of amendments to this ~~Plan~~Development Plan and any City ordinances relevant to the program, maintenance and presentation of data on the program, evaluation of program effectiveness through an exit survey and other methods, preparation of annual reports to ~~DCS~~the State Department of Commerce, and presentation of ~~Authority~~Renaissance Zone Authority recommendations to the City Commission~~Board of City Commissioners.~~ Planning

~~Staff~~ will also function as the primary liaison between DCS and the AuthorityRenaissance Zone Authority.

~~Staff from e~~Other City departments have a supportive role in program administration. The Finance Department - Assessing Division implements all approved local property tax exemptions, and the City Attorney's Office advises the AuthorityRenaissance Zone Authority on legal matters.

Staff will also periodically verify that completed Single-Family Residence projects remain owner-occupied for the duration of ~~the five-year tax~~each project's exemption period, with use of available public data. Properties that are verified as no longer owner-occupied will be removed from the Renaissance Zone program. Staff will ~~also~~ work with the Burleigh County Auditor in such situations where a completed project becomes delinquent on taxes after approval.

Staff will verify pre-existing tax clearance at the time of application, in compliance with NDCC § 54-35-26, through several means. Income tax clearance will be verified through a Certificate of Good Standing form obtained from the State Tax Commissioners Office. Property tax clearance will be verified through self-disclosure by the applicant. Additionally, staff will verify that all properties owned by the applicant in Burleigh County are not tax delinquent, and staff will take appropriate action should staff be made aware of tax delinquencies from other political subdivisions.

c. City of Bismarck Board of City Commissioners

~~The Board of City Commissioners~~City Commission retains ultimate authority over local administration of the Bismarck Renaissance Zone program. All projects recommended for approval by the AuthorityRenaissance Zone Authority are presented to the ~~Board of City Commissioners~~City Commission for final action. ~~The Board of City Commissioners also reviews and takes final action on any revisions to this Development Plan.~~

#### **4.5. \_\_\_\_\_ Promotion and Marketing of the Renaissance Zone Program**

Promotion and marketing of the Renaissance Zone program is an important part of implementing the PlanDevelopment Plan and sustaining the program. Promotion efforts will be coordinated between ~~the Community Development Department—Planning Division~~Staff, members of the AuthorityRenaissance Zone Authority, The Downtown Business Association, property owners, developers, commercial realtors and other business organizations.

~~At least once each year, all political subdivisions that have issued letters of support for the Renaissance Zone program will be briefed on the current status of the program and~~

~~given the opportunity to ask any questions, either during a regular board meeting or a joint meeting with representation from each board.~~

The Renaissance Zone program is promoted through the following additional methods:

- An active page on the ~~City~~City of Bismarck website that includes updated and relevant information regarding the program.
- The availability of an information guide that provides a more concise description of the requirements and review process outlined in the ~~Plan~~Development Plan.
- Presentations to civic and professional groups with an interest in the Renaissance Zone program.
- Preparation of data and analysis of the costs and benefits of the Renaissance Zone program upon request.
- Periodic mailings to properties within the Renaissance Zone area or areas considered for possible expansion of the Renaissance Zone.

It is important to note that the ~~City~~City of Bismarck is a partner in promoting the Renaissance Zone Program, but not to the extent that the City's efforts will supplant the responsibility of property owners and developers to create and promote projects.

## **5.6. Potential Future Renaissance Zone Program Revisions**

The state enabling legislation for Renaissance Zone programs includes certain features that the ~~City~~City of Bismarck has opted not to exercise ~~at this time~~within this Plan. The ~~Authority~~Renaissance Zone Authority may take advantage of these options through future revisions to this ~~Plan~~Development Plan.

### a. Modifications of Renaissance Zone Boundaries

The ~~City~~City of Bismarck does not currently utilize all blocks available by state law. According to the 2020 U.S. Census, the population of the ~~City~~City of Bismarck is 73,622. A city of this population is allotted 47 blocks (34 blocks plus 1 block per additional 5,000 population). The ~~City~~City of Bismarck Renaissance Zone boundary currently utilizes 41.5 blocks, with a remaining 5.5 blocks available.

If sufficient interest from property owners and businesses becomes evident, the ~~Authority~~Renaissance Zone Authority may consider a future expansion of the boundary. State law allows up to three blocks of a Renaissance Zone to be non-contiguous with the rest of the Renaissance Zone. At this time, the ~~Authority~~Renaissance Zone Authority has chosen not to utilize this option, although may choose to in the future.

The ~~Authority~~Renaissance Zone Authority wishes to plan future boundary modifications, whether the addition of new blocks into the Zone or the completion of

certain blocks within the Zone, well in advance of implementing changes, allowing property owners the ability to consider potential improvements to their property within a known timeframe.

The ~~Authority Renaissance Zone Authority~~ will review a boundary modification plan at least annually. Blocks within the future expansion or completion areas will be considered for action, and future areas will be adjusted accordingly. All changes to the boundaries will be approved by the City Commission in the form of a revision to the ~~Renaissance Zone Plan Development Plan~~.

Establishing boundaries well in advance of prospective development is essential to the effectiveness of the program. While the ~~Authority Renaissance Zone Authority~~ may receive requests from property owners to extend boundaries to support a proposed project, such a request may not be considered as a sole reason for boundary modification.

The following criteria will be used for any expansion:

1. The addition of the block(s) will further the goals and objectives of this ~~Plan Development Plan~~.
2. The addition of the block(s) will not exceed ~~to the~~ total allowable blocks for the Renaissance Zone, either in the core contiguous area or any allowed non-contiguous blocks.
3. The proposed block(s) include evident disinvestment and redevelopment potential, as indicated by building condition, building-to-land-value ratios, rate of change in assessed value, age of buildings, zoning, or other evidence.
4. Sufficient property subject to property tax liability exists or is anticipated to exist within the proposed block(s) to allow utilization of the program
5. Sufficient public infrastructure currently exists, or is underway or planned, to support any envisioned redevelopment.

The following criteria will be used for any completions:

1. All owners within the block(s) have been given a one-year written notice of the intent to complete the block and an opportunity to voice any concerns to the ~~Authority Renaissance Zone Authority~~ in a public hearing.
2. The block has been within the Renaissance Zone for at least three years.
3. A significant portion of the block(s) is either ineligible, due to a previous Renaissance Zone project or current public/non-profit ownership, or has limited property owner interest.

## **F. Development Plan Amendments**

This Plan may be amended at any time, according to the procedures of this section. The Authority will hold a duly-noticed public hearing to solicit input and review any proposed amendment to the Plan, including text amendments or modifications to the Renaissance Zone boundary. After the public hearing, the Authority provides a recommendation on the proposed amendment to the City Commission. Only amendments with a recommendation to approve will proceed.

The recommended amendment is submitted to the next available regularly-scheduled meeting of the City Commission for their consideration and potential adoption. If adopted by the City Commission, the amendment will be submitted to the Burleigh County Commission, Bismarck Public Schools Board, and Bismarck Park Board for potential support during their next available regularly-scheduled meeting. The requests shall be sent concurrently, with the order of board reviews determined only by the scheduling of each agenda. Alternatively, a special meeting of multiple boards may be convened, upon mutual agreement, for the purpose of adoption/support of the Plan.

An amendment shall become adopted only if adopted by the City Commission and supported by all political subdivisions. Upon final adoption, the amendment is forwarded to DCS for review according to state law. It shall take effect upon final approval by DCS. Projects will follow the effective Plan in place at the time of submittal of project application.

## **F.G. Evidence of Community Support**

There is broad-based support for the Renaissance Zone from residential and business interests. Appendix G includes letters of support submitted in 2022 from:

- ~~City of Bismarck Parks and Recreation District~~
- Bismarck Public Schools Board
- Bismarck Mandan Chamber-EDC
- Bismarck Downtown Business Association
- Other Institutions and Businesses

The ~~Authority Renaissance Zone Authority~~ and ~~s~~Staff will work to preserve and grow this community support by furthering the goals and objectives of this ~~Plan Development Plan~~.